

Balance Sheet - Net Worth

Government is consolidating its accounts on the basis of the Government Finance Statistics 2001 methodology in view to improving transparency and accountability in the management of public affairs. In line with this methodology, a balance sheet with estimates of assets, liabilities and net worth has been constructed. However, this is a very first attempt at compiling such a balance sheet. As in many countries, it has not been possible to comprehensively estimate all the items in the balance sheet. It is indeed a very complex exercise where different issues have to be dealt with and a proper methodology developed over time. In addition, there is need to put in place appropriate tools and mechanisms for estimation such as a register of assets. Until such time, this Appendix will be constantly revised and improved.

Balance Sheet as at 30 June 2007(Rs m)

Assets		Liabilities	
<u>Non-financial assets</u>		<u>Liabilities</u>	
Fixed Assets		Short term borrowing	41,887
Buildings and structures,		Treasury notes	33,103
Machinery and equipment &	100,000	Special fund	102
Transport equipment		Deposits	721
Non-produced assets		Public debts	40,762
Land	366,414	Pension liability	29,946
	466,414	Passage benefit liability	315
			146,836
Financial assets			
Cash & bank balances	709	Net worth	336,838
Remittances	29		
Investments	1,000		
Advances	1,326		
Reserve tranche with IMF	4,178		
Loans financed from Revenue	10,018		
outstanding			
	17,260		
Total Assets	483,674	Total Liabilities	483,674

Notes:

The CSO has estimated the value of fixed assets at about Rs 100 billion for the purpose of this exercise. It is being used as a quasi-measure until such time that a proper valuation exercise can be carried out.

It is assumed that contingent liabilities (Government guaranteeing loans for parastatals) will not materialise in the near future and as such it has been excluded.

The table above does not include assets such as inventories and valuables.