

GOVERNMENT OF KHYBER PAKHTUNKHWA
Statement of Comparison of Budget and Actual Amounts by Function
For the Year Ended 30 June 2012

	(Rupees in Million)		2011 (Rupees in Million)			
	Budgeted Amounts		Actual Amounts	Budgeted Amounts		Actual Amounts
	Original	Revised		Original	Revised	
RECEIPTS						
<i>Revenue</i>						
Taxation	181,650	176,935	164,973	154,191	145,586	145,861
Non-Taxation	63,933	80,214	75,423	48,695	66,819	79,513
Total revenue receipts	245,583	257,149	240,396	202,886	212,405	225,374
<i>Capital</i>						
Domestic Debt	-	9,500	22	-	3,000	6
Foreign Debt	3,318	1,108	977	4,988	4,175	13
Recoveries of Loans and Advances	249	249	37	400	250	3,152
Recoveries of Investments	1	1	7	-	-	-
Total capital receipts	3,568	10,858	1,043	5,388	7,425	3,171
<i>Receipts of District Government</i>	-	-	73,893	-	-	57,550
TOTAL RECEIPTS	249,151	268,007	315,332	208,274	219,830	286,095
PAYMENTS						
<i>Revenue</i>						
General Public Service	100,272	106,121	97,858	83,231	87,431	78,676
Public Order and Safety Affairs	23,217	26,990	25,318	24,802	25,534	21,435
Economic Affairs	12,809	13,857	12,400	11,288	12,218	9,815
Environment Protection	87	87	53	55	55	37
Housing and Community Amenities	2,065	2,065	1,882	2,089	2,089	1,463
Health Affairs and Services	7,330	9,804	9,043	6,342	7,923	7,241
Recreation, Culture and Religion	1,243	1,279	1,058	703	714	528
Education Affairs and Services	13,339	13,625	12,007	10,035	10,772	9,888
Social Protection	1,786	5,191	5,485	871	8,024	6,722
Total revenue payments	162,148	179,019	165,104	139,416	154,760	135,805
<i>Capital</i>						
General Public Service	31,290	31,297	25,376	23,055	23,239	20,129
Public Order and Safety Affairs	900	900	822	2,000	2,000	-
Economic Affairs	104,826	112,194	27,422	101,370	109,588	27,823
Environment Protection	3,673	4,965	3,658	4,279	4,319	1,882
Housing and Community Amenities	16,832	17,482	10,650	9,795	11,204	7,489
Health Affairs and Services	5,025	5,528	4,210	3,786	3,835	2,406
Recreation, Culture and Religion	501	501	629	418	418	155
Education Affairs and Services	11,554	13,850	10,703	10,022	10,141	6,974
Social Protection	109	746	593	105	105	20
Total capital payments	174,710	187,463	84,063	154,830	164,849	66,878
<i>Payments of District Government</i>	59,275	77,089	72,959	53,179	61,055	55,637
TOTAL PAYMENTS	396,133	443,571	322,126	347,425	380,664	258,320

The annexed notes 1 to 37 form an integral part of these Financial Statements.

Accountant General Khyber Pakhtunkhwa

GOVERNMENT OF KHYBER PAKHTUNKHWA
Statement of Comparison of Budget and Actual Expenditure by Department
For the Year Ended 30 June 2012

DEPARTMENT	Note	2012			2011		
		Budgeted		Actual	Budgeted		Actual
		Original	Revised		Original	Revised	
Agriculture, Livestock & Cooperation		2,835	2,846	2,246	2,504	3,561	3,005
Board of Revenue		998	998	389	817	817	288
Education		18,566	20,510	17,198	14,491	15,136	12,960
Environment, Forestry, Wild life		1,875	2,033	1,832	1,445	1,631	1,430
Excise and Taxation		102	102	79	58	91	81
Finance		121,980	127,657	115,115	97,118	101,030	93,049
Food		81,247	81,247	4,167	81,570	81,570	8,454
Health		15,300	16,383	16,270	12,958	14,272	11,314
Home and Tribal Affairs		20,495	24,162	22,659	22,517	23,047	19,248
Industries		5,630	5,717	4,210	4,072	4,400	2,395
Information		257	266	201	167	167	103
Irrigation and Power		7,522	7,837	10,507	6,215	9,530	7,318
Law		713	809	615	542	542	480
High Court		1,791	1,791	1,831	1,552	1,754	1,552
Local Governance		22,899	23,159	18,018	16,325	16,795	11,211
Population, Planning and Welfare Department		353	352	296	12	496	587
Planning and Development		3,198	3,198	1,141	3,661	3,661	1,207
Provincial Assembly		325	395	354	324	324	302
Administration and Establishment		2,246	2,351	2,249	2,258	2,259	2,009
Works and Services		18,851	31,561	19,419	23,471	29,193	18,698
Zakat and Ushr		657	666	564	425	439	310
Science and Information Technology		395	395	287	247	247	127
Sports, Culture, Archeology & Museum		1,448	1,465	1,411	868	868	487
Auqaf, Hajj, Religious and Minority Affairs		166	166	140	155	159	91
Inter Provincial Coordination		20	21	19	18	19	17
Relief Rehabilitation and Settlement		909	4,315	4,385	234	7,379	5,884
Housing Department		5,910	5,910	3,440	12	12	12
Energy and Power		41	41	39	58	58	14
Transport		129	129	86	152	152	50
		336,858	366,482	249,167	294,246	319,609	202,683
Expenditure of District Governments		59,275	77,089	72,959	53,179	61,055	55,637
TOTAL		396,133	443,571	322,126	347,425	380,664	258,320

The annexed notes 1 to 37 form an integral part of these Financial Statements.

Accountant General Khyber Pakhtunkhwa

GOVERNMENT OF KHYBER PAKHTUNKHWA

Notes to the Financial Statement

For the Year Ended 30 June 2012

1 REPORTING ENTITY

Provincial Government - Khyber Pakhtunkhwa (the Government) conducts its operations under the Rules of Business 1988. 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 departments and their attached departments. Financial procedures of the Constitution describes 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 KP 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. Public Work Department-Works and Services, Irrigation & Public Health Engineering
 2. Environment/Forest/Wildlife Department
- 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 by the Provincial Government, if any, in the financial year to which they pertain. Return from these entities in the form of dividends or interest is classified as non-tax revenue.

District Governments were established under Khyber Pakhtunkhwa Local Government Ordinance, 2001,. The District Government consists of Zila Nazim and District Administration. Auditor General of Pakistan under section 114 of the said Ordinance prescribed Local Government Accounts Manual for District Governments. This Manual requires preparation of annual Finance and Appropriation Accounts by each District Government. District Governments Khyber Pakhtunkhwa prepare separate Financial Statements. Local Government Accounts Manual also requires that accounts of the District Governments are consolidated in the Financial Statements of the province. In these Financial Statements, accounts of the following District Governments have been consolidated.

- | | |
|--|--------------------------------------|
| 1- District Government Peshawar | 2- District Government Abbottabad |
| 3- District Government Nowshera | 4- District Government Manshera |
| 5- District Government Charsadda | 6- District Government Kohat |
| 7- District Government Mardan | 8- District Government Haripur |
| 9- District Government Swabi | 10- District Government Dir Lower |
| 11- District Government Hangu | 12- District Government Bannu |
| 13- District Government Swat | 14- District Government Buner |
| 15- District Government Malakand | 16- District Government Battagram |
| 17- District Government Chitral | 18- District Government karak |
| 19- District Government Dera Ismail Khan | 20- District Government Tank |
| 21- District Government Shangla | 22- District Government Lakki Marwat |
| 23- District Government Dir Upper | 24- District Government Kohistan |
| 25- District Government Tor Ghar | |

These Financial Statements include all Centralized Entities, Self Accounting Entities and District Governments.

2 BASIS OF CONSOLIDATION

The Financial Statements have been prepared by consolidating the accounts of all Centralized and Self Accounting Entities and twenty five (25) District Governments. Material Inter-governmental transactions such as transfers from Provincial Government-KP which comprises receipts of District Governments have been eliminated in consolidation.

3 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. Implementation of NAM is an ongoing process. Commitment Accounting has been adopted since 2009-10, however asset and liability accounting practices have not yet been implemented, memorandum registers for assets do not exist and accounting for liabilities is not done in accordance with NAM.

4 ACCOUNTING CONVENTION AND BASIS OF CONSOLIDATION

These Financial Statements have been prepared under the Cash Basis of Accounting which recognizes transactions and events only when cash is received or paid by the entity. Assets and Liabilities in the disclosed notes are on a historical cost basis.

These Financial Statements have been prepared as per the requirements of NAM that supports international best practices. The statement of receipt and payments, statements of comparison of budget and actual amounts by function, statements of comparison of budget and actual expenditure by department and notes forming parts thereof have been prepared on the format of Cash Basis IPSAS - Financial Reporting under the Cash Basis of Accounting. The statement of cash flows as required by IPSAS 2- Cash Flow Statements has also been presented, as encouraged by Cash Basis IPSAS.

The Financial Statements for the financial year 2011-12 have been prepared and presented in order to make a fair presentation of all the relevant financial information without making any change in the fundamentals applied and all policies have been applied on a basis consistent with the previous year.

5 REPORTING AND BUDGET PERIOD

The reporting and budget period of these Financial Statements is the financial year 2011-12 (from 1 July, 2011 to 30 June, 2012).

6 REPORTING CURRENCY

The reporting currency of these Financial Statements is Pak Rupees which is Provincial Government's functional and presentation 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 relevant expenditure, if it occurs in the same financial year.

7.2. Recognition of expenditure

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

a) Payments made through cheque

Expenditure is recognized on the date the cheque is issued.

b) Inter government transfers

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

c) Payments directly in bank accounts

Direct payments into bank account, expenditure is recognized on the date the payment advice is issued to the bank.

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

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

e) Imprest payments

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

7.3. Foreign currency

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

7.4. 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 monthly payroll at a uniform rate of subscription, as advised by the Government for a financial year as laid down in the Provident Fund 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 expenditure.

c) Encashment of leave

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

7.5. Investments

All investments 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 dividends 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 cash with 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 transaction. All liabilities are recorded at historical cash value.

7.8. Public Debt

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

7.9. Assets

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

7.10. Loan and advances

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

7.11 Payments by third parties

The Government also benefits from goods and services purchased on its behalf as a result of cash payments made by 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 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 KHYBER PAKHTUNKHWA
Statement of Cash Flows
For the Year Ended 30 June 2012

	Note	2012 Rupees in Million	2011 Rupees in Million
CASH FLOW FROM OPERATING ACTIVITIES			
Taxation- Transfers from Federal Government	8	161,311	142,476
Taxation- Provincial Government's own collection	9	3,662	3,385
Non-Tax Revenue and Other Receipts		51,317	52,124
Grants and Aid - Receipts	16	11,856	13,372
Trading Activities - Receipts	20	12,250	14,017
Operations- Payments		(101,266)	(68,173)
Servicing of Debt - Payments	28	(6,999)	(6,572)
Transfers - Payments		(5,773)	(5,968)
Receipts of District Government	21	3,052	287
Payments of District Governments- Revenue Expenditure	30.1	(64,205)	(50,946)
Cash from Operating Activities		65,205	94,002
CASH FLOW FROM INVESTING ACTIVITIES			
Investment Recovery		7	-
Recovery of Loans and Advances	19	37	3,152
Expenditure on Physical Assets	25	(1,698)	(2,626)
Expenditure on Civil Works	26	(36,025)	(38,776)
Payments of Loans and Advances	29	(4,788)	(2,457)
Investments		(7,096)	(5,900)
Payment of District Government - Capital Expenditure	30	(8,754)	(4,691)
Cash used in Investing Activities		(58,317)	(51,298)
CASH FLOW FROM FINANCING ACTIVITIES			
Receipt of Foreign Debt	17	977	13
Receipt of Domestic Debt	18	22	6
Principal Repayment of Debt	27	(14,681)	(14,948)
Net Receipt of Public Account	31	8,823	(5,937)
Cash from Financing Activities		(4,859)	(20,866)
DECREASE IN CASH AND CASH EQUIVALENTS		2,029	21,838
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		20,317	(1,521)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	32	22,346	20,317

The annexed notes 1 to 37 form an integral part of these Financial Statements.

Accountant General Khyber Pakhtunkhwa

GOVERNMENT OF KHYBER PAKHTUNKHWA
Statement of Cash Receipts and Payments
For the Year Ended 30 June 2012

	Note	2012 Rupees in Million		2011 Rupees in Million	
		Receipt / Payment controlled by the Government	Receipt / Payment by Third Parties	Receipt / Payment controlled by the Government	Receipt / Payment by Third Parties
PROVINCIAL CONSOLIDATED FUND					
RECEIPTS					
<i>Taxation- Transfers from Federal Government</i>	8	161,311	-	142,476	-
<i>Taxation- Provincial Government's own collection</i>	9	3,662	-	3,385	-
Non-Tax Revenue and Other Receipts					
General Administration	10	1,734	-	1,407	-
Economic Services	11	1,595	-	1,418	-
Development Surcharge and Royalties	12	17,592	-	15,470	-
Interest on Loans and Advances	13	208	-	93	-
Dividend and Profit Share	14	28,308	-	32,523	-
Others	15	1,880	-	1,213	-
		51,317	-	52,124	-
<i>Grants and Aid</i>	16	11,666	190	13,372	-
Borrowings					
Foreign Debt	17	363	614	13	-
Domestic Debt	18	22	-	6	-
		385	614	19	-
Capital Receipts					
Investment Recovery		7	-	-	-
Recovery of Loans and Advances	19	37	-	3,152	-
		44	-	3,152	-
<i>Trading Activities</i>	20	12,250	-	14,017	-
<i>Receipts of District Governments</i>	21	3,052	-	287	-
TOTAL RECEIPTS		243,687	804	228,832	-

GOVERNMENT OF KHYBER PAKHTUNKHWA
Statement of Cash Receipts and Payments
For the Year Ended 30 June 2012

	Note	2012 Rupees in Million		2011 Rupees in Million	
		Receipt / Payment controlled by the Government	Receipt / Payment by Third Parties	Receipt / Payment controlled by the Government	Receipt / Payment by Third Parties
PAYMENTS					
Operations					
Salaries and Employee Benefits	22	49,087	-	37,629	-
Operating Expenses	23	51,475	704	30,544	-
		100,562	704	68,173	-
Transfers					
Grants, Subsidies and Write-off of Loans	24	32	-	1,450	-
Other Transfer Payments		5,741	-	4,518	-
		5,773	-	5,968	-
Expenditure on					
Physical Assets	25	1,698	-	2,626	-
Civil Works	26	35,925	100	38,776	-
		37,623	100	41,402	-
Debt and Interest Payments					
Principal Repayment of Debt	27	14,681	-	14,948	-
Servicing of Debt	28	6,999	-	6,572	-
		21,680	-	21,520	-
Other Payments					
Loans and Advances	29	4,788	-	2,457	-
Investments		7,096	-	5,900	-
		11,884	-	8,357	-
Payments of District Governments					
	30	72,959	-	55,637	-
TOTAL PAYMENTS		250,481	804	201,057	-
N		(6,794)	-	27,775	-
NET RECEIPT OF PUBLIC ACCOUNT	31	8,823	-	(5,937)	-
INCREASE / (DECREASE) IN CASH		2,029	-	21,838	-
CASH AT THE BEGINNING OF THE YEAR		20,317	-	(1,521)	-
INCREASE / (DECREASE) IN CASH		2,029	-	21,838	-
CASH AT THE END OF THE YEAR	32	22,346	-	20,317	-

The annexed notes 1 to 37 form an integral part of these Financial Statements.

Accountant General Khyber Pakhtunkhwa

	Note	2012 Rupees in Million
8 TAXATION - TRANSFER FROM FEDERAL GOVERNMENT		
<i>Direct Taxes</i>		
Income tax		58,735
Wealth Tax		1
Capital Value Tax		10
		58,746
<i>Indirect Taxes</i>		
Sales tax		73,595
Custom duty		18,446
Federal excise		9,350
Federal excise on Natural Gas		1,174
		102,565
		161,311
9 TAXATION - PROVINCIAL GOVERNMENT'S OWN COLLECTION		
<i>Direct Taxes</i>		
Income tax - Agriculture		20
Property Tax		196
Land Revenue		1,272
Tax on Profession, Trade and Callings		131
Capital Value Tax on Immoveable Property		240
		1,859
<i>Indirect Taxes</i>		
Receipts Under Motor Vehicles Act		865
Stamp Duties		591
Provincial Excise		27
Others Indirect Taxes		320
		1,803
		3,662
10 GENERAL ADMINISTRATION RECEIPTS		
Fiscal Administration		111
Community Services		618
Social Services		273
Economic Regulations		13
Law and Order		702
Organs of State		17
		1,734

	Note	2012 Rupees in Million
11 ECONOMIC SERVICES RECEIPTS		
Cooperation, Irrigation, Embankment-Drainage		321
Food and Agriculture		122
Fisheries and Animal Husbandry		86
Forest		892
Others		174
		<u>1,595</u>

12 DEVELOPMENT SURCHARGE AND ROYALTIES

Development Surcharge on Gas	12.1	1,786
Royalty on Crude Oil	12.2	11,652
Royalty on Natural Gas	12.2	4,154
		<u>17,592</u>

12.1 The development surcharge on natural gas is levied under the Natural Gas Development Surcharge Ordinance. Pursuance of the said ordinance, the Federal Government has to fix the sale price for the consumers and the price for the gas companies. The difference between the two prices is the margin available to the Government. The development surcharge. The surcharge on natural gas is transferred to the Provinces according to the percentage in a province.

12.2 Royalty on crude oil and natural gas is received under Pakistan Petroleum Production Rules, 1949 at the rate of 10% on the well head value of production. Federal Government collects royalty on crude oil and natural gas and the balance is transferred to the Provinces on well head production basis after deduction of 2% collection charges.

	Note	2012 Rupees in Million
13 INTEREST ON LOANS AND ADVANCES		
Interest on Domestic Loan	13.1	152
Interest on Loans and Advances to Govt. Servants		3
Loans and Advances - Others		53
		<u>208</u>

13.1 Interest On Domestic Loan

Financial Institutions		-
Non Financial Institutions		152
		<u>152</u>

14 DIVIDEND AND PROFIT SHARE

Dividends Receipts	14.1	16
Profit share	14.2	28,292
		<u>28,308</u>

14.1 Dividends Receipts

Non-Financial Institution		<u>16</u>
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	16
	2012
	Rupees
Note	in Million
14.2 Profit share	
Electricity	27,190
Others	1,102
	<u>28,292</u>
15 OTHER RECEIPTS	
Unclaimed deposits	204
Rent, Rates and Taxes	3
Receipts under the Mines, Oil-fields and Mineral	614
Arms License Fees	304
Recoveries of Overpayments	12
Tourism Receipts	12
Sand and quarry fees	41
Recoveries made by NAB from defaulters	25
Sugarcane development cess	72
Renewal of licenses of Private Security Co	3
5% Collection Charges on Federal Taxes	3
Miscellaneous Receipts	587
	<u>1,880</u>
16 GRANTS AND AID	
16.1 Controlled by Govt:	
Development Grants	9,689
Non-Development Grants	1,977
	<u>11,666</u>
16.2 Third Party Receipts	
Development Grants	190
	<u>190</u>
17 FOREIGN DEBT - RECEIPTS	
17.1 Controlled by Govt:	
Foreign Lenders	-
Federal Government	363
	<u>363</u>
17.2 Third Party Receipts	
Foreign Lenders	614
	<u>614</u>
18 DOMESTIC DEBT - RECEIPTS	
Permanent Debt	18.1 22
	<u>22</u>

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

	Note	2012 Rupees in Million
19 RECOVERY OF LOANS AND ADVANCES		
Financial Institution		5
Non-Financial Institution		1
Government Servants		31
		<u>37</u>
20 TRADING ACTIVITIES - RECEIPTS		
Sale of wheat		12,250
		<u>12,250</u>
21 RECEIPTS OF DISTRICT GOVERNMENT		
Indirect Taxes		32
Receipts from Civil Administration and Other Functions		249
Grants from Provincial Government		70,841
Miscellaneous Receipts		2,765
Loans and Advances		6
		<u>73,893</u>
Less: Grants from Provincial Government - KP	21.1	<u>(70,841)</u>
		<u>3,052</u>

21.1 Grants received from Provincial Government - KP have been eliminated against transfers to District Gov consolidating these accounts, in order to avoid the duplicate effect of receipts and payments.

	Note	2012 Rupees in Million
22 SALARIES AND EMPLOYEE BENEFITS		
Pay of Officers		4,165
Pay of Other Staff		11,854
Allowances		17,769
Retirement Benefits		15,299
		<u>49,087</u>
23 OPERATING EXPENSES		
23.1 Controlled by Govt:		
Research Surveys and Exploratory Operations		32
Communication		144
Utilities		1,322
Occupancy Costs		95
Motor Vehicles		15
Travel and Transportation		2,931
Scholarships, Bonuses and Other Awards		83
Entertainments and Gifts		90
Commodity Purchases (State Trading)		38
Repair & Maintenance		3,260
General Operating Expenses		43,465
		<u>51,475</u>
23.2 Third Party Payments		
General Operating Expenses		704

	Note	2012 Rupees in Million
24 GRANTS, SUBSIDIES AND WRITE-OFF OF LOANS		
Grants, Subsidies and Write-off of Loans		70,873
Less: Transfers to District Governments	21.2	<u>(70,841)</u>
		<u><u>32</u></u>
25 PHYSICAL ASSETS		
Feasibility Studies		847
Purchase of Building		3
Computer Equipment		28
Other Stores and Stocks		-
Purchase of Transport		482
Purchase of Plant & Machinery		288
Purchase of Furniture and Fixtures		44
Purchase of Other Assets		6
		<u><u>1,698</u></u>
26 CIVIL WORKS		
26.1 Controlled by Govt:		
Roads, Highways and Bridges		4,132
Irrigation Works		2,532
Embankments and Drainage Works		-
Building and Structure		23,928
Other Works		5,328
Draught Emergency Relief Assistance		5
		<u><u>35,925</u></u>
26.2 Third Party Payments		
Other Works		100
		<u><u>100</u></u>
27 PRINCIPAL REPAYMENT OF DEBT		
Foreign Debt		3,578
Domestic Debt	27.1	<u>11,103</u>
		<u><u>14,681</u></u>
27.1 Domestic Debt		
Permanent Debt		1,603
Floating Debt		9,500
		<u><u>11,103</u></u>
28 SERVICING OF DEBT		
Federal Government		6,304
Domestic Loans		695
		<u><u>6,999</u></u>

	Note	2012 Rupees in Million
29 LOANS AND ADVANCES		
Financial Institutions		4,700
Government Employees	29.1	88
		<u>4,788</u>

29.1 Government Employees

House Building Advance		73
Motor Car Advance		15
		<u>88</u>

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

	Note	2012 Rupees in Million
30 PAYMENTS OF DISTRICT GOVERNMENTS		
Revenue Expenditure	30.1	64,205
Capital Expenditure	30.2	8,754
		<u>72,959</u>

30.1 Revenue Expenditure

General Public Service		2,923
Defense Services		-
Public Order and Safety Affairs		35
Economic Affairs		4,738
Environment Protection		33
Housing and Community Amenities		3,111
Health Affairs and Services		7,238
Recreation, Culture and Religion		48
Education Affairs and Services		45,173
Social Protection		906
		<u>64,205</u>

30.2 Capital Expenditure

General Public Service		5,761
Public Order and Safety Affairs		141
Economic Affairs		151
Environment Protection		131
Housing and Community Amenities		2,523
Health		1
Recreation Culture and Religion		19
Education Affairs and Services		9
Social Protection		18

8,754

	Note	2012 Rupees in Million
31 NET RECEIPT / (PAYMENT) OF PUBLIC ACCOUNT		
<i>Receipts</i>		
Trust & other Public Accounts		319,660
Special Deposits		19,203
State Provident Fund		12,368
		<u>351,231</u>
<i>Payments</i>		
Trust & other Public Accounts		(317,497)
Special Deposits		(17,246)
State Provident Fund		(7,665)
		<u>(342,408)</u>
		<u><u>8,823</u></u>

31.1 The public Account consists of those moneys received by the Government for which it has a fiduciary duty and no liberty to appropriate for the general services of the Government, unless provided under an Act of Provincial Government or rules made by Governor. The balances in the Public Account are carried forward at year end, to be used for a specific purpose for which they are established.

	Note	2012 Rupees in Million
32 CASH AND BANK		
Provincial Government Balance	32.1	21,889
District Government Balance		457
		<u>22,346</u>
32.1 Provincial Government's Balance		
Public Account Balance		59,276
Consolidated Fund Balance		(37,387)
		<u>21,889</u>
33 ASSETS AND LIABILITIES		
<i>Assets</i>		
Long Term Assets		281,960
Investments		27,037
Loans and Advances		5,867
Current Assets		6,584
Cash and Bank		22,346
	33.1	<u>343,794</u>
<i>Liabilities and equity</i>		
Public Debt	34	9,707
Special Deposits and Trust Accounts		39,519
Deferred Liabilities		28,809
Residual Equity		265,759
	33.1	<u>343,794</u>

33.1 These Financial Statements have been prepared under the cash basis of accounting, the information of liability have been presented which are not mandatory disclosures as per IPSAS Cash Basis.

	Note	2012 Rupees in Million
34 PUBLIC DEBT		
Domestic Debt		
Government Securities		
Opening Balance		(10,703)
Add: Debt Receipts	18	22
Less: Principal Repayments of Debt	27.1	(11,103)
Closing Balance		(21,784)
Foreign Debt		
Opening Balance		34,092
Add: Debt Receipts	17	977
Less: Principal Repayments of Debt	27	(3,578)
Closing Balance		31,491
		9,707

34.1 The amount of foreign debt is recorded in Pak Rupees at the rate of exchange prevailing on the date of which is the historical cash value. The foreign debt has not been revalued at the year end in accordance Government policy stated in note 7.7, nor any foreign debt revaluation exchange differences have been the Financial Statement except for principal repayment of foreign debt.

35 COMPARISON OF BUDGET AND ACTUAL AMOUNTS

The approved budget is developed on the same accounting basis (cash basis), functional classification same period as for the Financial Statements. It encompasses the same entities as that Financial Statement identified in note 1 above.

The Statements of Comparison of Budgeted and Actual Amounts by Function and Actual Expenditure by are presented on a gross basis. Grants received by District Governments from Provincial Government- I eliminated against transfers to District Governments in Statement of Cash receipts and payments as explained and 21.1 for which a reconciliation is presented below.

	Note	2012 Rupees in Million
Receipts		
Actual Receipts in Statement of Comparison of Budget and Actual Amounts by Function		315,332
Less : Grants from Provincial Government - KP	21	(70,841)
Actual Receipts in Statement of Cash Receipts and Payments		244,491
Payments		
Actual payments in Statements of Comparison of Budget and Actual Amounts by Function and Actual Expenditure by Department		322,126
Less: Transfers to District Governments	24	(70,841)
Actual payments in Statement of Cash Receipts and Payments		251,285

36 AUTHORIZATION FOR ISSUE

Under section 7 of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance read with Article 171 of the Constitution, the Auditor General submits the certified Financial Statements of the Government of Khyber Pakhtunkhwa together with the audit reports on these Financial Statements to the Government of the province who shall cause them to be laid before the Provincial Assembly. These Financial Statements are authorized for issue on _____.

37 GENERAL

37.1 Level of Precision

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

37.2 Corresponding Figures

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

Accountant General Khyber Pakhtu

2011
Rupees
in Million

53,166
1
72
53,239

59,925
16,244
11,970
1,098
89,237

142,476

-
114
771
98
248
1,231

875
409
23
847
2,154

3,385

101
509
239
14
524
20
1,407

2011
Rupees
in Million

328
98
76
778
138
1,418

3,315
8,341
3,814
15,470

Finance, 1967. In
order to prescribe a
regime as
production of gas

at a rate of 12.5%
which is

2011
Rupees
in Million

1
3
89
93

1
-
1

13
32,510
32,523

13

13

2011
Rupees
in Million

31,510
1,000

32,510

130
-
559
143
9
-
30
-
21
-
2
319

1,213

9,310
4,062

13,372

-

-

13
-

13

-

-

6

6

rowings is

2011
Rupees
in Million

3,010
121
21

3,152

14,017

14,017

24
209
57,263
50
4

57,550
(57,263)

287

governments, while

2011
Rupees
in Million

2,532
7,451
17,119
10,527

37,629

608
140
885
146
6
2,287
43
81
4,867
2,517
18,964

30,544

-

2011
Rupees
in Million

58,713
(57,263)

1,450

-
566
17
3
1,289
158
78
515

2,626

8,477
2,485
291
22,533
4,948
42

38,776

-

-

3,080
11,868

14,948

4,743
7,125

11,868

6,022
550

6,572

2011
Rupees
in Million

2,400
57

2,457

43
14

57

General

2011
Rupees
in Million

50,946
4,691

55,637

2,255
1
26
3,999
27
2,399
5,537
41
36,507
154

50,946

2,345
1
882
73
1,327
3
9
23
28

4,691

2011
Rupees
in Million

184,999
15,447
8,473
208,919

(196,139)
(12,792)
(5,925)
(214,856)
(5,937)

ity, but not at
ncial Assembly
sed for the

2011
Rupees
in Million

20,495
(178)
20,317

50,154
(29,659)
20,495

235,481
19,950
1,160
2,243
20,317
279,151

23,389
31,187
24,019
200,556
279,151

assets and

2011
Rupees
in Million

1,159
6
(11,868)
(10,703)

37,159
13
(3,080)

34,092

23,389

transaction,
with
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KP have been
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2011
Rupees
in Million

286,095
(57,263)

228,832

258,320
(57,263)

201,057

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of the
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its have been

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comparison.

nkhwa

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