



FINANCIAL STATEMENTS

of the

Federal Government

Financial Year 2020 – 21

Government of Pakistan

Controller General of Accounts

CGA Complex

Sector G-5/2, Islamabad

Tel: (051) 9201322-25

Accountant General Pakistan Revenues

AGPR Complex

Sector G-8/4, Islamabad

Tel: (051) 9260372-78

CONTENTS

Pre Face	1
Management Analysis	3
Auditor's Report	17
Statement of Cash Receipts and Payments	19
Statement of Cash Flows	21
Statement of comparison of Budgeted and Actual Amounts by Function	22
Statement of comparison of Budgeted and Actual Expenditures by Division	23
Statement of Appropriation of Grants by Object	24
Notes to the Financial Statements	28

PREFACE

I am pleased to present the Audited Financial Statements of the Federal Government for the year ended 30th June, 2021 together with the Auditors' Report thereon along with the management analysis report.

The Financial Statements of the Federal Government for the financial year 2020-21 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.

Jamshid Haidi

Controller General of Accounts

Islamabad, Pakistan

Date:

MANAGEMENT ANALYSIS

INTRODUCTION

The Financial Statements of the Federal Government provide a record of the Government's financial performance over the financial year 2020-21 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 2020 - 21 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.

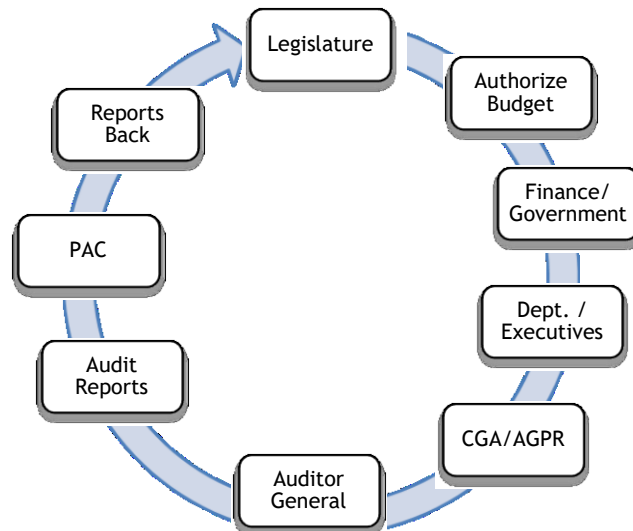
The financial statements have been prepared by the Accountant General Pakistan Revenues (AGPR) by consolidating the information relating to all Federal Government entities which it receives from AGPR sub offices and Self Accounting Entities.

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.

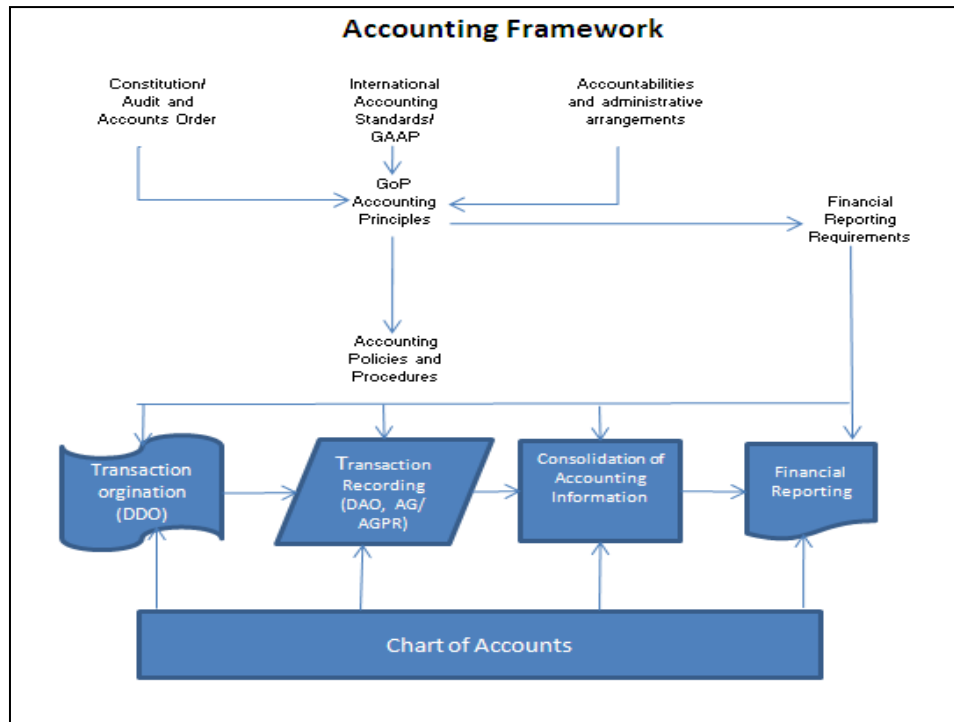
New Chart of Accounts was adopted from 1st July 2004. In December 2000, Auditor General of Pakistan prescribed NAM with the approval of the President of Pakistan under Article 170 of the Constitution of Islamic Republic of Pakistan. NAM is based on Modified Cash Basis of Accounting in which, though cash 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.

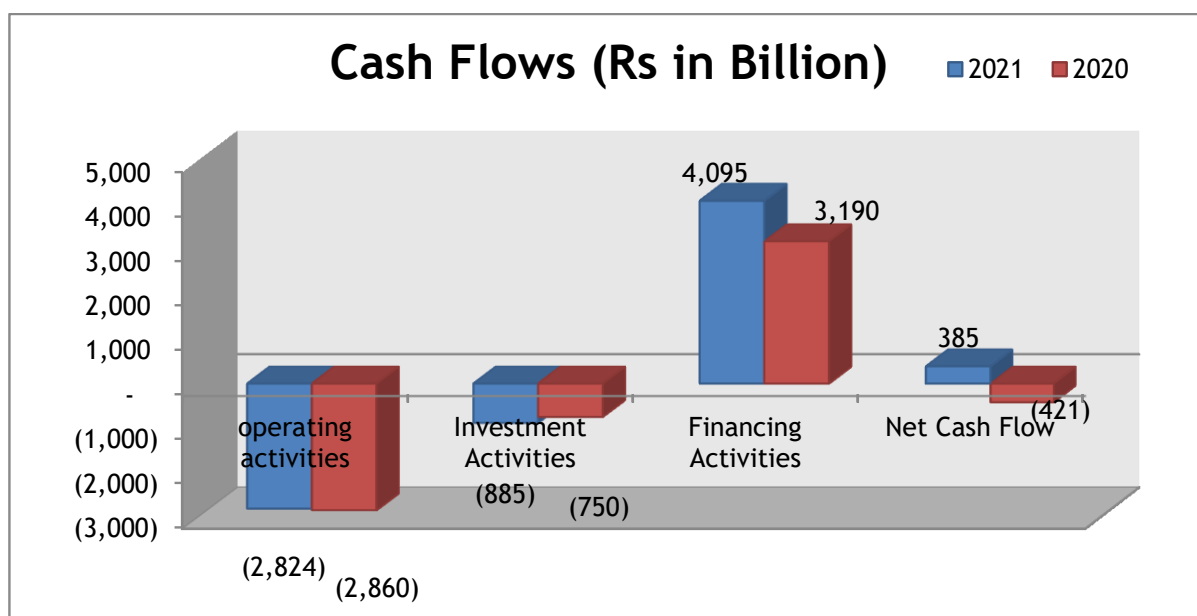
Assets and liabilities of the Federal Government are disclosed in the notes to the Financial Statements and are recorded on a historical cost basis and do not include accrued receipts and payments.

FINANCIAL REVIEW

CASH FLOWS

The net cash flows for the year have increased by Rs. 385,208 million increasing the balance of cash and cash equivalents at end of the year from Rs. 500,805 million last year to a balance of Rs.886,013 million. Cash used in operating activities decreased by 1.25%.

However, the outflows for investing activities increased by 17.98%, while the cash flows from financing activities increased by 28.38% as compared to previous year's activities.



RECEIPTS AND PAYMENTS

RECEIPTS

Taxation

During the year under review tax receipts were Rs. 4,709,209 million as compared to Rs. 3,899,137 million for the previous financial year, which represents an increase of 20.6%. Out of total tax collections for the financial year 2020-2021, the Federal Government has transferred Rs. 2,644,627 million to the provinces. These transfers are made from all heads of taxes in accordance with the

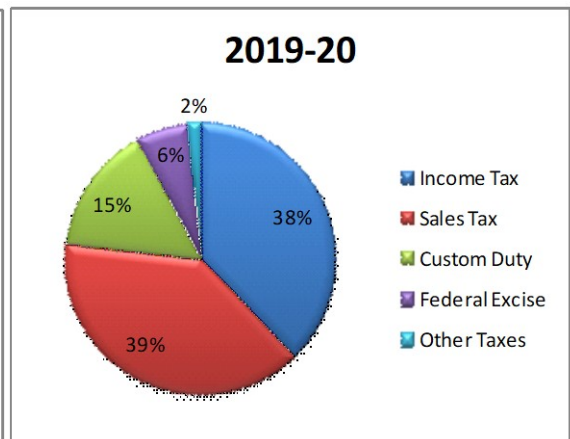
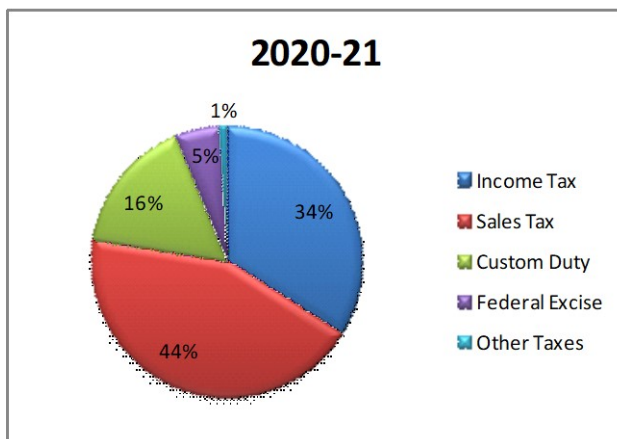
NFC award. The net tax reported after the transfers leaves the Federal Government with tax revenue of Rs 2,057,582 million against Rs. 1,479,850 million in comparison with the previous financial year.

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.

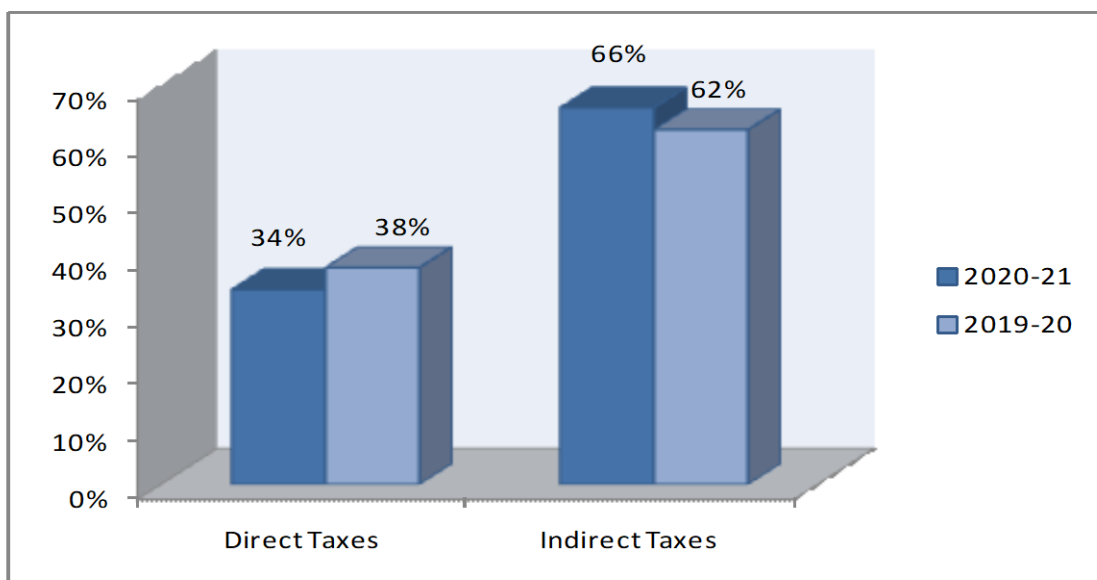
The basic philosophy of tax and tariff reform has been to move away from investment and production based taxes to income (direct taxes) and consumption (sales tax) based taxes. Pakistan has

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

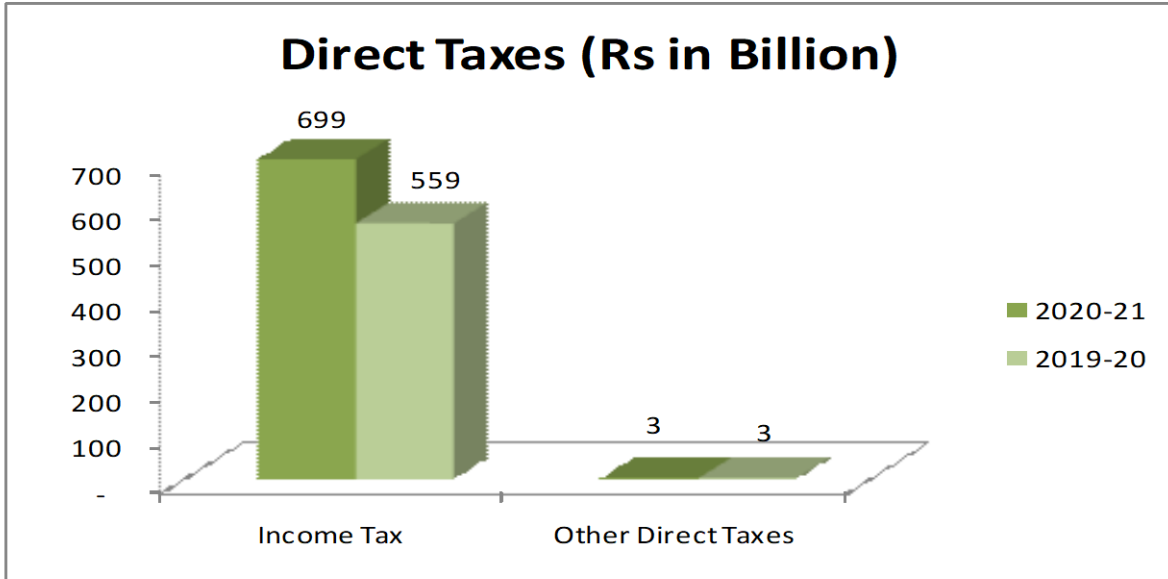
been; Direct taxes 34% and indirect taxes 66%, out of total taxes.



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.

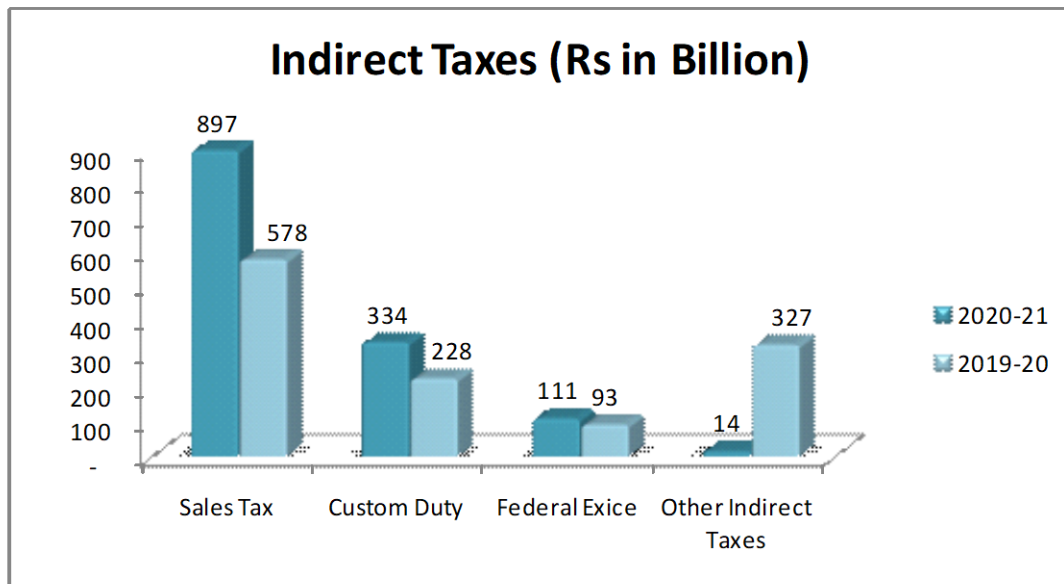
The net collection of direct taxes has increased by Rs 140 billion as compared to previous year. Composition of direct taxes for the financial years is depicted below.



Indirect Taxes

Indirect taxes are the largest contributor to federal tax revenues. Indirect taxes comprise of sales tax, customs duty and federal excise duty. The total revenue from Indirect taxes for the current year amounted to Rs. 1,356 billion. Sales tax has emerged as the leading revenue source

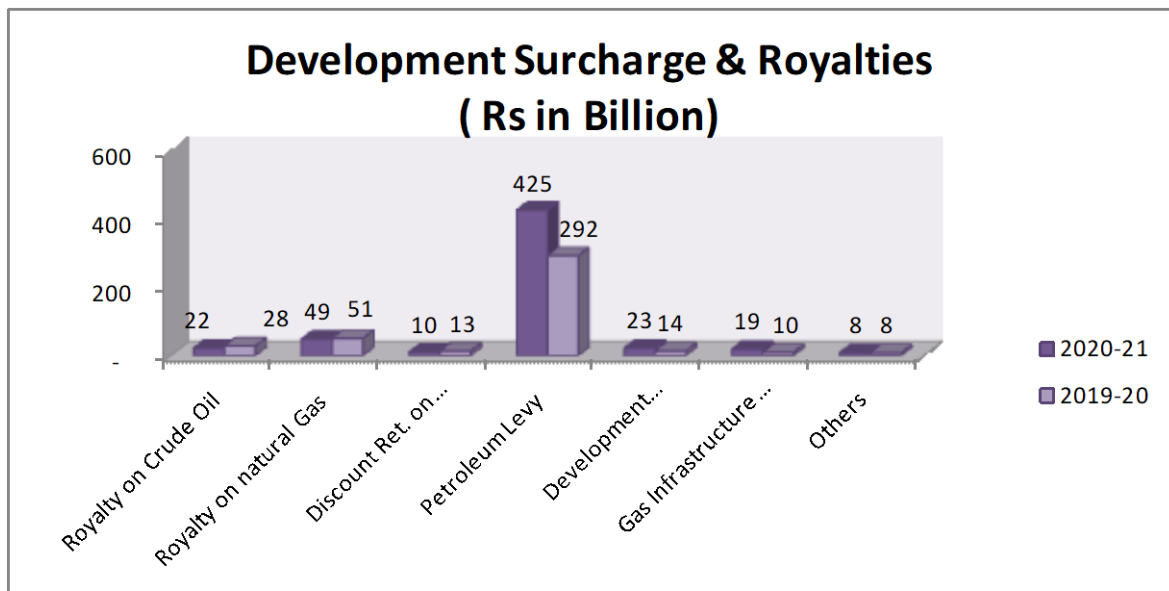
in recent years. Due to its buoyant nature, the share of sales tax has come to 66.14% of the total indirect tax collected, customs to 24.64% and Federal Excise 8.15% of the total indirect taxes.



Development Surcharge and Royalties

Items exhibiting major movements here are Petroleum Levy showing 45.47%

increase from previous year, Royalty on Crude Oil 21.09% decrease from last year.



Borrowings

1. Domestic Debt

During the year under review domestic debt receipts amounted to Rs. 3,918,276

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

Permanent domestic debt raised during the current financial year was Rs. 3,177,808 million as compared to Rs.

3,050,969 million in the last financial year. The major sources were Pakistan Investment Bonds (Rs. 2,676,907

million), Sukuk (Rs. 469,568 million), and Premium Prize Bonds (Rs. 29,571 million).

2. Foreign Debt

In the year under review, the burden of foreign debt on the Federal Government has increased by Rs 160,888 million. Receipts of foreign debt (including 3rd party) recorded were Rs. 2,239,714 million this year as compared to Rs. 2,078,826 million last year which represents an increase of 7.74%. A huge amount of Rs. 381,994 million was raised through Naya Pak Euro Bonds. Amongst foreign lenders, Chinese sources loan amounted to Rs. 407,579 million during the year. Other major donors were IDB ST Rs. 150,404 million, ADB Rs. 221,188 million, IDA Rs. 405,177 million and Dubai Bank Rs. 130,493 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 Consolidated Fund. An increase of 7.21% in total dividend receipts was recorded in comparison to the previous financial year; the current year's receipt amounted to Rs. 43,853 million. Out of total dividend

income, dividend from OGDCL was Rs. 24,891 million, Pakistan Petroleum Ltd. Rs. 4,592 million and from Government Holdings Private Ltd was Rs. 7,000 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 during the year was Rs. 650,551 million. Profit share from PTA amounted to Rs. 35,643 million this year.

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

Recovery of loans and advances

This item has witnessed an upward movement in aggregate. Compared to previous year, an increase of 59.86% in recoveries has been recorded. As far as recoveries from provinces are concerned, figure of last year stood at Rs. 84,689

million compared to Rs. 143,222 million this year.

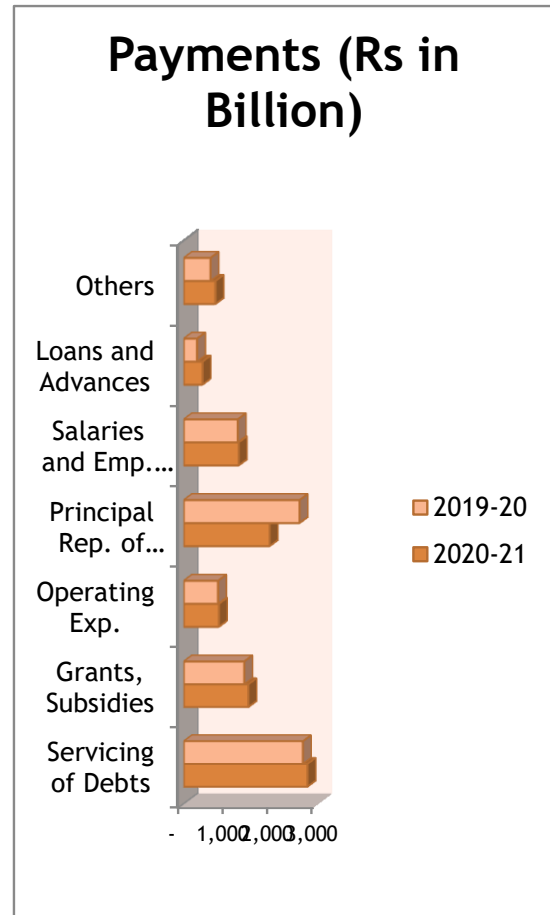
PAYMENTS

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 decreased by Rs. 205 billion (2.16%) from the previous year. Total payments made during the year amounted to Rs. 9,261 billions as compared to Rs. 9,466 billion last year.

The major payments include salaries and employees benefits amounting to Rs. 1,229 billions, operating expenditure amounting to Rs. 784 billions, servicing of debt Rs. 2,761 billions, grants, subsidies and write-off of loans Rs. 1,443 billions and principal repayment of debts amounting to Rs. 1,918 billions. The Principal Repayment of Debt consisted of repayment of domestic debt of Rs. 963 billions and Rs. 956 billion for repayment of foreign debt. Out of total debt servicing payments of Rs. 2,661 billions, the domestic debt servicing cost

was Rs. 2,535 billions and foreign debt servicing cost was Rs. 226 billions.

The composition of payments made has been detailed below;



THE BUDGET 2020-2021

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)

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

- 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.

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.

3,726,436 million was budgeted as revenue receipts against which actual receipts collected were Rs. 3,472,098 million. Capital receipts budgeted were Rs. 14,052,785 million and the actual receipts were of Rs. 20,128,034 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 2021

	Note	2021 (Rupees in million)			2020 (Rupees in million)		
		Budgeted Amounts		Actual Amounts	Budgeted Amounts		Actual Amounts
		Original	Revised		Original	Revised	
RECEIPTS							
Revenue							
Taxation		2,207,383	2,099,186	2,057,582	2,642,441	1,885,454	1,479,850
Non-taxation		1,515,126	1,627,250	1,414,516	848,154	1,256,376	1,689,893
Total revenue receipts		3,722,509	3,726,436	3,472,098	3,490,595	3,141,830	3,169,743
Capital							
Domestic debt		11,278,788	11,616,965	17,725,668	39,755,301	15,846,020	17,353,559
Foreign debt		2,199,917	2,251,700	2,239,714	3,003,829	2,233,498	2,078,826
Recoveries of loans and advances		147,167	184,120	162,652	183,520	131,713	101,745
Total capital receipts	29	13,625,872	14,052,785	20,128,034	42,942,650	18,211,231	19,534,130
TOTAL RECEIPTS		17,348,381	17,779,221	23,600,132	46,433,244	21,353,061	22,703,873
PAYMENTS							
Revenue							
General public services		4,702,593	4,734,272	4,538,904	5,870,099	5,712,260	4,287,493
Defence affairs and services		1,294,522	1,331,555	1,320,510	1,154,306	1,229,088	1,233,075
Public order and safety affairs		173,291	174,168	187,952	156,969	156,684	180,665
Economic affairs		210,739	252,531	291,665	246,105	257,652	364,510
Environment protection		5,431	5,432	6,380	8,049	8,043	7,906
Housing and community amenities		44,498	12,972	8,590	5,110	3,902	6,291
Health affairs and services		40,027	65,169	51,211	23,729	20,157	25,184
Recreation, culture and religion		10,843	13,196	11,677	11,254	25,709	25,936
Education affairs and services		117,598	122,039	124,578	110,682	111,919	115,690
Social protection		232,629	214,006	271,088	191,350	245,546	292,045
Total revenue payments		6,832,170	6,925,340	6,812,556	7,777,653	7,770,960	6,538,795
Capital							
General public services		12,065,858	12,078,754	16,356,728	39,803,335	15,787,755	17,168,603
Economic affairs		14,726	26,588	27,996	34,182	27,953	9,858
Total capital payments		12,080,584	12,105,342	16,384,725	39,837,517	15,815,708	17,178,461
TOTAL PAYMENTS	29	18,912,754	19,030,681	23,197,281	47,615,170	23,586,668	23,717,256

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,

- Increasing partnership between the private and public sectors in their
- 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

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.

as compliance with laws and regulations affecting financial reporting, disbursements and financial control.

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 30 June 2021, 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 from 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 presentation of financial statements. I believe that audit provides a reasonable basis for opinion.

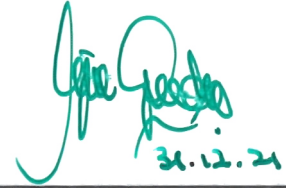
In my opinion:

- (a) These financial statements properly present, in all material respects, the financial position of the federal government as at 30 June, 2021 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 authorised 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 under Article 171 of the Constitution of the Islamic Republic of Pakistan.

Islamabad, Pakistan
Dated:



(Muhammad Ajmal Gondal)
Auditor General of Pakistan

FEDERAL GOVERNMENT
Statement of Cash Receipts and Payments
For the Year Ended 30 June 2021

	Note	2021 (Rupees in Million)		2020 (Rupees in Million)	
		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>					
Income tax		698,608	-	558,667	-
Sales tax		897,166	-	577,613	-
Custom duty		334,204	-	228,170	-
Federal excise		110,614	-	92,699	-
Other taxes		16,990	-	22,701	-
	7	2,057,582	-	1,479,850	-
<i>Non-Tax Revenue and Other Receipts</i>					
General administration receipts	8	7,735	-	7,258	-
Economic Services Receipts	9	3,718	-	1,739	-
Defence services receipts	10	15,041	-	14,672	-
Development surcharge and royalties	11	457,374	-	332,247	-
Citizenship, nationalization, passport and copyright		13,120	-	17,738	-
Interest on loans and advances	12	101,306	-	130,967	-
Dividend and profit share	13	730,967	-	1,103,415	-
Others		54,640	-	54,266	-
		1,383,901	-	1,662,302	-
<i>Grants and Aid</i>					
Development grants	14	13,724	1,371	10,396	1,216
<i>Borrowings</i>					
Foreign debt	15	2,111,879	127,835	1,955,704	123,122
Domestic permanent debt	16.1	3,177,808	-	3,052,969	-
Domestic floating debt-net	17	740,468	-	173,381	-
		6,030,155	127,835	5,182,054	123,122
<i>Capital Receipts</i>					
Recovery of loans and advances	18	162,652	-	101,745	-
Privatization Proceeds	19	-	-	-	-
Investment recovery		-	-	-	-
		162,652	-	101,745	-
<i>Trading Activities</i>					
	20	15,520	-	15,979	-
TOTAL RECEIPTS		9,663,534	129,206	8,452,326	124,338

FEDERAL GOVERNMENT
Statement of Cash Receipts and Payments
For the Year Ended 30 June 2021

	Note	2021 (Rupees in Million)		2020 (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	1,229,118	-	1,206,158	-
Operating expenses		784,049	492	767,325	2,311
		2,013,167	492	1,973,483	2,311
<i>Transfers</i>					
Grants, subsidies and write-off of loans		1,442,807	1,406	1,351,213	7
Other transfer payments		78,076	-	42,979	-
		1,520,883	1,406	1,394,192	7
<i>Expenditures on</i>					
Physical assets		381,175	-	351,369	1,216
Civil works		221,348	-	180,248	-
Others		7,873	-	5,871	-
		610,396	-	537,488	1,216
<i>Debt and Interest Payments</i>					
Principal repayments of debts	22	1,917,773	-	2,584,936	-
Servicing of debts	23	2,761,031	-	2,661,084	-
		4,678,804	-	5,246,020	-
<i>Other Payments</i>					
Loans and advances	24	417,980	127,308	298,688	120,804
Investments	25	19,453	-	15,838	-
		437,433	127,308	314,526	120,804
TOTAL PAYMENTS		9,260,683	129,206	9,465,709	124,338
NET PAYMENT OF FEDERAL CONSOLIDATED FUND		402,851	-	(1,013,383)	-
NET RECEIPT OF PUBLIC ACCOUNT	26	(17,643)	-	592,451	-
INCREASE / (DECREASE) IN CASH		385,208	-	(420,932)	-
CASH AT THE BEGINNING OF THE YEAR		500,805	N/A*	921,737	N/A*
INCREASE / (DECREASE) IN CASH		385,208	N/A*	(420,932)	N/A*
CASH AT THE END OF THE YEAR	27	886,013	N/A*	500,805	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 2021

	Note	2021 Rupees in million	2020 Rupees in million
CASH FLOWS FROM OPERATING ACTIVITIES			
Tax receipts	7	2,057,582	1,479,850
Non-tax revenue & other receipts		1,383,901	1,662,302
Development grants	14	13,724	10,396
Trading activities	20	15,520	15,979
Operations payments		(2,013,167)	(1,973,483)
Servicing of debt	23	(2,761,031)	(2,661,084)
Transfers		(1,520,883)	(1,394,192)
<i>Cash used in Operating Activities</i>		(2,824,354)	(2,860,232)
CASH FLOWS FROM INVESTING ACTIVITIES			
Recoveries of loans and advances	18	162,652	101,745
Privatization Proceeds	19	-	-
Expenditure on physical assets, civil works & others		(610,396)	(537,488)
Investments	25	(19,453)	(15,838)
Payments of loans and advances	24	(417,980)	(298,688)
<i>Cash used in Investing Activities</i>		(885,177)	(750,269)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipt of domestic permanent debt	16	3,177,808	3,052,969
Receipt of foreign debt	15	2,111,879	1,955,704
Domestic floating debt-net	17	740,468	173,381
Principal repayments of debt	22	(1,917,773)	(2,584,936)
Net receipt of public account	26	(17,643)	592,451
<i>Cash from Financing Activities</i>		4,094,739	3,189,569
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS		385,208	(420,932)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		500,805	921,737
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	27	886,013	500,805

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 2021

Note	2021 (Rupees in million)			2020 (Rupees in million)		
	Budgeted Amounts		Actual Amounts	Budgeted Amounts		Actual Amounts
	Original	Revised		Original	Revised	
RECEIPTS						
Revenue						
Taxation	2,207,383	2,099,186	2,057,582	2,642,441	1,885,454	1,479,850
Non-taxation	1,515,126	1,627,250	1,414,516	848,154	1,256,376	1,689,893
Total revenue receipts	3,722,509	3,726,436	3,472,098	3,490,595	3,141,830	3,169,743
Capital						
Domestic debt	11,278,788	11,616,965	17,725,668	39,755,301	15,846,020	17,353,559
Foreign debt	2,199,917	2,251,700	2,239,714	3,003,829	2,233,498	2,078,826
Recoveries of loans and advances	147,167	184,120	162,652	183,520	131,713	101,745
Total capital receipts	13,625,872	14,052,785	20,128,034	42,942,650	18,211,231	19,534,130
TOTAL RECEIPTS	17,348,381	17,779,221	23,600,132	46,433,244	21,353,061	22,703,873
PAYMENTS						
Revenue						
General public services	4,702,593	4,734,272	4,538,904	5,870,099	5,712,260	4,287,493
Defence affairs and services	1,294,522	1,331,555	1,320,510	1,154,306	1,229,088	1,233,075
Public order and safety affairs	173,291	174,168	187,952	156,969	156,684	180,665
Economic affairs	210,739	252,531	291,665	246,105	257,652	364,510
Environment protection	5,431	5,432	6,380	8,049	8,043	7,906
Housing and community amenities	44,498	12,972	8,590	5,110	3,902	6,291
Health affairs and services	40,027	65,169	51,211	23,729	20,157	25,184
Recreation, culture and religion	10,843	13,196	11,677	11,254	25,709	25,936
Education affairs and services	117,598	122,039	124,578	110,682	111,919	115,690
Social protection	232,629	214,006	271,088	191,350	245,546	292,045
Total revenue payments	6,832,170	6,925,340	6,812,556	7,777,653	7,770,960	6,538,795
Capital						
General public services	12,065,858	12,078,754	16,356,728	39,803,335	15,787,755	17,168,603
Economic affairs	14,726	26,588	27,996	34,182	27,953	9,858
Total capital payments	12,080,584	12,105,342	16,384,725	39,837,517	15,815,708	17,178,461
TOTAL PAYMENTS	18,912,754	19,030,681	23,197,281	47,615,170	23,586,668	23,717,256

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 2021

DIVISIONS	2021 (Rupees in million)			2020 (Rupees in million)		
	Budgeted Amounts		Actual Amounts	Budgeted Amounts		Actual Amounts
	Original	Revised		Original	Revised	
Aviation Division	1,438	11,278	8,957	1,379	605	454
Cabinet Division	349,671	294,378	401,140	106,007	104,072	125,858
Climate Change Division	5,463	5,464	6,411	8,081	8,075	7,930
Commerce Division	17,018	16,936	24,813	16,180	6,350	13,413
Communications Division	32,751	33,186	38,644	10,050	9,979	10,010
Defence Division	10,952	10,675	11,912	10,081	9,995	10,815
Defence Production Division	2,221	3,021	3,015	2,351	2,348	2,351
Defence Services	1,290,000	1,326,233	1,314,527	1,149,665	1,224,522	1,228,377
Economic Affairs Division	2,020,413	2,020,173	1,424,973	1,849,023	1,923,745	1,888,185
Establishment Division	5,515	5,515	8,681	7,320	7,144	10,487
Federal Education and Professional Training Division	18,701	22,495	23,721	18,506	13,752	18,685
Federal Ombudsman Secretariat for Protection against Harassment of Women at Workplace	73	73	53	-	-	-
Finance Division	14,409,879	14,250,583	18,910,657	43,404,326	19,006,937	19,107,513
Foreign Affairs Division	21,783	22,292	23,641	21,175	21,164	23,903
Higher Education Commission (HEC)	93,570	96,988	98,508	59,100	64,100	64,100
Housing and Works Division	13,736	27,471	33,793	12,178	7,178	13,351
Human Rights Division	1,428	1,423	1,476	656	1,205	1,241
Industries and Production Division	11,215	14,969	20,748	10,701	44,070	45,674
Information and Broadcasting Division	8,836	10,253	9,442	10,494	9,867	10,142
Information Technology and Telecommunication Division	12,483	13,273	13,199	11,775	9,578	9,756
Interior Division	172,480	173,629	185,102	149,489	148,963	176,082
Inter-Provincial Coordination Division	2,572	2,480	1,113	2,053	1,822	1,535
Kashmir Affairs and Gilgit Baltistan Division	26,035	26,035	21,970	18,448	17,742	15,673
Law and Justice Division	11,626	12,912	12,699	10,954	10,362	15,192
Narcotics Control Division	2,948	2,947	3,032	2,826	2,755	2,831
National Food Security and Research Division	24,880	38,266	34,125	31,879	19,438	26,403
National Health Services, Regulations and Coordination Division	39,695	64,897	51,051	21,945	19,892	24,833
National Heritage and Culture Division	1,617	1,700	1,776	-	-	-
National History and Literary Heritage Division	-	-	-	128	46	98
National Security Division	93	93	78	51	66	47
Overseas Pakistanis and Human Resource Development Division	1,559	1,559	1,490	1,541	1,542	1,395
Pakistan Railways	64,000	58,000	55,306	13,500	9,016	8,789
Parliamentary Affairs Division	412	412	452	410	410	406
Petroleum Division	12,952	13,692	12,977	25,627	23,873	64,850
Planning, Development and Special Initiatives Division	77,706	62,803	6,584	11,700	4,533	4,132
Postal Services Division	-	-	-	19,653	19,653	26,328
Poverty Alleviation and Social Safety Division	2,288	2,294	7,223	188,103	242,323	254,420
Power Division	2,915	206,727	294,422	226,766	226,766	270,061
Privatisation Division	163	163	210	161	161	186
Religious Affairs and Inter Faith Harmony Division	1,159	2,062	1,940	2,104	17,368	17,346
Revenue Division	29,838	70,548	31,629	28,751	182,377	28,874
Science and Technology Division	14,140	14,140	11,503	15,597	9,929	9,387
States and Frontier Regions Division	2,592	2,592	2,858	2,534	2,534	2,715
Textile Division	-	-	-	35,588	51,660	51,277
Water Resource Division	67,526	59,287	58,909	67,134	67,739	100,211
Maritime Affairs Division	3,841	3,832	2,421	4,511	5,237	1,366
The Senate	3,620	3,620	2,822	3,226	2,841	2,778
National Assembly	5,409	5,261	3,880	4,605	4,605	3,833
Audit	5,201	5,528	5,559	5,354	5,154	5,136
Election	3,149	3,149	3,129	6,849	8,539	4,403
Federal Tax Ombudsman	265	265	260	253	253	245
Islamabad High Court	700	883	688	579	579	584
Staff Household and Allowances of The President	992	992	888	992	992	870
Supreme Court	2,443	2,443	2,085	2,095	2,095	2,015
Wafaqi Mohtasib	794	794	790	719	719	710
TOTAL PAYMENTS	18,912,754	19,030,681	23,197,281	47,615,170	23,586,668	23,717,256

Note

29

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 2021

(Rs. in million)

Grants Name	A01	A02	A03	A04	A05	A06	A07	A08	A09	A10	A11	A12	A13	Grand Total
	Employee Related Expenses	Project Pre- Investment Analysis	Operating Expenses	Employees' Retirement Benefits	Grants Subsidies and Write Off Loans	Transfers	Interest Payment	Loans and Advances	Physical Assets	Principal Repayments of Loans	Investment	Civil Works	Repairs and Maintenance	
Current Expenditure														
1- Cabinet Division	127	-	28	-	-	-	-	-	-	-	-	-	0	155
2- Other Expenditure of Cabinet Division	542	-	245	29	26	-	(0)	-	25	-	-	-	79	947
3- Other Expenditure of Cabinet Division	307	-	95	11	8	-	-	-	17	-	-	-	53	492
4- Miscellaneous Expenditure of Cabinet Division	285	-	95	-	100	-	-	-	7	-	-	-	-	488
5- Emergence Relief and Rehabilitation	-	-	-	-	-	-	-	-	-	-	-	-	203	477
6- Intelligence Bureau	2	-	9,152	-	-	-	-	-	-	-	-	-	-	9,154
7- Atomic Energy	-	-	11,385	-	-	-	-	-	-	-	-	-	-	11,385
8- Pakistan Nuclear Regulatory Authority	1,048	-	134	-	-	-	-	-	-	-	-	-	-	1,181
9- Naya Pakistan Housing Development Authority	153	-	140	-	-	-	-	-	-	-	-	-	-	293
10- Prime Minister's office (Internal)	229	-	53	6	8	-	-	-	1	-	-	-	4	300
11- Prime Minister's office (Public)	271	-	38	9	11	-	-	-	0	-	-	-	4	333
12- National Disaster Management Authority	342	-	188	18	-	60,337	-	-	11	-	-	-	13	60,909
13- Board of Investment	190	-	67	4	3	-	-	-	10	-	-	-	3	277
14- Prime Minister's Inspection Commission	42	-	8	0	-	-	-	-	1	-	-	-	-	51
15- Aviation Division	68	-	288	3	10	-	-	-	1	-	-	-	1	112
16- Miscellaneous Expenditure of Aviation Division	-	-	7,998	-	7,998	-	-	-	-	-	-	-	-	7,998
17- Airports Security Force	7,296	-	888	99	117	3	-	-	205	-	-	-	-	8,286
18- Meteorology	1,198	-	160	25	0	-	-	-	16	-	-	2	-	1,411
19- Establishment Division	621	-	341	3	30	0	-	-	3	-	-	-	4	1,031
20- Other Expenditure of Establishment Division	668	-	421	19	34	6,721	-	-	7	-	-	-	22	7,652
21- Federal Public Service Commission	1,034	-	24	11	17	-	-	-	3	-	-	-	-	1,091
22- Federal School of Public Policy	1,038	-	473	11	-	-	-	-	-	-	-	-	-	1,522
23- Civil Service Academy	482	-	131	-	-	-	-	-	-	-	-	-	-	1,109
24- National Security Division	90	-	12	2	-	-	-	-	1	-	-	-	-	115
25- Poverty Alleviation and Social Safety Division	60	-	52	3	-	-	-	-	2	-	-	-	-	117
26- Benazir Income Support Programme	2,770	-	191,536	-	3	6,980	-	-	2	-	-	-	2	203,271
27- Pakistan Bai-ul-Ajal	2,280	-	-	-	3,825	-	-	-	-	-	-	-	-	6,105
28- Climate Change Division	137	-	58	2	5	-	-	-	4	-	-	-	5	211
29- Other Expenditure of Climate Change Division	97	0	80	0	-	-	-	-	15	-	-	-	-	198
30- Miscellaneous Expenditure of Climate Change Division	9	-	17	-	-	-	-	-	-	-	-	-	-	26
31- Commerce Division	387	-	177	14	27	-	-	-	3	-	-	0	8	617
32- Other Expenditure of Commerce Division	1,972	-	1,923	90	1,496	0	-	-	15	-	-	54	-	5,550
33- Miscellaneous Expenditure of Commerce Division	167	-	29	1	18,131	-	-	-	-	-	-	-	-	18,328
34- Communications Division	167	-	47	7	5	0	-	-	1	-	-	-	3	175
35- Other Expenditure of Communications Division	6,724	-	1,192	15	2,066	21	-	-	439	-	-	-	-	10,610
36- Pakistan Post Office Department	11,278	-	4,726	9,597	1,746	55	-	-	15	-	-	5	223	27,646
37- Defence Division	281	-	102	4	235	-	-	-	-	-	-	-	-	632
38- Other Expenditure of Defence Division	865	-	938	-	-	0	-	-	58	-	-	-	350	2,211
39- Survey of Pakistan	1,060	-	148	19	119	-	-	-	17	-	-	-	-	1,394
40- Federal Government Educational Institutions in Cantonments and Garrisons	6,912	-	314	6	108	13	-	-	-	-	-	-	-	7,361
41- Defence Services	474,565	-	320,200	-	-	-	-	-	351,229	-	-	-	-	1,146,014
42- Defence Production Division	1,110	-	121	5	2	-	-	-	1,209	-	-	-	-	1,846
43- Economic Affairs Division	357	-	12	9	-	-	-	-	14	-	-	-	-	383
44- Research Expenditure of Economic Affairs Division	101	-	32	1	12	1,838	-	-	-	-	-	-	-	1,983
45- Power Division	96	-	246	1	-	-	-	-	8	-	-	-	-	155
46- Other Expenditure of Power Division	266	-	76	9	293,351	-	-	-	-	-	-	-	-	293,694
47- Petroleum Division	172	-	18	3	6	-	-	-	2	-	-	-	-	183
48- Other Expenditure of Petroleum Division	172	-	18	3	6	-	-	-	2	-	-	-	-	183
49- Miscellaneous Expenditure of Petroleum Division	172	-	18	3	6	-	-	-	2	-	-	-	-	183
50- Geological Survey of Pakistan	451	-	100	13	10,000	-	-	-	-	-	-	-	-	10,600
51- Federal Education and Professional Training Division	220	-	63	10	1	0	-	-	3	-	-	-	26	310
52- Other Expenditure of Federal Education and Professional Training Division	10,800	9	2,762	330	366	75	-	-	39	-	-	-	126	14,507
53- Miscellaneous Expenditure of Federal Education and Professional Training Division	589	-	287	-	48	1	-	-	-	-	-	-	-	924
54- Higher Education Commission (Hec)	-	-	14,487	-	55,134	-	-	-	-	-	-	-	-	69,621
55- National Vocational and Technical Training Commission	244	-	119	-	-	-	-	-	-	-	-	-	-	362
56- National Heritage and Culture Division	206	-	32	6	260	-	-	-	7	-	-	-	3	383
57- Other Expenditure of National Heritage and Culture Division	389	-	568	3	26	-	-	-	6	-	-	-	5	342
58- Miscellaneous Expenditure of National Heritage and Culture Division	1,110	-	395	49	20	-	-	-	2	-	-	-	-	972
59- Finance Division	321	-	321	7	35,168	-	-	-	5	-	-	-	-	36,822
60- Other Expenditure of Finance Division	4,280	-	882	218	328	-	-	-	1,166	-	-	-	-	6,564
61- Controller General of Accounts	298	-	152	19	59	0	-	-	-	-	-	-	-	528
62- National Savings	1,845	-	1,608	102	-	-	-	-	96	-	-	-	-	3,651
63- National Savings	0	-	-	456,430	-	-	-	-	-	-	-	-	-	456,430
64- Stipendium Allowances and Pensions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
65- Grants-in-Aid and Miscellaneous Adjustments Between The Federal and Provincial Governments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
66- Subsidiaries and Miscellaneous Expenditure	-	-	282	-	461,222	-	-	-	-	-	-	-	-	461,504
67- Revenue Division	32	-	5	3	-	-	-	-	-	-	-	-	-	47
68- Other Expenditure of Revenue Division	241	-	110	11	58	-	-	-	2	-	-	-	-	427

FEDERAL GOVERNMENT
Statement of Appropriation of Grants by Object
For the Year Ended 30 June 2021

(Rs. in million)

Grants Name	A01 Employees Related Expenses	A02 Project Pre- Investment Analysis	A03 Operating Expenses	A04 Employees' Retirement Benefits	A05 Grants Subsidies and Write Off Loans	A06 Transfers	A07 Interest Payment	A08 Loans and Advances	A09 Physical Assets	A10 Principal Repayments of Loans	A11 Investment	A12 Civil Works	A13 Repairs and Maintenance	Grand Total
69 - Federal Board of Revenue	2,274	-	2,769	82	77	0	-	-	109	-	-	-	46	5,357
70 - Customs	5,632	-	2,362	274	2,78	0	-	-	204	-	-	-	328	9,078
71 - Inland Revenue	9,701	-	3,846	317	455	3	-	-	283	-	-	-	267	14,852
72 - Foreign Affairs Division	1,059	-	411	67	27	-	-	-	37	-	-	-	57	1,689
73 - Other Expenditure of Foreign Affairs Division	9,553	0	4,422	12	10	29	-	-	12	-	-	-	0	13,388
74 - Foreign Affairs and Works Division	145	-	8,456	6	19	1	-	-	165	-	-	-	30	18,623
75 - Other Expenditure of Housing and Works Division	3,789	-	276	107	191	-	-	-	36	-	-	-	3	4,366
76 - Human Rights Division	738	-	173	18	24	-	-	-	8	-	-	-	6	972
77 - Other Expenditure of Human Rights Division	17	-	23	4	-	-	-	-	-	-	-	-	-	44
78 - Miscellaneous Expenditure of Human Rights Division	211	-	130	9	17	-	-	-	1	-	-	-	2	370
79 - Industries and Production Division	720	-	309	0	-	-	-	-	-	-	-	-	-	1,030
80 - Other Expenditure of Industries and Production Division	6	-	59	2	18,617	-	-	-	44	-	-	-	-	18,676
81 - Financial Action Task Force (FATF) Secretariat	273	-	135	17	20	-	-	-	23	-	-	-	-	332
82 - Information and Broadcasting Division	715	-	347	22	48	-	-	-	22	-	-	-	-	812
83 - Other Expenditure of Information and Broadcasting Division	1,834	-	1,834	18	-	-	-	-	11	-	-	-	-	1,977
84 - Miscellaneous Expenditure of Information and Broadcasting Division	502	-	369	0	-	-	-	-	6	-	-	-	-	687
85 - Information Technology and Telecommunication Division	140	22	101	4	-	-	-	-	9	-	-	-	-	276
86 - Other Expenditure of Technology and Telecommunication Division	2,495	-	1,429	2	-	-	-	-	1,288	-	-	29	-	5,686
87 - Miscellaneous Expenditure of Information Technology and Telecommunication Division	593	-	239	-	-	-	-	-	-	-	-	-	-	833
88 - Interior Division	469	-	165	11	-	-	-	-	54	-	-	-	-	714
89 - Other Expenditure of Interior Division	4,849	-	2,163	77	249	25	-	-	71	-	-	-	-	7,504
90 - Miscellaneous Expenditure of Interior Division	1,452	-	1,499	1	2,000	-	-	-	151	-	-	-	-	4,952
91 - Islamabad	9,533	-	3,379	65	138	12	-	-	151	-	-	-	-	10,852
92 - Passport Organisation	61,156	-	28,801	26	701	23	-	-	10,127	-	-	199	-	101,093
93 - Frontier Region	11,204	-	386	5	-	4	-	-	103	-	-	-	-	11,833
94 - Frontier Region	1,969	-	1,060	6	4	0	-	-	822	-	-	-	-	3,903
95 - Pakistan Coast Guards	24,398	-	1,785	38	327	-	-	-	958	-	-	106	-	27,853
96 - Pakistan Rangers	171	-	71	5	-	-	-	-	14	-	-	-	-	273
97 - Inter-Provincial Coordination Division	99	-	31	9	24	-	-	-	1	-	-	-	-	166
98 - Other Expenditure of Inter-Provincial Coordination Division	262	-	281	-	-	-	-	-	-	-	-	-	-	543
99 - Miscellaneous Expenditure of Inter-Provincial Coordination Division	83	-	35	4	245	-	-	-	3	-	-	-	-	372
100 - Kashmir Affairs and Gilgit Baltistan Division	20	-	8	-	0	-	-	-	-	-	-	-	-	29
101 - Other Expenditure of Kashmir Affairs and Gilgit Baltistan Division	329	-	79	-	620	-	-	-	6	-	-	-	-	620
102 - Gilgit Baltistan	3,049	-	537	24	53	4	-	-	199	-	-	-	-	434
103 - Law and Justice Division	156	-	64	-	92	-	-	-	-	-	-	-	-	312
104 - Other Expenditure of Law and Justice Division	347	-	52	5	14	0	-	-	19	-	-	-	-	448
105 - Miscellaneous Expenditure of Law and Justice Division	97	1	30	2	-	-	-	-	3	-	-	-	-	137
106 - Council of Islamic Ideology	3,239	-	1,592	12	14	-	-	-	281	-	-	-	-	5,183
107 - National Accountability Bureau	463	-	40	3	-	-	-	-	4	-	-	-	-	525
108 - District Judiciary, Islamabad Capital Territory	175	-	228	-	-	-	-	-	37	-	-	-	-	345
109 - Maritime Affairs Division	159	-	70	9	7	-	-	-	-	-	-	-	-	253
110 - Other Expenditure of Maritime Affairs Division	293	-	246	-	-	-	-	-	-	-	-	-	-	539
111 - Miscellaneous Expenditure of Maritime Affairs Division	1,822	-	450	6	137	-	-	-	7	-	-	-	-	2,450
112 - Narcotics Control Division	2,171	-	1,309	28	137	224	-	-	31	-	-	-	-	3,886
113 - Other Expenditure of Narcotics Control Division	1,652	-	612	24	157	-	-	-	311	-	-	-	-	2,822
114 - National Assembly	156	-	170	8	-	5	-	-	2	-	-	-	-	351
115 - The Sindh	742	-	200	27	41	-	-	-	9	-	-	-	-	1,044
116 - National Food Security and Research Division	2,347	-	1,638	-	22,302	-	-	-	-	-	-	-	-	26,286
117 - Other Expenditure of National Food Security and Research Division	262	-	18,298	9	1	28	-	-	7	-	-	-	-	18,610
118 - National Health Services, Regulations and Coordination Division	5,791	-	8,614	151	173	911	-	-	382	-	-	-	284	16,305
119 - Other Expenditure of National Health Services, Regulations and Coordination Division	840	-	647	-	4,764	-	-	-	-	-	-	-	-	6,251
120 - Miscellaneous Expenditure of National Health Services, Regulations and Coordination Division	164	-	57	9	3	-	-	-	3	-	-	-	-	240
121 - Overseas Pakistanis and Human Resource Development Division	675	-	516	9	7	-	-	-	31	-	-	-	-	1,251
122 - Other Expenditure of Overseas Pakistanis and Human Resource Development Division	289	-	154	6	-	-	-	-	1	-	-	-	-	452
123 - Parliamentary Affairs Division	608	-	132	28	722	-	-	-	4	-	-	-	-	1,502
124 - Planning, Development and Special Initiatives Division	1,722	-	420	78	149	-	-	-	6	-	-	2	-	2,400
125 - Other Expenditure of Planning, Development and Special Initiatives Division	222	-	27	-	-	-	-	-	0	-	-	-	-	363
126 - Miscellaneous Expenditure of Planning, Development and Special Initiatives Division	-	-	-	-	-	-	-	-	-	-	-	-	-	-
127 - CPEC Authority	-	-	-	-	-	-	-	-	-	-	-	-	-	-

FEDERAL GOVERNMENT
Statement of Appropriation of Grants by Object
For the Year Ended 30 June 2021

(Rs. in million)

Grants Name	A01 Employee Related Expenses	A02 Project Pre- Investment Analysis	A03 Operating Expenses	A04 Employees' Retirement Benefits	A05 Grants Subsidies and Write Off Loans	A06 Transfers	A07 Interest Payment	A08 Loans and Advances	A09 Physical Assets	A10 Principal Repayments of Loans	A11 Investment	A12 Civil Works	A13 Repairs and Maintenance	Grand Total	
															140
Total Current Expenditure	745,615	140	673,652	470,757	1,199,435	77,483	(0)	155,609	370,896	(0)	9,198	168,881	6,158	185,609	3,881,825
Development Expenditure	30	16	1,623	-	24,835	-	-	-	45	-	-	600	2	27,151	1,481
148 - Development Expenditure of Cabinet Division	1	-	26	-	-	-	-	-	17	-	-	516	-	559	19
149 - Development Expenditure of Aviation Division	27	-	18	-	-	-	-	-	-	-	-	18	-	91	24
150 - Development Expenditure of Establishment Division	27	-	43	-	15	-	-	-	24	-	-	448	-	1,094	91
151 - Development Expenditure of Poverty Alleviation and Social Safety Division	58	-	42	-	4,949	-	-	-	911	-	-	-	-	5,807	1,694
152 - Development Expenditure of SUPARCO	148	-	87	-	-	-	-	-	-	-	-	300	-	347	500
153 - Development Expenditure of Climate Change Division	18	-	4	-	4	-	-	-	10	-	-	108	-	212	210
154 - Development Expenditure of Commerce Division	3	92	7	-	-	-	-	-	2	-	-	267	-	267	267
155 - Development Expenditure of Defence Division	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-
156 - Development Expenditure of Federal Government Educational Institutions in Cantonnments and Garrisons	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
157 - Development Expenditure of Federal Government Educational Institutions in Cantonnments and Garrisons	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
158 - Development Expenditure of Defence Production Division	-	-	-	-	2,760	-	-	-	1,579	-	-	-	-	47	1,579
159 - Development Expenditure of EAD Outside (PSDDP)	-	-	-	-	573	-	-	-	-	-	-	-	-	2,760	2,760
160 - Development Expenditure of Power Division	-	-	-	-	-	-	-	-	-	-	-	-	-	573	573
161 - Development Expenditure of Federal Education and Professional Training Division	1,695	-	1,376	-	-	194	-	-	110	-	-	1,913	-	5,341	5,341
162 - Development Expenditure of Higher Education Commission (HEC)	-	-	-	-	28,887	-	-	-	-	-	-	-	-	28,887	28,887
163 - Development Expenditure of National Vocational and Technical Training Commission (NAVTEC)	-	-	2,276	-	-	-	-	-	-	-	-	-	-	2,276	2,276
164 - Development Expenditure of National Heritage and Culture Division	2	-	56	-	-	-	-	-	1	-	-	20	-	79	79
165 - Development Expenditure of Finance Division	11	-	14	-	-	-	-	-	-	-	-	-	-	24	24
166 - Other Development Expenditure	-	-	-	-	98,043	-	-	-	-	-	1,922	-	-	98,053	98,053
167 - Development Expenditure Outside PSDP	-	-	1,385	-	20,784	-	-	-	-	-	-	-	-	24,091	24,091
168 - Development Expenditure of Revenue Division	20	-	160	-	-	-	-	-	681	-	-	1,012	-	1,874	1,874
169 - Development Expenditure of Human Rights Division	65	-	9	-	-	-	-	-	89	-	-	-	-	165	165
170 - Development Expenditure of Information Technology and Telecommunication Division	161	-	798	-	232	-	-	-	62	-	-	5,121	-	6,094	6,094
171 - Development Expenditure of Interior Division	254	-	677	-	23	1	-	-	1,523	-	-	8450	-	11,011	11,011
172 - Development Expenditure of Inter-Provincial Coordination Division	-	-	-	-	-	-	-	-	-	-	-	-	-	131	131
173 - Development Expenditure of Khuzdar, Balochistan and Gilgit Baltistan Division	75	45	14,142	-	-	1	-	-	1,164	-	-	4,964	-	20,950	20,950
174 - Development Expenditure of Law and Justice Division	26	-	2	-	-	-	-	-	-	-	-	1,667	-	1,710	1,710
175 - Development Expenditure of National Disaster Control Division	-	-	24	-	-	-	-	-	11	-	-	-	-	45	45
176 - Development Expenditure of National Food Security and Research Division	184	-	2,104	-	3,508	341	-	-	183	-	-	108	-	6,444	6,444
177 - Development Expenditure of National Health Services, Regulations and Coordination Division	143	10	6,075	1	712	12	-	-	1,611	-	-	1,205	-	9,885	9,885
178 - Development Expenditure of Planning, Development and Special Initiatives Division	165	22	451	-	604	-	-	-	91	-	-	985	-	2,320	2,320
179 - Development Expenditure of Science and Technology Division	71	130	151	-	58,446	41	-	-	1,012	-	-	130	-	1,562	1,562
180 - Development Expenditure of Water Resources Division	-	-	-	-	-	-	-	-	-	-	-	-	-	58,446	58,446
181 - Capital Outlay On Development of Atomic Energy	-	-	72,324	-	-	-	-	-	-	-	-	-	-	72,324	72,324
182 - Capital Outlay On Development of Pakistan Nuclear Regulatory Authority	-	-	1,612	-	-	-	-	-	-	-	-	-	-	324	324
183 - Capital Outlay On Petroleum Division	22	-	1,612	-	-	-	-	-	152	-	-	7	-	1,795	1,795
184 - Capital Outlay On Federal Institutions	-	-	-	-	-	-	-	-	-	-	-	528	-	528	528
185 - Development Loans and Advances by The Federal Government	-	-	-	-	-	-	-	-	-	-	-	-	-	132,125	132,125
186 - External Development Loans and Advances by The Federal Government	-	-	-	-	253,556	-	-	-	-	-	-	-	-	253,556	253,556
187 - Capital Outlay on Works of Foreign Affairs Division	-	-	1	-	-	-	-	-	5	-	-	-	-	10	10
188 - Capital Outlay on Civil Works	113	-	729	-	-	-	-	-	249	-	-	23,669	-	24,998	24,998
189 - Capital Outlay on Industrial Development	4	-	3	-	126	-	-	-	-	-	-	-	-	135	139
190 - Capital Outlay on Maritime Affairs Division	-	23	103	-	-	-	-	-	313	-	-	762	-	1,088	1,088
191 - Capital Outlay on Pakistan Railways	-	-	-	-	-	-	-	-	-	-	7,806	-	-	7,806	7,806
Total Development Expenditure	3,251	338	107,792	1	244,500	589	-	385,681	9,881	-	10,255	52,456	1,073	815,806	815,806

FEDERAL GOVERNMENT
Statement of Appropriation of Grants by Object
For the Year Ended 30 June 2021

(Rs. in million)

Grants Name	A01 Employee Related Expenses	A02 Project Pre- Investment Analysis	A03 Operating Expenses	A04 Employees' Retirement Benefits	A05 Grants Subsidies and Write Off Loans	A06 Transfers	A07 Interest Payment	A08 Loans and Advances	A09 Physical Assets	A10 Principal Repayments of Loans	A11 Investment	A12 Civil Works	A13 Repairs and Maintenance	Grand Total
Expenditure Charged upon Federal Consolidated Fund														
--- Election	3,616	-	1,480	161	201	1	-	-	59	-	-	-	41	5,550
--- Federal Ombudsman Secretariat for Protection against Harassment of Women at Workplaces	2,048	-	821	30	24	-	-	-	140	-	-	11	55	3,129
--- Foreign Loans Repayment	159	-	13	-	-	-	-	7	7	-	-	-	5	53
--- Federal Tax Ombudsman	-	-	85	3	-	-	-	-	7	817,563	-	-	6	260
--- Islamabad High Court	558	-	50	-	0	-	-	-	75	14,784,887	-	-	5	688
--- Repayment of Domestic Debt	-	-	-	-	-	-	-	-	-	122,715	-	-	-	122,715
--- Repayment of Short Term Foreign Credits	-	-	-	-	-	-	2,534,985	-	-	-	-	-	-	2,534,985
--- Servicing of Domestic Debt	(0)	-	(0)	0	-	-	22,604	-	-	-	-	-	-	22,604
--- Servicing of Foreign Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
--- Staff Household and Allowances of The President (Personal)	386	-	102	13	5	-	-	-	14	-	-	-	35	555
--- Staff Household and Allowances of The President (Public)	275	-	41	4	9	-	-	-	1	-	-	-	3	333
--- Supreme Court	1,745	-	216	63	1	2	-	-	63	-	-	-	9	2,085
--- Waqafat Mollasib	398	-	298	19	38	-	-	-	32	-	-	-	5	790
Total Expenditure Charged upon Federal Consolidated Fund	9,214	-	3,107	280	278	3	2,761,031	-	398	15,725,164	-	11	162	18,499,648
Grand Total - 2020 (Note 29)	758,080	478	784,541	471,038	1,444,213	78,076	2,761,031	545,290	381,175	15,725,164	19,453	221,347	7,394	23,197,281
Grand Total - 2019 (Note 29)	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	23,717,256

J. H. Khan

Accountant General Pakistan Revenues

FEDERAL GOVERNMENT

Notes to the Financial Statements

For the Year Ended 30 June 2021

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 2021

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 2020-21 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 2020-21 (from 1 July, 2020 to 30 June, 2021).

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 2021

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 2021

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 2021

7. TAXATION

	Note	2021 (Rupees in million)			2020 (Rupees in million)		
		Tax Collected	Transfers	Net Tax Collected	Tax Collected	Transfers	Net Tax Collected
Income Tax	7.1	1,670,972	(972,364)	698,608	1,482,170	(923,503)	558,667
Sales Tax	7.2	1,988,323	(1,091,157)	897,166	1,534,603	(956,990)	577,613
Customs	7.3	748,390	(414,186)	334,204	606,773	(378,603)	228,170
Federal Excise	7.4	277,046	(166,432)	110,614	250,474	(157,775)	92,699
Others	7.5	17,478	(488)	16,990	25,117	(2,416)	22,701
		4,702,209	(2,644,627)	2,057,582	3,899,137	(2,419,287)	1,479,850

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

Indirect Taxes

Receipts Under Motor Vehicles Act	
Stamp Duties	
Provincial Excise	
Others Indirect Taxes	

Note	2021 Rupees in million	2020 Rupees in million
------	------------------------------	------------------------------

	1,692	361
	(44)	(327)
	175	181
	705	2,515
	2,528	2,730
	7,605	5,256
	2,286	909
	244	168
	4,327	13,638
	14,462	19,971
	16,990	22,701

8. GENERAL ADMINISTRATION RECEIPTS

Fiscal Administration	2,486	1,516
Community Services	1,998	1,128
Law and Order	1,312	1,384
Economic Regulations	1,118	1,635
Social Services	544	1,130
Organs of State	236	456
Statistics	41	9
	7,735	7,258

FEDERAL GOVERNMENT
Notes to the Financial Statements
For the Year Ended 30 June 2021

	Note	2021 Rupees in million	2020 Rupees in million
9. ECONOMIC SERVICES RECEIPTS			
Receipts under Oilfields and Mineral Development Act		1,282	547
Food and Agriculture		699	210
Fisheries and Animal Husbandry		203	266
Forest and Irrigation		1	31
Others		1,533	685
		<u>3,718</u>	<u>1,739</u>
10. DEFENCE SERVICES RECEIPTS			
Military Engineering Services		4,161	3,864
Air Force		2,705	2,251
Purchase and Sale of Stores, Equipment and Animals		1,951	1,682
Pakistan Navy		1,088	1,306
Administrative Services		939	1,014
Receipts on certain measures of Inter-Services Nature		928	908
Military Farms		838	791
Ordinance and Clothing Factories		733	944
Procurement, Research & Product Development		521	724
Defence Services Others		1,177	1,188
		<u>15,041</u>	<u>14,672</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	2021 Rupees in million	2020 Rupees in million
11. DEVELOPMENT SURCHARGE AND ROYALTIES			
Royalty on Natural Gas	11.1	48,511	50,981
Royalty on Crude Oil	11.1	22,405	28,393
Discount Retained on Local Crude Price	11.2	10,332	13,457
Petroleum Levy	11.3	424,905	292,093
Development Surcharge on Gas	11.3	22,523	13,966
Gas Infrastructure Development Cess	11.3	19,439	9,646
Petroleum Levy On LPG		3,507	3,247
Windfall Levy on Crude Oil		3,028	5,175
Mineral Royalties		-	4
		554,650	416,962
Less: Provincial Share		(97,276)	(84,715)
		<u>457,374</u>	<u>332,247</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.

11.3. Comparatives for these figures have been reclassified from Tax to Non Tax.

	Note	2021 Rupees in million	2020 Rupees in million
12. INTEREST ON LOANS AND ADVANCES			
Pakistan Investment Bonds		39,670	47,747
Provinces		25,075	26,111
Cash Loans		15,420	22,036
Azad Jammu & Kashmir		9,118	11,739
Non-Financial Institutions		5,091	4,751
Karachi Port Trust		1,205	1,261
Government Servants		255	202
Financial Institutions		118	7
Local & Autonomous bodies		76	2
Others		5,278	17,111
		<u>101,306</u>	<u>130,967</u>

FEDERAL GOVERNMENT
Notes to the Financial Statements
For the Year Ended 30 June 2021

	Note	2021 Rupees in million	2020 Rupees in million
13. DIVIDEND AND PROFIT SHARE			
Dividends Receipts	13.1	43,853	40,904
Profit share	13.2	<u>687,114</u>	<u>1,062,511</u>
		<u>730,967</u>	<u>1,103,415</u>
13.1. Dividends Receipts			
Financial Institution			
State Life Insurance Corporation		2,507	714
National Insurance Corporation		500	500
Pakistan Re-Insurance Corporation		337	269
Pak Oman Investment Company		231	215
Pak Brunei Investment Company		150	150
Pak Iran Joint Investment Company		90	75
National Investment Trust		76	109
Others		-	23
		<u>3,891</u>	<u>1,341</u>
Non-Financial Institution			
Oil and Gas Development Corporation		24,891	22,650
Govt Holding Pvt Ltd		7,000	5,000
Pakistan Petroleum Ltd		4,592	3,061
Mari Petroleum Company Limited		1,668	45
Pakistan State Oil Co Ltd		528	440
Pakistan National Shipping Corporation		260	231
Trading Corporation of Pakistan		200	200
Pakistan Mineral Development Corporation (Pvt) Limited		120	100
Fauji Fertilizer Co Limited		109	97
National Fertilizer Corporation of Pakistan (Pvt) Limited		100	100
Pak Arab Refinery ltd		-	5,160
PTCL		-	1,586
Others		494	179
		<u>39,962</u>	<u>39,563</u>
		<u>43,853</u>	<u>40,904</u>
13.2. Profit share			
State Bank of Pakistan	13.2.1	650,551	935,519
Pakistan Telecommunication Authority		35,643	123,377
Others		920	3,615
		<u>687,114</u>	<u>1,062,511</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.			
14. DEVELOPMENT GRANTS			
Foreign Governments			
Saudi Arabia		45	1,213
Germany		-	166
		<u>45</u>	<u>1,379</u>
Foreign Organisations			
United States Agency for International Development (USAID)		8,119	3,320
MDTF		3,224	998
Department for International Development (DFID)		2,558	4,384
IDA		1,001	-
Asian Development Bank (ADB)		47	(177)
Others		101	1,708
		<u>15,050</u>	<u>10,233</u>
		<u>15,095</u>	<u>11,612</u>

FEDERAL GOVERNMENT
Notes to the Financial Statements
For the Year Ended 30 June 2021

	Note	2021 Rupees in million	2020 Rupees in million
15. FOREIGN DEBT - RECEIPTS			
International Development Association (IDA)		405,177	424,475
Naya Pak Euro Bond		381,994	-
Asian Development Bank (ADB)		221,188	448,628
China Development Bank		207,740	142,086
China		199,839	70,096
Islamic Development Bank ST (IDB)		150,414	121,597
Dubai Bank		130,493	88,294
Naya Pakistan Certificates		108,435	-
International Bank for Re-construction and Development (IBRD)		81,767	15,643
IMF		77,404	456,652
INPCC Ltd		63,624	-
Emirates NBD		57,805	-
Ajman Bank		49,816	36,526
Asian Infrastructure Investment Bank (AIIB)		43,025	84,765
SUISSEE (Banks)		28,644	32,194
SCB (london)		12,820	-
France		5,986	3,202
International Fund for Agricultural Development (IFAD)		5,693	6,653
Japan		2,786	497
Islamic Development Bank (IDB)		1,840	655
Korea		907	2,163
Germany		187	78
Saudi Arabia		85	120,549
CITI Bank		-	23,497
Others		2,045	576
		<u>2,239,714</u>	<u>2,078,826</u>
16. DOMESTIC DEBT - RECEIPTS			
<i>Government Securities</i>			
Permanent Debt	16.1	3,177,808	3,052,969
Floating Debt-net	17	740,468	173,381
		<u>3,918,276</u>	<u>3,226,350</u>
16.1 Permanent Debt			
Pakistan Investment Bonds		2,676,907	2,749,625
Sukuk		469,568	198,241
Premium Prize Bonds		29,571	14,274
Pakistan Banao Certificates		1,692	5,649
Bai Muajjal Ijara Sukuk		-	23,810
Others		70	-
		<u>3,177,808</u>	<u>3,052,969</u>
17. DOMESTIC FLOATING DEBT-NET			
Floating Debt Receipts			
Market Treasury Bills (Auction)		14,482,697	14,300,590
National Prize Bonds		65,163	61,370
Cash Credit Accomodation		-	-
		<u>14,547,860</u>	<u>14,300,590</u>
Floating Debt Payments			
Market Treasury Bills (Auction)		13,423,476	13,555,643
National Prize Bonds		381,806	230,805
Promissory Note		949	1,496
Treasury Bills for payment to IBRD		854	-
General Capital Increase		307	246
Market Treasury Bills purchased by SBP		-	569,824
		<u>13,807,392</u>	<u>14,127,209</u>
		<u>740,468</u>	<u>173,381</u>

FEDERAL GOVERNMENT
Notes to the Financial Statements
For the Year Ended 30 June 2021

	Note	2021 Rupees in million	2020 Rupees in million
18. RECOVERY OF LOANS AND ADVANCES			
Provinces		143,222	84,689
Government Servants		8,908	7,353
Non-Financial Institution		3,444	2,673
Financial Institution		541	564
Others		6,537	6,466
		<u>162,652</u>	<u>101,745</u>
19. PRIVATIZATION PROCEEDS			
Privatization Commission		-	-
		<u>-</u>	<u>-</u>
20. TRADING ACTIVITIES			
Pakistan Post Office - Receipts		15,518	15,977
Others		2	2
		<u>15,520</u>	<u>15,979</u>
21. SALARIES AND EMPLOYEES BENEFITS			
Pay and Allowances		758,080	736,786
Retirement Benefits		471,038	469,372
		<u>1,229,118</u>	<u>1,206,158</u>
22. PRINCIPAL REPAYMENTS OF DEBT			
Foreign Debt			
Commercial Banks		551,181	714,067
Islamic Development Bank (IDB)		136,699	149,188
Asian Development Bank (ADB)		135,491	127,265
International Development Association (IDA)		82,134	72,125
Naya Pakistan Certificates		14,822	-
International Bank for Re-construction and Development (IBRD)		14,237	13,356
China		14,079	56,080
Kuwait		1,807	1,303
OPEC		1,448	1,512
International Fund for Agricultural Development (IFAD)		1,401	1,243
Korea		1,373	3,622
Turkey		211	213
Others		99	2,815
Japan		89	29,175
Germany		28	5,347
Netherland		-	353
France		-	10,371
USAID		-	3,695
Saudi Arabia		-	5,040
Sweden		-	906
Russia		-	719
Switzerland		-	605
Canada		-	526
U.A.E		-	1,013
Austria		-	235
Euro Bond		-	155,437
Italian Credit		-	119
		<u>955,099</u>	<u>1,356,330</u>
Domestic Debt-Permanent			
Pakistan Investment Bonds		957,003	920,333
Premium Prize Bonds		4,959	2,639
Pakistan Banao Certificates		705	443
Special U.S. Dollar Bonds		7	150
Sukuk		-	71,007
FADRA		-	3,229
		<u>962,674</u>	<u>1,228,606</u>
		<u>1,917,773</u>	<u>2,584,936</u>

FEDERAL GOVERNMENT
Notes to the Financial Statements
For the Year Ended 30 June 2021

	Note	2021 Rupees in million	2020 Rupees in million
23. SERVICING OF DEBT			
Domestic Debt		2,534,985	2,354,796
Foreign Debt		<u>226,046</u>	<u>306,288</u>
		<u>2,761,031</u>	<u>2,661,084</u>
24. LOANS AND ADVANCES			
Revenue Expenditure		-	-
Capital Expenditure			
Provincial Governments		209,700	128,701
Non-Financial Institutions		131,701	106,910
National Highway Authority		128,628	94,791
Private Sector		41,670	44,751
Pakistan International Airlines		18,824	27,080
Government Employees	24.1	14,714	13,553
Others		51	3,706
		<u>545,288</u>	<u>419,492</u>
		<u>545,288</u>	<u>419,492</u>
24.1 Government Employees			
House Building Advance		11,358	10,869
Motor Car Advance		2,748	2,220
Motor Cycle Advance		603	459
Cycle Advance		5	5
		<u>14,714</u>	<u>13,553</u>

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.

	Note	2021 Rupees in million	2020 Rupees in million
25. INVESTMENTS - PAYMENTS			
Pakistan Railways		7,806	8,789
DISCOs		4,400	-
Postal Life Insurance Company		3,300	-
Islamic Development Bank		1,198	1,300
Pak Libya Holding Company Ltd.		300	500
Pakistan Television Corporation		151	193
Pakistan Mortgage Refinance Company Ltd.		-	4,642
Others		2,298	414
		<u>19,453</u>	<u>15,838</u>

26. NET RECEIPT OF PUBLIC ACCOUNT

		2021 Rupees in million	2020 Rupees in million
Receipts			
National Saving Schemes		960,043	1,790,860
Deposits		698,511	638,988
State Provident Fund		67,958	81,348
Other Public Accounts		<u>21,153,104</u>	<u>19,799,789</u>
		<u>22,879,616</u>	<u>22,310,985</u>
Payments			
National Saving Schemes		(988,855)	(1,241,216)
Deposits		(674,957)	(563,651)
State Provident Fund		(51,662)	(44,264)
Other Public Accounts		<u>(21,181,785)</u>	<u>(19,869,403)</u>
		<u>(22,897,259)</u>	<u>(21,718,534)</u>
		<u>(17,643)</u>	<u>592,451</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.

FEDERAL GOVERNMENT
Notes to the Financial Statements
For the Year Ended 30 June 2021

	Note	2021 Rupees in million	2020 Rupees in million
27. CASH AT BANK AND TREASURIES			
Cash with State Bank of Pakistan (SBP)		886,172	500,945
Cash Balance with Treasuries		(159)	(140)
		<u>886,013</u>	<u>500,805</u>
28. ASSETS AND LIABILITIES			
<i>Assets</i>			
Long Term Assets		4,110,816	3,507,985
Investments		1,255,022	1,235,569
Loans and Advances		4,098,000	3,715,362
Current Assets		(28,889)	34,305
Cash at Bank and Treasuries		886,013	500,805
		<u>10,320,963</u>	<u>8,994,026</u>
<i>Liabilities and Equity</i>			
Public Debt		30,830,258	26,590,040
Special Deposits and Trust Accounts		3,873,252	3,951,599
Deferred liabilities		114,629	116,810
Capital Receipts		287,695	287,695
Residual Equity		(24,784,871)	(21,952,119)
		<u>10,320,963</u>	<u>8,994,026</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.

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	2021 Rupees in Million	2020 Rupees in Million
<i>Receipts</i>			
Receipts in Statement of Comparison of Budget and Actual Amounts by Function		23,600,132	22,703,873
Add: Floating debt-net	17	740,468	173,381
Less : Floating debt receipts	17	14,547,860	14,300,590
Less : Third party payments		129,206	124,338
Add : Third party not Included in Budget		-	-
Actual receipts in Statement of Cash Receipts and Payments		<u>9,663,534</u>	<u>8,452,326</u>
<i>Payments</i>			
Payments in Statements of Comparison of Budget & Actual Amounts by Function and Actual Expenditure by Division		23,197,281	23,717,256
Less : Floating debt payments	17	13,807,392	14,127,209
Less : Third party payments		129,206	124,338
Add : Third party not Included in Budget		-	-
Actual payments in Statement of Cash Receipts and Payments		<u>9,260,683</u>	<u>9,465,709</u>

FEDERAL GOVERNMENT
Notes to the Financial Statements
For the Year Ended 30 June 2021

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 _____.

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