



Financial Statements of the Government of Balochistan 2020-2021





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PREFACE

I am pleased to present the Financial Statements of the Government of Balochistan for the year ended 30 June, 2021 together with the Auditor's Report thereon.

The Financial Statements of the Government of Balochistan for the financial year 2020-21 have been prepared by the Accountant General Balochistan under Section 5 of the Controller General of Accounts (Appointment, Functions and Powers) Ordinance, 2001 and are the responsibility of the Controller General of Accounts (CGA).

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

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

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

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

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

These Financial Statements focus on reporting the budgetary activity of the Government for the financial year as laid down in the financial procedures of the Constitution which describes the Government as Provincial Consolidated Fund and Public Account for

which Annual Budget Statement is authorized by the Provincial Assembly in the form of Budgetary Grants.

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

“Sd/-”

Controller General of Accounts
Islamabad, Pakistan



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

Auditor's Report

I have audited the accompanying financial statements of Government of Balochistan, which comprise the statement of receipts and payments for the year ended June 30, 2021, statement of cash flows, statement of comparison of budget and actual amounts by function, statement of comparison of budget, actual expenditure by department and statement of appropriation of grants by object for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and proper presentation of these financial statements in accordance with the applicable financial reporting framework.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit in accordance with the requirement of 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 and Conditions of Service) Ordinance, 2001. I conducted my 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 Government of Balochistan as at June 30, 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 Balochistan.
- b) The sums expended have been applied, in all material respects, for the purposes authorized by the Provincial Assembly and have, in all material respects, been booked to the relevant grants and appropriations.

Other Reports

Reports covering significant aspects of the financial governance or economical and effective utilization of public resources are submitted separately to the Governor under Article 171 of the Constitution of the Islamic Republic of Pakistan.

Islamabad, Pakistan

Date: 31.12.2021

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

GOVERNMENT OF BALOCHISTAN
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 the Government	Payments by Third Parties	Receipts / Payments controlled by the Government	Payments by Third Parties
PROVINCIAL CONSOLIDATED FUND					
RECEIPTS					
<i>Taxation- Transfers from Federal Government</i>	8	253,230	-	282,619	-
<i>Taxation- Provincial Government's Own Collection</i>	9	18,369	-	16,448	-
<i>Non-Tax Revenue and Other Receipts</i>					
General Administration	10	1,172	-	731	-
Economic Services	11	1,239	-	858	-
Development Surcharge and Royalties	12	14,575	-	11,177	-
Dividend and Profit Share	13	-	-	200	-
Others	14	1,303	-	2,057	-
		18,289	-	15,023	-
<i>Grants and Aid</i>	15	41,109	-	34,821	-
<i>Borrowings</i>					
Receipts of Debt	16	1,950	-	3,319	-
<i>Capital Receipts</i>					
Recovery of Loans and Advances	17	42	-	37	-
<i>Trading Activities</i>	18	3,093	-	5,142	-
<i>Recoveries of Investment</i>	19	-	-	22	-
<i>Direct Payments by Lending / Donor agencies</i>	28	-	-	-	-
TOTAL RECEIPTS		336,082	-	357,431	-

GOVERNMENT OF BALOCHISTAN
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 the Government	Payments by Third Parties	Receipts/ Payments controlled by the Government	Payments by Third Parties
PAYMENTS					
<i>Operations</i>					
Salaries and Employee Benefits	20	169,799	-	156,872	-
Project Preinvestment Analysis		-	-	-	-
Operating Expenses		37,846	-	35,429	-
		207,645		192,301	
<i>Transfers</i>					
Grants, Subsidies and Write-off of Loans	21	31,164	-	40,292	-
Other Transfer Payments		1,510	-	1,551	-
		32,674	-	41,843	-
<i>Expenditure on</i>					
Physical Assets		19,402	-	17,684	-
Civil Works		68,039	-	64,996	-
Repairs and Maintenance		2,941	-	4,829	-
		90,382	-	87,509	-
<i>Debt and Interest Payments</i>					
Principal Repayment of Debt	23	5,632	-	9,404	-
Interest Payments	24	3,342	-	3,430	-
		8,974		12,834	
<i>Other Payments</i>					
Loans and Advances	22	377	-	-	-
Investments		3,201	-	11,500	-
<i>Direct Payments by Lending / Donor agencies</i>					
	28	-	-	-	-
TOTAL PAYMENTS		343,253	-	345,987	-
NET RECEIPT/ (PAYMENT) OF PROVINCIAL CONSOLIDATED FUND		(7,171)	-	11,444	-
NET RECEIPT OF PUBLIC ACCOUNT	25.1	6,123	-	15,343	-
INCREASE IN CASH		(1,048)	-	26,787	-
CASH AT BEGINNING OF THE YEAR		47,512	-	20,725	-
INCREASE IN CASH		(1,048)	-	26,787	-
CASH AT END OF THE YEAR	26	46,464	-	47,512	-

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

“Sd/-”

Accountant General Balochistan

GOVERNMENT OF BALOCHISTAN
Statement of Cash Flows
For the Year Ended 30 June 2021

	2021 Rupees in million	2020 Rupees in million
CASH FLOWS FROM OPERATING ACTIVITIES		
Taxation - Transfers from Federal Government	8 253,230	282,619
Taxation - Provincial Government's Own Collection	9 18,369	16,448
Non-Tax Revenue and Other Receipts	18,289	15,023
Grants and Aid - Receipts	15 41,109	34,821
State Trading - Receipts	18 3,093	5,142
Operations - Payments	(207,645)	(192,301)
Interest Payments	24 (3,342)	(3,430)
Transfers - Payments	(32,674)	(41,843)
<i>Cash from Operating Activities</i>	90,429	116,479
CASH FLOWS FROM INVESTING ACTIVITIES		
Recoveries of Loans and Advances	17 42	37
Recovery of Investment	19 -	-
Expenditure on Physical Assets, Civil Works and Others	(90,382)	(87,509)
Payments of Loans and Advances	22 (377)	-
Investments	(3,201)	(11,478)
<i>Cash used in Investing Activities</i>	(93,918)	(98,950)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts of Debt	16 1,950	3,319
Principal Repayments of Debt	23 (5,632)	(9,404)
Net Receipt of Public Account	25.1 6,123	15,343
<i>Cash used in Financing Activities</i>	2,441	9,258
NET INCREASE IN CASH AND CASH EQUIVALENTS	(1,048)	26,787
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	47,512	20,725
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	25 46,464	47,512

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

“Sd/-”
Accountant General Balochistan

GOVERNMENT OF BALOCHISTAN
Statement of Comparison of Budget and Actual Amounts by Function
For the Year Ended 30 June 2021

	2021 (Rupees in Million)			2020 (Rupees in Million)		
	Budgeted Amounts		Actual	Budgeted Amounts		Actual
	Original	Revised	Amounts	Original	Revised	Amounts
RECEIPTS						
<i>Revenue</i>						
Taxation	274,786	277,628	274,009	298,905	302,082	299,068
Non-Taxation	77,860	54,001	56,988	59,635	55,540	49,643
Income from Property and Enterprise	4,854	3,342	3,093	3,021	3,021	5,342
Total revenue receipts	357,500	334,971	334,090	361,561	360,643	354,053
<i>Capital</i>						
Receipt of Debt	8,663	1,950	1,950	10,488	2,906	3,319
Recoveries of Loans and Advances	1,274	61	42	75	127	37
Recoveries of Investment	111	-	-	89	-	22
Total capital receipts	10,048	2,011	1,992	10,652	3,033	3,378
TOTAL RECEIPTS	367,548	336,982	336,082	372,213	363,676	357,431
PAYMENTS						
<i>Revenue</i>						
General Public Services	72,670	66,533	55,096	79,352	72,624	61,837
Public Order and Safety Affairs	48,620	46,323	40,400	44,692	41,443	37,910
Economic Affairs	57,889	49,669	38,646	58,449	51,019	47,121
Environment Protection	451	334	270	464	337	259
Housing and Community Amenities	19,179	18,808	12,390	18,684	18,693	14,185
Health Affairs and Services	31,405	29,415	24,980	22,382	23,982	21,972
Recreation, Culture and Religion	3,140	3,174	2,437	2,844	3,303	2,685
Education Affairs and Services	70,358	63,200	54,260	62,431	58,083	52,613
Social Protection	5,320	4,915	3,520	4,282	6,667	6,203
Total revenue payments	309,032	282,371	231,999	293,580	276,151	244,785
<i>Capital</i>						
General Public Services	1,659	973	9,570	3,664	2,230	9,946
Public Order and Safety Affairs	2,209	2,068	1,965	2,940	2,218	1,552
Economic Affairs	82,016	54,450	58,170	56,066	56,705	54,064
Environment Protection	12,086	9,515	9,515	12,993	11,325	11,190
Housing and Community Amenities	13,897	9,925	9,059	9,141	8,197	5,552
Health Affairs and Services	7,688	7,213	4,511	7,974	6,819	5,290
Recreation, Culture and Religion	7,676	4,045	3,676	4,944	2,058	1,878
Education Affairs and Services	9,767	10,011	9,033	12,846	8,762	7,397
Social Protection	19,498	6,445	5,755	15,775	5,862	4,333
Total capital payment	156,496	104,645	111,254	126,343	104,176	101,202
TOTAL PAYMENTS	465,528	387,016	343,253	419,923	380,327	345,987

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

“Sd/-”
Accountant General Balochistan

GOVERNMENT OF BALOCHISTAN
Statement of Comparison of Budget and Actual Expenditure by Departments
For the Year Ended 30 June 2021

DEPARTMENTS	2021 (Rupees in million)			20120 (Rupees in million)		
	Budgeted Amounts		Actual Amounts	Budgeted Amounts		Actual Amounts
	Original	Revised		Original	Revised	
General Administration	3,015	3,536	2,888	10,791	15,055	13,174
Provincial Excise	1,111	1,060	933	889	939	846
Stamps	54	53	50	44	44	42
Pension	38,169	39,589	39,223	33,784	33,614	32,468
Administration of Justice	3,629	4,285	3,417	3,048	3,536	3,015
Legal Services & Law Affairs	535	549	512	454	532	464
Provincial Ombudsman	231	244	207	194	221	182
Police	27,417	24,050	22,182	26,076	22,013	20,803
Levies	12,454	10,462	9,899	11,649	10,681	9,851
Jails and Convict Settlements	1,474	1,510	1,159	973	990	850
Civil Defence	171	155	131	145	136	125
Civil Works	11,398	10,432	8,162	9,905	10,771	10,032
Public Health Services	4,554	4,351	4,030	4,301	4,197	3,967
Works Urban/B-WASA	1,205	1,355	1,355	1,205	1,535	1,535
Higher Education	11,783	11,294	9,680	10,131	9,602	8,722
Secondary Education	51,873	46,525	40,017	48,012	44,806	40,291
Archives	425	319	211	394	227	177
Health	37,387	34,224	29,190	26,158	27,315	25,300
Population Welfare	1,192	1,090	915	1,091	947	862
Manpower and Labor Management	2,259	1,929	1,136	2,277	1,979	1,746
Sports and Recreation Facilities	1,042	1,035	865	995	1,173	1,013
Social Security and Social Welfare	2,268	1,989	1,473	1,560	2,119	1,970
Natural Calamities	1,670	1,762	1,111	1,400	3,415	3,320
Auqaf	915	750	521	1,025	1,032	759
Food	744	687	407	698	707	616
Agriculture	11,072	9,378	8,633	9,462	9,002	8,464
Land Revenue	293	273	210	258	251	186
Animal Husbandry	4,592	3,639	3,199	4,028	3,369	3,096
Forestry	1,605	1,249	1,005	1,421	1,136	1,003
Fisheries	1,233	1,103	837	1,467	1,591	1,507
Cooperation	207	144	124	145	149	126
Irrigation	3,724	3,375	3,006	2,676	2,528	2,382
Rural Development	12,996	12,730	6,714	12,823	12,631	8,398
Industries	1,762	1,638	1,218	1,376	1,350	1,128
Stationery and Printing	184	96	65	129	92	74
Mineral Resources	3,624	4,084	3,956	2,267	2,407	2,294
Subsidies	2,300	-	-	1,310	4,545	4,545
Prosecution Department	387	371	290	335	276	228
Transport	150	169	141	149	90	76
Culture Services	466	401	231	479	430	291
Women Development	337	222	138	129	149	126
Investments	3,000	3,000	3,000	15,500	11,500	11,500
Energy	6,852	6,849	6,567	14,704	3,837	3,266
Information Technology	398	557	295	325	569	357
Environment Control	450	334	271	464	337	259
Urban Planning	291	262	220	246	236	210
Planing and Development Department	1,285	1,707	1,598	752	1,622	1,544
Information Department	657	666	625	595	622	597
Inter Povincial Cordination Department	70	55	45	56	54	41
Chief Minister Secretariat	844	993	840	112	241	226
Home Department	2,068	4,439	2,387	-	-	-
Board of Revenue & Administration	4,797	3,942	3,439	-	-	-
Finance Department	8,896	1,769	1,388	-	-	-
Minorities Affairs Department	284	277	239	-	-	-
Building, Physical Planning & Housing	-	79	43	-	-	-
Governor Secretariat	305	347	299	255	316	266
Provincial Assembly	2,140	1,632	1,305	1,504	1,423	1,046
Debt Servicing and other Obligations	2,880	2,998	2,998	2,769	2,769	2,769
Public Debt Discharge	5,836	5,718	5,632	14,340	7,737	7,737
State Trading-Food	6,072	4,640	3,937	6,305	7,306	6,650
Development	156,496	104,645	98,684	126,343	104,176	93,465
Payments of Provincial Government	465,528	387,016	343,253	419,923	380,327	345,987
TOTAL PAYMENTS	465,528	387,016	343,253	419,923	380,327	345,987

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

“Sd/-”

Accountant General Balochistan

GOVERNMENT OF BALOCHISTAN

Notes to the Financial Statements

For the Year Ended 30 June 2021

1. REPORTING ENTITY

Provincial Government Balochistan (the Government) conducts its operations under the Rules of Business 2012. These rules were made pursuant to Article 139 of the Constitution of the Islamic Republic of Pakistan, 1973 (the Constitution) and envisages Provincial Government as comprising of Provincial and their attached departments. Financial procedures of the Constitution describe the Government as Provincial Consolidated Fund and Public Account of the Province for which Annual Budget Statement is authorized by the Provincial Assembly in the form of budgetary grants. These financial statements focus on reporting the budgetary activity of the Government for the financial year.

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

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

These financial statements include all centralized accounting entities.

2. BASIS OF CONSOLIDATION

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

3. STATEMENT OF COMPLIANCE

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

4. ACCOUNTING CONVENTION AND BASIS OF PREPARATION

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

These financial statements have been prepared as per the requirements of NAM that supports international best practices. Government of Pakistan is moving towards full implementation of the International Public Sector Accounting Standards (IPSASs) issued by the International Federation of Accountants (IFAC). The implementation process initially includes the adoption of Cash Basis IPSAS - Financial Reporting under the Cash Basis of Accounting. The statement of cash receipts and payments, statements of comparison of budget and actual amounts by function, statements of comparison of budget and actual expenditure by departments and notes forming part thereof have been prepared on the format of Cash Basis IPSAS - Financial Reporting under the Cash Basis of Accounting. The statement of cash flows as required by IPSAS 2 - Cash flow Statements has also been presented, as encouraged by Cash Basis IPSAS.

The financial statements for the financial year 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.

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

5. 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).

6. REPORTING CURRENCY

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

7. SIGNIFICANT ACCOUNTING POLICIES

7.1 Revenue recognition

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

7.2 Recognition of expenditure

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

a) Payments made through cheque

Expenditure is recognized on the date the cheque is issued.

b) Inter Government transfers

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

c) Payments directly in Bank accounts

Expenditure is recognized on the date the payment advice is issued to the Bank.

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

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

e) Imprest payments

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

7.3 Foreign currency

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

GOVERNMENT OF BALOCHISTAN

Notes to the Financial Statements

For the Year Ended 30 June 2021

7.4 Employee benefits

The government has following plans for its employees:

a) **General Provident Fund**

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

b) **Pension**

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

c) **Encashment of leave**

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

7.5 Investments

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

Subsequent to initial recognition, investments are carried at historical cost. Any dividend received against investments are recognized when received in the Provincial Consolidated Fund.

7.6 Cash and cash equivalents

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

7.7 Liability

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

7.8 Public debt

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

7.9 Assets

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

7.10 Loans and advances

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

7.11 Payments by third parties

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

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

	<i>Note</i>	2021 Rupees in million	2020 Rupees in million
8. TAXATION - TRANSFERS FROM FEDERAL GOVERNMENT			
<i>Direct taxes</i>			
Income Tax		103,284	105,122
		103,284	105,122
<i>Indirect Taxes</i>			
Sales Tax		98,167	107,738
Custom Duty		32,334	50,325
Federal Excise		19,289	19,235
Capital Value Tax - On Movable Property		156	199
		149,946	177,497
		<u>253,230</u>	<u>282,619</u>
9. TAXATION - PROVINCIAL GOVERNMENT'S OWN COLLECTION			
<i>Direct Taxes</i>			
Property Tax		298	687
Land Revenue		703	422
Tax on Profession		21	20
		1,022	1,129
<i>Indirect Taxes</i>			
Sales Tax on Services		12,972	10,656
Receipts Under Motor Vehicles Act		862	585
Stamp Duties		523	458
Provincial Excise		728	680
Capital Value Tax - On Immovable Property		176	152
Others		2,086	2,788
		17,347	15,319
		<u>18,369</u>	<u>16,448</u>
10. GENERAL ADMINISTRATION RECEIPTS			
Fiscal Administration		141	38
Organs of State		24	28
Community Services		127	123
Social Services		269	220
Economic Regulations		8	9
Law and Order		603	313
		<u>1,172</u>	<u>731</u>

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

	<i>Note</i>	2021 Rupees in million	2020 Rupees in million
11. ECONOMIC SERVICES - RECEIPTS			
Cooperation, Irrigation and Embankment Drainage		144	63
Food and Agriculture		507	205
Fisheries and Animal Husbandry		131	109
Forest		45	109
Others		412	372
		<u>1,239</u>	<u>858</u>
12. DEVELOPMENT SURCHARGE AND ROYALTIES - RECEIPTS			
Development Surcharge on Gas - Federal Receipts	<i>12.1</i>	2,418	256
Royalty on Natural Gas and Crude Oil - Federal Receipts	<i>12.2</i>	7,530	8,537
Mineral Royalties - Provincial Receipts		3,294	1,726
Mineral Royalties from Saindak - Provincial Receipts		1,309	627
Mineral Royalties from Chamalang - Provincial Receipts		24	31
		<u>14,575</u>	<u>11,177</u>

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

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

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

	<i>Note</i>	2021 Rupees in million	2020 Rupees in million
13. DIVIDEND AND PROFIT SHARE			
Dividends Receipts	<i>13.1</i>	-	200
		-	200
13.1 Dividends Receipts			
Non-Financial Institutions		-	200

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

	<i>Note</i>	2021 Rupees in million	2020 Rupees in million
14. OTHER RECEIPTS			
Extra Ordinary Receipts - Sale of Land and Others		480	1,233
Miscellaneous Receipts - Recovery of Overpayments and Others		823	824
		<u>1,303</u>	<u>2,057</u>
15. GRANTS & AID			
Development Grants-Federal Receipts-C03603 & C03601		30,612	23,984
Non Development Grants-Federal Receipts C03604		10,000	10,837
Other Non Development Grants-Foreign Aided Project Grants Funded Receipt-C03634		497	-
		<u>41,109</u>	<u>34,821</u>
16. RECEIPTS OF DEBT			
Permanent Debt - Federal Government (Foreign Lenders)		1,950	3,319
		<u>1,950</u>	<u>3,319</u>
17. RECOVERY OF LOANS AND ADVANCES			
Non-financial Institutions		-	-
Government Servants		42	37
		<u>42</u>	<u>37</u>
18. STATE TRADING - RECEIPTS			
Sale of Wheat		3,093	5,142
19. RECOVERY OF INVESTMENTS			
Interest Receipts on Investments		-	-
Investment Receipts		-	22
		<u>-</u>	<u>22</u>
20. SALARIES AND EMPLOYEE BENEFITS			
Pay of Officers		19,569	18,909
Pay of Other Staff		49,781	48,537
Allowances		61,265	56,983
Retirement Benefits		39,184	32,443
		<u>169,799</u>	<u>156,872</u>
21. GRANTS, SUBSIDIES AND WRITE-OFF OF LOANS			
Subsidies		2,822	4,359
Grants Domestic		28,342	32,698
Loan & advances (Food)		-	3,235
		<u>31,164</u>	<u>40,292</u>
22. LOAN & ADVANCES			
Loan & Advances		377	-
		<u>377</u>	<u>-</u>
23. PRINCIPAL REPAYMENT OF DEBT			
Domestic Debt	23.1	5,632	7,737
Floating Debt (State Trading)		-	1,667
		<u>5,632</u>	<u>9,404</u>
23.1 Domestic Debt			
Permanent Debt	23.1.1	5,632	7,737

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

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

		2021	2020
	<i>Note</i>	Rupees in million	Rupees in million
24. SERVICING OF DEBT			
Permanent Domestic Debt - Federal Government		652	555
Interest Payment - GP Fund		2,347	2,214
Interest Payment - Food Account		343	661
		<u>3,342</u>	<u>3,430</u>
25. NET RECEIPT OF PUBLIC ACCOUNT			
<i>Receipts</i>			
Trust and other Public Accounts		746,750	719,003
Special Deposits		15,060	14,769
General Provident Fund		7,399	7,014
		769,209	740,786
<i>Payments</i>			
Trust and other Public Accounts		744,683	711,193
Special Deposits		13,156	11,604
General Provident Fund		5,247	2,646
		763,086	725,443
	<i>25.1</i>	<u>6,123</u>	<u>15,343</u>

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

		2021	2020
	<i>Note</i>	Rupees in million	Rupees in million
26. BOOK BALANCE			
Provincial Government's Balance		46,464	74,299
		<u>46,464</u>	<u>74,299</u>

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

27. ASSETS AND LIABILITIES	<i>Note</i>	2021 Rupees in million	2020 Rupees in million	
<i>Assets</i>				
Long Term Assets		865,545	754,291	
Long Term Investment	27.1	14	14	
Short Term Investments	27.2	5,193	5,193	
Loans and Advances		359	25	
Current Assets		(675)	(395)	
Book Balance	26	46,464	47,512	
	27.6	<u>916,900</u>	<u>806,640</u>	
<i>Liabilities and equity</i>				
Public Debt		50,275	51,020	
Special Deposits and Trust Accounts		53,641	202,144	
Current Liabilities		174,880	20,550	
Deferred Liabilities		(1,535)	(1,836)	
Residual Equity		639,639	534,762	
	27.3	<u>916,900</u>	<u>806,640</u>	
27.1 Long term investment				
Investment in Shares				
	No. of Shares	Par value Rupees	2021 Rupees in million	2020 Rupees in million
Financial Institutions				
ADBP 1974-75 Converted to ZTBL	37,875	10	0.379	0.379
Balochistan Cooperative Bank Limited	26,500	200	5.300	5.300
IDBP	606	100	0.061	0.061
Equity Participants Fund Karachi	3,595	100	0.359	0.359
Non-financial Institutions				
Bolan Mining Enterprise (Joint Venture)			4.000	4.000
Charsada Sugar Mills	575	100	0.058	0.058
Hub Power Company Limited	358,607	10	3.586	3.586
Total Consolidated Fund Investment			<u>13.743</u>	<u>13.743</u>
27.1.1 The Federal Government liquidated the Federal Bank of Cooperatives and as per share of Government of Balochistan sent a cheque of amounting to Rs.19 million on June 11, 2014 to Government of Balochistan.				
27.2.1 Short term investment				
Treasury Bills	27.2.1	5,193	5,193	5,193
		<u>5,193</u>	<u>5,193</u>	

28. THIRD PARTY PAYMENTS

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

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

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

		2021 Rupees in million	2020 Rupees in million
29. INVESTMENTS -PUBLIC ACCOUNT FUNDS	<i>Note</i>		
Benevolent Fund		17,535	13,556
Pension Fund		14,306	7,805
Group Insurance		2,309	1,383
General Provident Fund		18,320	18,152
Balochistan Education Endowment Fund		8,000	8,000
Balochistan Investment Fund		1,913	1,011
Balochistan Awami Endowment Fund		4,000	3,000
Artist Welfare Fund		200	200
Disaster Management Fund		2,000	2,000
Professional Developmnet Fund		2,000	2,000
Hawkers Welfare Fund		22	22
Viability Gap Fund		1,000	1,000
Offender Rehabilitation		500	500
Project Development Fund		1,000	-
Corona Emergency Fund		1,335	1,000
	29.1	<u>74,440</u>	<u>59,629</u>

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

		2021 Rupees in million	2020 Rupees in million
30. CASH AND BANK BALANCE - PUBLIC ACCOUNT FUND			
Benevolent Fund		19,682	17,535
Pension Fund		16,391	10,916
Group Insurance		1,807	2,309
General Provident Fund		18,353	18,386
Balochistan Education Endowment Fund		8,000	8,000
Balochistan Investment Fund		3,295	1,912
Balochistan Awami Endowment Fund		4,000	4,000
Artist Welfare Fund		200	200
Disaster Management Fund		2,000	2,000
Professional Developmnet Fund		2,000	2,000
Hawkers Welfare Fund		22	22
Viability Gap Fund		1,000	1,000
Offender Rehabilitation		500	500
Project Development Fund		1,000	-
Corona Emergency Fund		1,381	1,000
	30.1	<u>79,631</u>	<u>69,780</u>

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

31 LOAN/ LIABILITY OF FOOD DEPARTMENT

31.1 An amount of Rs.6,955,767,614 is paybale of account of loan taken by Food Department from various Commercial Banks.

32. AUTHORIZATION FOR ISSUE

Under section 7 of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001, read with Article 171 of the Constitution, the Auditor - General submits the certified financial statements of the Government of Balochistan together with the audit report on these financial statements to the Governor of Balochistan who shall cause them to be laid before the Provincial Assembly. These financial statements have been authorized for issue on 31.12.2021.

33. GENERAL

33.1 Level of Precision

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

33.2 Corresponding Figures

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

“Sd/-”

Accountant General Balochistan