

APPENDIX E

Balance Sheet - Net Worth

Last year, a first attempt was made at compiling the balance sheet of Government with estimates of assets, liabilities and net worth. Based on the same methodology, this year's balance sheet has been updated and is presented below. Compiling the balance sheet is, indeed, a very complex exercise. Efforts are, therefore, being made to improve the methodology and to adopt appropriate estimation tools and techniques.

Balance Sheet as at 30 June 2008 (Rs m)			
Assets		Liabilities	
<u>Non-financial assets</u>		<u>Liabilities</u>	
Fixed Assets		Short term borrowing	34,837
Buildings and structures,		Treasury notes	37,703
Machinery and equipment &	113,100	Special funds	3,183
Transport equipment		Deposits	877
Non-produced assets		Public debts	45,117
Land	334,929	Passage benefit liability	440
	448,029	Pension liability	31,526
			153,683
Financial assets		Net worth	315,838
Cash & bank balances	731		
Remittances	1		
Investments	4,500		
Advances	1,400		
Reserve tranche with IMF	4,155		
Arrears of revenue	5,967		
Loans outstanding (financed from Revenue)	4,738		
	21,492		
Total Assets	469,521	Total Liabilities	469,521

Notes:

The CSO has estimated the value of fixed assets at about Rs 113 billion for the purpose of this exercise. It is being used as a quasi-measure until a proper valuation exercise is carried out.

It is assumed that contingent liabilities (Government guarantee of loans of public enterprises/statutory bodies) will not materialise in the near future and as such has been excluded in the estimation.

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