

**BALANCE SHEET**  
**As at 30-Jun-2011**

		(RUPEES)	
	Note	<u>Actual</u> 30-Jun-2011	<u>Actual</u> 31-Dec-2010
<b>ASSETS</b>			
Cash and balance with SBP & NBP	1	127,492,259	163,112,013
Balances with other banks	2	467,885,640	581,414,297
Lending to financial institutions	3	383,009,337	811,921,784
Investments - net of provisions	4	1,300,178,243	1,252,790,068
Advances - net of provisions	5	3,920,131,066	3,621,410,320
Operating fixed assets	11	185,048,823	168,718,688
Other assets	6	583,444,980	639,305,273
		<b>6,966,970,247</b>	<b>7,238,672,439</b>
<b>LIABILITIES</b>			
Deposits and other accounts	7	911,478,629	1,000,328,625
Borrowings	8	3,655,430,052	3,862,294,792
Other liabilities	9	155,453,769	158,765,219
Deferred grants		24,876,826	12,205,960
		<b>4,747,239,276</b>	<b>5,031,594,596</b>
<b>NET ASSETS</b>		<b><u>2,219,730,971</u></b>	<b><u>2,207,077,843</u></b>
<b>REPRESENTED BY :</b>			
<b>CAPITAL</b>			
Paid up capital		1,705,000,000	1,705,000,000
Capital and general reserves	10	193,227,753	188,539,648
Unappropriated profit		321,503,218	313,538,195
		<b><u>2,219,730,971</u></b>	<b><u>2,207,077,843</u></b>

  
**PROFIT & LOSS ACCOUNT**  
 From 01-Jan-2011 to 30-Jun-2011

	<b>(RUPEES)</b>	
	<b>Year To Date</b>	<b>YTD</b>
	<b>Act</b>	<b>Act</b>
	<b>Jan - Jun 11</b>	<b>Jan - Jun 10</b>
Mark up / Interest on advances	480,022,104	482,448,084
Insurance/Credit processing fee/FSB income	97,749,289	99,170,170
	587,771,402	585,818,284
Return on investments/bank accounts	117,249,037	109,879,480
	705,014,439	688,487,754
Borrowing cost	(123,480,302)	(127,837,793)
Interest on deposits	(10,918,088)	(1,901,086)
	(133,979,389)	(129,538,818)
	<b>571,035,070</b>	<b>669,669,935</b>
<b>OPERATING EXPENSES</b>		
Salaries - wages & other benefits	324,153,148	287,548,883
Recruitment & Development	1,112,084	3,712,350
Management consultancy	714,950	4,425,700
IT Operations	12,783,387	12,359,018
Training	4,329,269	6,709,407
Rent, rates & taxes	47,480,834	41,111,525
Meeting & Conferences	4,177,816	3,645,087
Utilities	20,285,882	17,784,888
Communication	10,892,848	12,879,528
Traveling & conveyance	3,651,892	6,832,200
Insurance	10,879,384	10,770,776
Repair & maintenance	7,749,399	6,897,804
Security services	1,388,284	730,501
Vehicle running & maintenance	28,777,706	28,871,084
Legal & Professional	748,221	928,405
Printing, stationery & office supplies	23,218,848	22,174,013
Subscription	788,123	844,035
Advertisement & business promotion	6,017,707	9,254,947
Financial charges	3,495,628	2,665,849
Depreciation	35,018,131	33,830,583
IT/BA implementation cost	2,199,397	-
Miscellaneous expenses	1,038,830	1,149,109
	551,490,890	512,502,878
Reimbursement of USAID program costs	(4,618,510)	(7,035,834)
	648,974,180	605,467,444
Net Provision against advances / other assets	70,874,437	(8,382,480)
Total operating expenses	817,848,617	487,104,864
<b>OPERATING (LOSS) / PROFIT</b>	<b>(46,913,547)</b>	<b>62,853,962</b>
<b>OTHER INCOME</b>		
Amortization of deferred grant & USAID reimbursement cost	2,129,024	5,284,689
Reimbursement cost of Social Mobilization cost	41,272,000	41,255,000
Gain / (Loss) on Disposal of Fixed Asset	17,046,034	20,259,825
Misc Income	477,871	178,867
Gain / (Loss) on foreign currency transactions	1,003,798	128,800
	61,928,715	87,111,870
<b>PROFIT / (LOSS) BEFORE TAXATION</b>	<b>15,015,168</b>	<b>129,965,826</b>
Taxation - Current	7,050,145	-
- Deferred	-	-
	7,050,145	-
<b>PROFIT / (LOSS) AFTER TAXATION</b>	<b>7,965,023</b>	<b>129,965,826</b>
Contribution to Contingencies Reserve	-	-
Statutory Reserves	-	-
Other Appropriations	-	-
	-	-
<b>PROFIT / (LOSS) AFTER CONTRIBUTIONS</b>	<b>7,965,023</b>	<b>129,965,826</b>
Un-appropriated profit brought forward	313,638,195	206,041,665
<b>UN-APPROPRIATED PROFIT CARRIED FORWARD</b>	<b>321,603,218</b>	<b>336,007,320</b>

  
**NOTES TO THE ACCOUNTS**  
**For the period ended 30-Jun-2011**

	30-Jun-2011		31-Dec-2010	
	Rupees		Rupees	
<b>1. CASH AND BALANCES WITH SBP &amp; NBP</b>				
Cash in hand		58,996,752		66,899,409
Balances with SBP		50,256,910		73,741,988
Balances with NBP				
Current Account		8,917,543		21,023,219
Saving Account		1,321,054		2,447,419
		10,238,597		23,470,638
		<b>127,492,259</b>		<b>163,112,013</b>
<b>2. BALANCES WITH OTHER BANKS</b>				
Current Account		255,775,392		424,870,487
Saving Account		211,890,148		158,543,810
		<b>467,665,540</b>		<b>583,414,297</b>
<b>3. LENDING TO FINANCIAL INSTITUTIONS</b>				
Repurchase agreement lending		383,009,337		811,921,784
Clean lending		100,000,000		100,000,000
Less: Provision for impairment		(100,000,000)		(100,000,000)
		<b>383,009,337</b>		<b>811,921,784</b>
<b>4. INVESTMENTS - NET OF PROVISIONS</b>				
Market Treasury Bills		946,758,780		896,498,800
(Deficit) / surplus on revaluation		(190,254)		(534,059)
		946,578,528		894,959,741
Pakistan Investment Bonds		353,589,717		357,830,325
		<b>1,300,178,245</b>		<b>1,252,790,066</b>
<b>5. ADVANCES - NET OF PROVISIONS</b>				
	No of loans	Rupees	No of loans	Rupees
Gross advances	330,389	4,068,898,241	325,523	3,722,152,797
Less: provisions held				
Specific provision		59,477,813		28,004,701
General provision		77,287,383		72,737,776
		136,765,196		100,742,477
		<b>3,926,131,068</b>		<b>3,621,410,320</b>
<b>Category of Classification</b>	Amount - Out standing	Provision	Amount - Out standing	Provision
	Rupees			
OAEM	26,998,902	-	83,702,027	-
Sub-standard	26,129,282	6,532,578	28,735,664	7,183,891
Doubtful	180,247,463	80,125,183	23,515,894	12,757,847
Loss	83,810,891	83,810,891	8,062,863	8,062,863
	278,984,638	160,288,652	148,016,248	28,004,701
Provision deferred against Loan reschedule	208,130,823	90,780,838	-	-
	<b>68,853,915</b>	<b>69,477,813</b>	<b>148,016,248</b>	<b>28,004,701</b>
<b>Particulars of the provisions</b>	Specific	General	Specific	General
	Rupees			
Balance at the beginning of the year	28,004,701	72,737,776	18,848,565	55,610,842
Charge for the year	64,417,318	4,649,587	95,077,878	17,127,134
Amount written off	(62,944,208)	-	(85,719,742)	-
Balance at end of the year	<b>69,477,813</b>	<b>77,287,383</b>	<b>28,004,701</b>	<b>72,737,776</b>
<b>Particulars of write offs</b>	Rupees		Rupees	
Against provision	52,944,208		85,718,742	
Directly charge to profit and loss account	-		-	
	<b>52,944,208</b>		<b>85,718,742</b>	

**NOTES TO THE ACCOUNTS**

For the period ended 30-Jun-2011

	30-Jun-2011	31-Dec-2010
<b>6. OTHER ASSETS</b>	<b>Rupees</b>	<b>Rupees</b>
Markup/interest on advances receivable	298,134,678	345,140,535
Interest receivable on Investments	27,898,864	20,250,167
Loans & advances to staff	79,006,044	79,885,178
Advances to suppliers	17,851,884	18,768,987
Security deposit	2,042,394	2,040,885
Prepayments	48,053,992	49,855,825
Advance tax deducted - Net of Provisions	18,174,845	23,959,387
Receivable from MSDP	78,090,999	79,843,051
Receivable from USAID	4,178,184	3,108,586
Insurance Claim Receivable	3,876,861	4,761,708
Receivable from SBP	586,428	8,701,148
Other receivables	9,892,032	4,045,440
	<u>585,685,191</u>	<u>640,348,906</u>
Opening Provision	1,043,633	1,475,423
Provision for the year	1,176,578	658,584
Receivable written off against provision	-	(1,291,374)
	<u>2,220,211</u>	<u>1,043,633</u>
	<u>583,464,980</u>	<u>639,305,273</u>
<b>7. DEPOSITS</b>		
Time Liabilities:		
Term Deposits		
01 Month	2,378,000	42,006,000
03 Months	29,975,000	47,085,000
08 Months	34,896,000	24,045,000
12 Months	249,485,000	84,459,000
	<u>316,511,000</u>	<u>197,594,000</u>
Demand Liabilities		
Saving Deposits	2,962,181	-
Current deposits	582,005,488	802,734,825
	<u>584,967,629</u>	<u>802,734,825</u>
	<u>911,478,629</u>	<u>1,000,328,825</u>
<b>8. BORROWINGS</b>		
Unsecured:		
Borrowings from ADB	3,455,430,052	3,637,294,792
Borrowings from FI	-	26,000,000
	<u>3,455,430,052</u>	<u>3,662,294,792</u>
Secured:		
Borrowings from FI	200,000,000	200,000,000
	<u>3,655,430,052</u>	<u>3,862,294,792</u>
<b>9. OTHER LIABILITIES</b>		
Markup/ Interest payable on borrowing	49,345,078	49,819,534
Markup/return payable on deposits	8,282,668	2,781,793
Accrued expenses	19,847,957	31,874,175
Bills Payable	2,864,107	504,920
Payable to defined benefit plan - gratuity	2,588,355	3,289,391
Contribution payable to funds	34,832,167	84,832,167
Payable to SPs	4,981,000	8,942,000
Payable to suppliers	16,415,671	17,192,370
Provision for WWF	3,782,788	3,762,788
Other Payables	12,444,110	6,878,100
	<u>166,453,772</u>	<u>158,765,219</u>
<b>10. CAPITAL AND GENERAL RESERVES</b>		
Statutory reserve	144,603,580	144,603,580
Capital Reserve	24,255,224	24,255,224
Contingency reserve	28,386,353	28,386,353
(loss)/Surplus on revaluation of Investments	(4,016,384)	(8,704,488)
	<u>193,227,753</u>	<u>188,539,648</u>

**NOTES TO THE ACCOUNTS**  
**For the period ended 30-Jun-2011**

**(RUPEES)**

**11 OPERATING FIXED ASSETS**

	Cost			Depreciation			Book Value	Dep Rate
	Opening balance	Addition/ Deletion - during the period	Total	Opening balance	Addition/ Deletion - during the period	Total	Total	% age
Furniture & Fixture	107,819,645	7,175,598	115,095,241	38,116,562	4,680,642	42,796,405	72,298,836	10
Office Equipment	46,447,885	5,777,993	52,225,878	27,357,524	3,466,745	30,824,269	21,401,609	20
Computer hardware	121,043,582	20,805,205	141,948,787	84,316,101	11,952,130	96,267,231	45,681,556	33
Computer software	23,693,429	11,575,000	35,268,429	16,949,708	4,957,556	21,907,266	13,361,163	33
Electrical Appliance	71,677,212	4,276,291	75,953,503	42,549,587	5,013,199	47,562,786	28,390,716	20
Vehicle	233,985,415	(28,442,540)	205,542,875	226,761,002	(25,133,068)	201,627,934	3,914,941	25
<b>As at 30-Jun-2011</b>	<b>604,767,168</b>	<b>21,267,545</b>	<b>626,034,713</b>	<b>436,045,484</b>	<b>4,937,405</b>	<b>440,985,890</b>	<b>186,048,823</b>	
<b>As at 31-Dec-2010</b>	<b>598,169,454</b>	<b>5,607,714</b>	<b>604,767,168</b>	<b>413,481,019</b>	<b>22,567,465</b>	<b>436,048,484</b>	<b>186,718,688</b>	