

PART TWO

ADMINISTRATIVE ORGANIZATION
THE BALANCE SHEET
AND
THE PROFIT AND LOSS ACCOUNT
OF
CENTRAL BANK OF THE
ISLAMIC REPUBLIC OF IRAN

Year ending Esfand 29, 1381

(March 20, 2003)

***EXECUTIVE BOARD
in 1381***

Mohsen Nourbakhsh

Governor

Mohammad Javad Vahhaji

Deputy Governor

Ebrahim Sheibany

Secretary General

Mohammad Jaafar Mojarrad

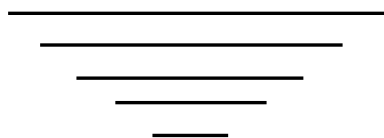
Vice-Governor

Akbar Komijani

Vice-Governor

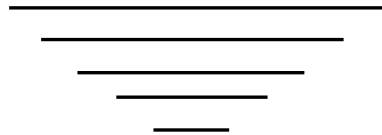
Bijan Latif

Vice-Governor



MONEY AND CREDIT COUNCIL
in 1381

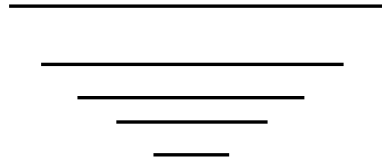
<i>Tahmasb Mazaheri</i>	<i>Minister of Economic Affairs and Finance</i>
<i>Mohsen Nourbakhsh</i>	<i>Governor of the Central Bank</i>
<i>Mohammad Sattari Far</i>	<i>Vice-President and Head of Management and Planning Organization</i>
<i>Mohammad Shariatmadari</i>	<i>Minister of Commerce</i>
<i>Seyyed Safdar Hosseini</i>	<i>Minister of Labor and Social Affairs</i>
<i>Morteza Haji</i>	<i>Minister of Education</i>
<i>Ebrahim Sheibany</i>	<i>Bank Expert (selected by the President)</i>
<i>Ali Tayyebnia</i>	<i>Bank Expert (selected by the President)</i>
<i>Mohammad Jaafar Montazeri</i>	<i>Deputy Attorney General</i>
<i>Seyyed Alinaghi Seyyed Khamooshi</i>	<i>Head of Iran's Chamber of Commerce, Industries and Mines</i>
<i>Abolghasem Sarhaddizadeh</i>	<i>Chairman, Board of Directors, Iran Chamber of Central Cooperative</i>
<i>Mohammad Bagher Noubakht Haghighi</i>	<i>Member of Parliament</i>
<i>Iraj Nadimi</i>	<i>Member of Parliament</i>



<i>Ahmad Azizi</i>	<i>(until 31.1.1381)</i>	<i>Bank Expert (selected by the President)</i>
<i>Seyyed Jamal Hashemi Arabi</i>	<i>(until 23.4.1381)</i>	<i>Chairman, Board of Directors, Iran Chamber of Central Cooperative</i>

NOTE-RESERVE CONTROL BOARD
in 1381

<i>Mohsen Nourbakhsh</i>	<i>Governor of the Central Bank</i>
<i>Seyyed Abolfazl Fatemizadeh</i>	<i>Deputy Minister of the Minister of Economic Affairs and Finance and Treasurer General</i>
<i>Mohammad Jaafar Montazeri</i>	<i>Deputy Attorney General</i>
<i>Seyyed Kazem Mirvalad</i>	<i>Director of the Government Auditing Bureau</i>
<i>Seyyed Rassul Hosseini</i>	<i>Chairman of the Supervisory Board</i>
<i>Abbasali Allahyari</i>	<i>Member of Parliament</i>
<i>Hassan Zahmatkesh</i>	<i>Member of Parliament</i>



SUPERVISORY BOARD
in 1381

<i>Seyyed Rassul Hosseini</i>	<i>Chairman</i>
<i>Mahmood Reza Abaei Koopaei</i>	<i>Member</i>
<i>Mohammad Nabovvati</i>	<i>Member</i>

THE BALANCE SHEET
AND
THE PROFIT AND LOSS ACCOUNT
OF
CENTRAL BANK OF THE
ISLAMIC REPUBLIC OF IRAN

Year ending Esfand 29, 1381

(March 20, 2003)

**CENTRAL BANK OF THE
BALANCE
YEAR ENDING ESFAND 29, 1381
AMOUNT IN**

<u>March 20, 2002</u>	ASSETS	<u>March 20, 2003</u>
	Note cover:	
31,500,000,000,000	Gold, foreign exchange, quota and subscription to international agencies and government obligations	37,200,000,000,000
254,895,444,102	Notes and coins held at the Central Bank	341,427,003,864
589,120,229,667	Free gold holdings	3,411,125,512,096
23,345,408,023,708	Foreign exchange assets	156,663,112,434,362
	Loans and credits to:	
33,375,795,138,302	Government	82,565,319,282,928
17,471,411,782,930	Government institutions and corporations	19,831,586,301,860
250,000,000,000	Public institutions and corporations	117,065,217,389
5,249,531,003,340	Banks	19,827,985,923,769
6,827,154,919,124	Government revolving funds kept with banks	4,480,352,059,139
7,635,524,220,000	Government securities	7,635,524,220,000
610,157,709,924	Fixed assets (less depreciation cost)	706,538,365,619
49,247,656,394,928	Other assets	4,063,951,876,843
176,356,654,866,025		336,843,988,197,869
4,372,359,497,771	Customers' undertakings regarding opened letters of credit and guarantees	16,073,446,471,482
180,729,014,363,796		352,917,434,669,351
102,418,732,498	Assets of the Central Bank Employees' Retirement Fund	258,989,083,463
22,500,450,185	Assets of the Central Bank Employees' Savings Fund	27,474,707,032
14,528,638,109	Assets of the Central Bank Employees' Cooperation Fund	18,669,470,098
180,868,462,184,588		353,222,567,929,944

Executive Board

**Ebrahim Sheibany
Governor**

Mohammad Javad Vahhaji	Heshmatollah Azizian	Mohammad Jaafar Mojarrad	Akbar Komijani	Bijan Latif
Deputy Governor	Secretary General	Vice-Governor	Vice-Governor	Vice-Governor

**ISLAMIC REPUBLIC OF IRAN
SHEET
(March 20, 2003)
RIALS**

<u>March 20, 2002</u>	LIABILITIES	<u>March 20, 2003</u>
31,500,000,000,000	Notes issued	37,200,000,000,000
290,059,958,609	Coins issued	317,274,925,609
9,443,601,000,000	Central Bank's Participation Papers	17,051,847,000,000
	Deposits:	
44,085,143,118,912	Government: sight	112,365,838,423,537
4,103,917,245,708	Government institutions and corporations: sight	7,713,319,428,172
827,889,269,280	Non-government public institutions and corporations: sight	1,020,623,652,905
	Banks and credit institutions:	
47,531,410,754,000	Legal	60,844,614,785,000
9,813,967,671,739	Sight	14,678,360,713,136
0	Special term deposits	200,000,000,000
3,304,169,267,000	Advance payment on letters of credit	1,716,951,484,000
5,000,000,000,000	Special	5,000,000,000,000
65,649,547,692,739		82,439,926,982,136
4,671,098,360,671	Other deposits	14,536,022,127,284
6,182,777,629	Income taxes	239,396,007,965
7,220,000,000	Government's share in net profit	95,508,000,000
15,088,783,516,495	Other liabilities	52,350,335,304,660
400,000,000,000	Capital	400,000,000,000
277,755,607,815	Legal reserves	359,867,719,942
5,455,638,656	Contingent reserves	405,455,638,656
0	Foreign exchange assets' and liabilities' revaluation reserve	10,348,572,911,922
679,511	Net profit carried forward	75,081
176,356,654,866,025		336,843,988,197,869
4,372,359,497,771	Letters of credit and guarantees	16,073,446,471,482
180,729,014,363,796		352,917,434,669,351
102,418,732,498	Liabilities of the Central Bank Employees' Retirement Fund	258,989,083,463
22,500,450,185	Liabilities of the Central Bank Employees' Savings Fund	27,474,707,032
14,528,638,109	Liabilities of the Central Bank Employees' Cooperation Fund	18,669,470,098
180,868,462,184,588		353,222,567,929,944

Supervisory Board

Mahmood Reza
Abaei Koopaei
Member

Seyyed Rassul
Hosseini
Chairman

Mohammad
Nabovvati
Member

**CENTRAL BANK OF THE
PROFIT AND
FOR THE YEAR ENDED ESFAND 29, 1381
AMOUNT**

2001/02		2002/03
86,086,777,672	Cost of receiving credit and overdraft from foreign banks	67,847,197,190
163,963,082	Profit paid on foreign exchange deposits	0
522,424,361,565	Rewards paid on banks' legal deposit	524,297,183,935
968,468,762,260	Profit paid on Central Bank's Participation Papers	1,936,527,249,276
210,062,465,753	Profit paid for banks' special deposits	1,535,001,969,000
221,727,436,998	Commission paid on banking services	280,677,806,393
280,030,968,580	Result of foreign exchange valuation-adjustment rate	0
280,560,056,771	Administrative and personnel expenditures	502,721,719,885
89,183,352,839	Money issue and miscellaneous printing expenditures	129,302,582,871
34,136,025,308	Depreciation cost of fixed assets	53,674,788,916
12,988,883,813	Other expenditures	25,248,139,814
15,861,670,794	Net profit	821,121,121,268
2,721,694,725,435		5,876,419,758,548
6,182,777,629	Income tax	239,396,007,965
1,586,167,079	Transfer to legal reserve	82,112,112,127
793,083,540	Transfer to contingency reserve	400,000,000,000
7,220,000,000	Government's share in net profit	95,508,000,000
79,308,354	0.5% allocated to low-income groups for housing provision	4,105,605,606
679,511	Net profit carried forward	75,081
15,862,016,113		821,121,800,779

**ISLAMIC REPUBLIC OF IRAN
LOSS ACCOUNT
(March 20,2003)
IN RIALS**

<u>2001/02</u>		<u>2002/03</u>
588,197,180,669	Returns on deposits and investment abroad	2,088,357,293,180
1,117,560,734,431	Profit received from facilities extended	1,006,115,110,034
174,674,386,710	Commission received for banking services	159,132,385,459
588,512,389,318	Result of foreign exchange and gold transactions	1,293,751,757,461
185,220,000,000	Profit paid on special participation papers	986,301,969,000
67,530,034,307	Other incomes	342,761,243,414
<u>2,721,694,725,435</u>		<u>5,876,419,758,548</u>

APPROPRIATION ACCOUNT

15,861,670,794	Net Profit	821,121,121,268
345,319	Net profit carried forward	679,511
<u>15,862,016,113</u>		<u>821,121,800,779</u>

DETAILS OF THE BALANCE SHEET
YEAR ENDING ESFAND 29, 1381
(March 20, 2003)

A. ASSETS

NOTE ISSUE AND NOTE COVER

On the basis of the currency needs of the country and according to the monetary and banking regulations, Rls. 5,700,000 million worth of new notes were issued and the total notes in circulation amounted to Rls. 37,200,000 million by Esfand 29, 1381.

NOTES AND COINS HELD AT THE CBI

Notes and coins held at the CBI as compared to the corresponding figures of the previous year are as follows:

NOTES AND COINS HELD		
AT THE CBI (million rials)		
	Year end	
	1380	1381
Notes	254,494.9	341,412.7
Coins	400.6	14.3
Total	<u>254,895.5</u>	<u>341,427.0</u>

LOANS AND CREDITS

Total loans and credits extended to the government, its affiliated corporations and institutions, public enterprises and banks amounted to Rls. 122,341,956.7 million. This was after deducting Rls. 6,197,950.8 million as note cover and taking into account other adjustments.

LOANS AND CREDITS EXTENDED
(million rials)

	Year end	
	1380	1381
Government	53,507,982.7	88,763,270.1
Less blocked debt in note cover	<u>20,132,187.6</u>	<u>6,197,950.8</u>
	33,375,795.1	82,565,319.3
Government corporations & institutions	17,471,411.7	19,831,586.3
Banks	5,249,531.0	19,827,985.9
Public enterprises	<u>250,000.0</u>	<u>117,065.2</u>
Total	<u>56,346,737.9</u>	<u>122,341,956.7</u>

**GOVERNMENT REVOLVING FUND
KEPT WITH BANKS**

On the basis of the agency contracts between the CBI and other banks, 12 percent of the balance of governmental accounts with each bank is kept as a revolving fund. The total amount of the revolving fund was Rls. 4,480,352.1 million at the end of Esfand, 1381.

GOVERNMENT SECURITIES

Government securities at the end of Esfand, 1381 was Rls. 7,635,524.2 million, which remained unchanged as compared with the previous year.

FIXED ASSETS

Fixed assets at the end of 1381 are as follows:

FIXED ASSETS (million rials)						
	1380			1381		
	Before depreciation	Depreciation allowance	After depreciation	Before depreciation	Depreciation allowance	After depreciation
Immovable assets	655,210.0	66,465.7	588,744.3	790,633.8	109,605.3	681,028.5
Movable Assets	<u>58,974.7</u>	<u>37,561.3</u>	<u>21,413.4</u>	<u>76,057.3</u>	<u>50,547.4</u>	<u>25,509.9</u>
Total	<u>714,184.7</u>	<u>104,027.0</u>	<u>610,157.7</u>	<u>866,691.1</u>	<u>160,152.7</u>	<u>706,538.4</u>

OTHER ASSETS

Other assets held at the CBI at end of 1381 amounted to Rls. 4,063,951.9 million, as follows:

OTHER ASSETS

(million rials)

	Year end	
	1380	1381
Silver holdings	946.2	881.2
Stamp holdings	5.5	502.6
Coin holdings	5,028.5	6,619.8
Investment in other institutions	113,379.0	113,379.0
Ashkanian Dynasty coins	8.7	8.7
Miscellaneous assets	48,381,978.2	204,740.4
Revolving funds	2,417.4	2,115.3
Prepayments	26,247.2	34,372.8
Temporary debtors'		
suspense account	218,477.2	2,012,534.1
Projects to be completed	160,117.7	232,197.2
Result of conversion of		
foreign facilities	0	1,021,714.1
Claims for long-term facilities	339,050.8	434,886.6
Total	49,247,656.4	4,063,951.9

In 1381, Rls. 48,323,044.9 million outstanding of miscellaneous assets related to royalty of sale of foreign exchange at import certificate, certificate of deposit and negotiated rates, was cleared out of changes resulting from legal exchange rate parities.

CUSTOMERS' UNDERTAKING FOR OPENED LETTERS OF CREDIT & GUARANTEES

The total customers' undertaking for opened letters of credit and guarantees was Rls. 16,073,446.5 million at the end of 1381, as follows:

CUSTOMERS' UNDERTAKING FOR OPENED LETTERS OF CREDIT AND GUARANTEES

(million rials)

	Year end	
	1380	1381
Foreign exchange LCs in rials	3,454,931.3	10,400,311.7
Guarantees received from correspondents	102,527.6	466,212.9
Guarantees issued	142,464.1	30,426.4
Opened LCs in foreign exchange	672,436.5	5,176,495.5
Total	4,372,359.5	16,073,446.5

B. LIABILITIES**NOTES ISSUED**

New notes issued in 1381 totaled Rls. 5,700,000 million. Thus, total issued notes amounted to Rls. 37,200,000 million at the end of 1381.

COINS ISSUED

During 1381 Rls. 27,215 million coins was issued, bringing the total coins issued to Rls. 317,274.9 million at the end of 1381.

According to the Monetary and Banking Law and the advisory letter of the Ministry of Economic Affairs and Finance, the ceiling for the issuance of coins was determined at Rls. 320 billion.

CBI'S PARTICIPATION PAPERS

Following the approval of the MCC on 29.2.1381, and in accordance with implementation of the monetary policies as stipulated in the 3rd FYDP Law, the CBI was authorized to issue participation papers which commenced on 17.12.1379.

At the end of 1381 (March 20, 2003) the total amount of sold participation papers was Rls. 17,051,847 million.

DEPOSITS

Total demand deposits of the government, public corporations and institutions, non-governmental public enterprises and institutions, banks and non-bank credit institutions, along with other deposits amounted to Rls. 218,075,730.6 million at the end of 1381, as is shown in the following table.

DEPOSITS

(million rials)

	Year end	
	1380	1381
Government	44,085,143.1	112,365,838.4
Public corporations and institutions	4,103,917.2	7,713,319.4
Non-governmental public enterprises & institutions	827,889.3	1,020,623.7
Banks and non-bank credit institutions:		
Legal	47,531,410.7	60,844,614.8
Demand	9,813,967.7	14,678,360.7
Special	5,000,000.0	5,000,000.0
Term	0	200,000.0
Letters of credit	3,304,169.3	1,716,951.5
Sub-total	65,649,547.7	82,439,927.0
Others	4,671,098.4	14,536,022.1
Total	119,337,595.7	218,075,730.6

According to Amended Article 60 of the 3rd FYDP Law, the government deposited Rls. 65,326,626.4 million into the OSF, equalled \$ 8,082 million.

INCOME TAX

Income tax of the CBI on the basis of amended direct tax law approved in 1380 was Rls. 239,396 million for 1381.

SHARE OF GOVERNMENT IN NET PROFIT

According to the Monetary and Banking Law, the remainder of profit, after profit appropriation according to Article 25 of the said Law, belongs to the government. The government's share in the net profit of the CBI in 1381 amounted to Rls. 95,508 million.

OTHER LIABILITIES

Other liabilities of the CBI amounted to Rls. 52,350,335.3 million at the end of 1381, as follows:

	OTHER LIABILITIES (million rials)	
	Year end	
	1380	1381
Documents payable	3,484,574.8	15,093,300.7
SDR allocations	535,290.5	2,680,223.0
Foreign exchange drafts (payable in rials)	3,697.3	14,684.7
Sight deposits of departments within the bank	1,166,386.9	1,083,407.9
Creditors' suspense account in foreign exchange	2,781,551.9	3,656,876.8
Creditors' suspense account in rial	1,750,528.9	2,757,582.8
CBI's receipts in connection with the Algerian Decree	271,474.8	198,994.7
Liabilities related to projects to be completed	21,973.2	19,381.4
Short-term facilities extended by foreign banks	2,306,283.2	2,382,441.3
Prepayment in foreign exchange	677,891.9	6,990,129.5
Long-term facilities extended by foreign banks	339,050.8	1,962,845.8
Foreign exchange facilities	1,750,000.0	6,960,361.1
Issued Euro bonds	0	8,546,000.0
0.5% allocated to low- income groups for provision of housing	79.3	4,105.6
Total	<u>15,088,783.5</u>	<u>52,350,335.3</u>

A sum of Rls. 2,680,233 million of SDR allocation equal to 244,056,000 SDR is related to Iran's quota in IMF. Foreign exchange balance of the mentioned account remained unchanged as compared to the previous year. Any changes in terms of rial was due to change in the parity of SDR resulting from exchange rate unification.

CAPITAL

The CBI's capital amounted to Rls. 400,000 million at the end of 1381, which was unchanged as compared to the previous year.

LEGAL RESERVE

Based on Monetary and Banking Law, 10 percent of net profit of CBI is required to be held in a legal reserve account, so that the total legal reserve will equal the CBI's capital. The legal reserve for 1381 is Rls. 82,112.1 million, which in addition to the Rls. 277,755.7 million held as legal reserve at the end of the previous year, brought the total legal reserve to Rls. 359,867.8 million at the end of 1381.

CONTINGENCY RESERVE

According to the Monetary and Banking Law, each year an amount is to be held in the contingency reserve account based on proposal of the CBI and approval of the General Assembly. The contingency reserve out of net profit in 1381 is Rls. 400,000 million.

FOREIGN EXCHANGE ASSETS AND LIABILITIES CONVERSION RESERVE

Foreign exchange assets and liabilities conversion reserve in 1381 amounted to Rls. 10,348,572.9 million at 28.12.1381 rates.

**CONVERSION RESERVE OF FOREIGN
EXCHANGE ASSETS AND LIABILITIES**
(million rials)

	Year end 1381	
	1380	1381
Gold	275,860.5	
Quota and subscription to international institutions	529,911.9	
Foreign exchange holdings	10,018,543.0	
Clearing accounts	-475,742.5	
Total	10,348,572.9	

**DETAILS OF THE PROFIT AND LOSS
ACCOUNT**
(for the year ending Esfand 29,1381)

A. REVENUES

**REVENUE RECEIVED FROM DEPOSIT
AND INVESTMENT ABROAD**

The income received from returns on deposits and investment abroad amounted to Rls. 2,088,357.3 million, as follows:

**REVENUE RECEIVED FROM DEPOSITS AND
INVESTMENT ABROAD**

	(million rials)	
	Year end	
	1380	1381
Foreign exchange term deposits	459,969.6	1,389,939.7
Foreign exchange sight deposits & special & clearing accounts	78,426.6	168,222.8
Foreign bonds	410,386.4	2,599,351.8
Gold depositing	21,643.6	440.0
Algerian Decree	52,848.9	116,271.5
SDR	17,704.2	60,965.3
Profit of OSF account	-452,782.1	-2,246,833.8
Total	588,197.2	2,088,357.3

According to the amended by-law of Article 60 of the 3rd Plan Law, the profit of the OSF for the current fiscal year was Rls. 2,246,833.8 million, which was deducted from revenue received from deposits and investment abroad according to the Money and Credit Council's approval.

It is to be noted that, the mentioned foreign exchange revenue which was calculated on the basis of floating rate in 1380 (Rls. 1,750) is calculated on the basis of the current foreign exchange rate in 1381.

**PROFIT RECEIVED FROM EXTENDED
FACILITIES**

The profit received from extended facilities in 1381 amounted to Rls. 1,006,115.1 million, as follows:

**PROFIT RECEIVED FROM
EXTENDED FACILITIES**
(million rials)

	Year end	
	1380	1381
Government	917.3	962.1
Government corporations and institutions	200,126.6	201,819.6
Banks	823,599.8	720,651.6
Algerian Decree	92,917.0	16,711.9
Non-governmental public institutions & corporations	0	65,969.9
Total	1,117,560.7	1,006,115.1

**BANKING FEES AND COMMISSIONS
RECEIVED**

Banking fees and commissions received totaled Rls. 159,132.4 million, as follows:

**BANKING FEES AND COMMISSIONS
RECEIVED** (million rials)

	Year end	
	1380	1381
Letters of credit	42,749.9	78,445.6
Foreign exchange bills	313.1	2,390.8
Foreign exchange drafts	15,915.2	77,645.6
Local usance	115,023.2	0
Miscellaneous (rials)	673.0	650.4
Total	174,674.4	159,132.4

**RESULT OF FOREIGN EXCHANGE AND
GOLD TRANSACTIONS**

The income received from foreign exchange and gold transactions amounted to Rls. 1,293,751.8 million as follows:

**RESULT OF FOREIGN EXCHANGE AND
GOLD TRANSACTIONS**

	(million rials)	
	Year end	
	1380	1381
Foreign exchange losses	89,960.5	78,579.4
Profit derived from international bonds transactions	239,147.0	1,215,172.4
Profit derived from gold transactions	5,670.5	0
Profit and loss derived from foreign exchange transactions	253,734.4	0
Total	588,512.4	1,293,751.8

PROFIT OF SPECIAL PARTICIPATION PAPERS

An amount of Rls. 986,302 million was projected as profit of government special participation papers purchased by the Bank in 1381 and included in the accounts.

OTHER INCOMES

Other incomes of the CBI amounted to Rls. 342,761.2 million as is shown in the following table:

OTHER INCOMES (million rials)	Year end	
	1380	1381
Profit from investment in other institutions	7,969.9	27,152.2
Miscellaneous revenues of the Print and Mint Organization	27,725.9	37,488.6
Revenue received from sale of gold and jewelry, gold coin & bar	21,286.3	273,096.0
Revenue from sale of building No.6	8,178.1	0
Miscellaneous	<u>2,369.8</u>	<u>5,024.4</u>
Total	<u>67,530.0</u>	<u>342,761.2</u>

The profit from investment in other institutions amounted to Rls. 19,368.3 million is related to the Bank dividends in Iran which National Investment Company and Rls. 7,784 million to National Informatic Company's dividend.

The revenue of Print and Mint Organization by Rls. 37,488.6 million is received mostly from miscellaneous publishing orders of other banks and organizations.

In the review year, part of gold, silver and jewelry which is confiscated in favor of the government and purchased and owned by the CBI, is sold by Kargoshaei Bank, the amount of which was Rls. 3,945.5 million which was considered as Bank revenue.

Moreover, a sum of Rls. 269,150.6 million was considered as Bank revenue for sale of gold coin and bar.

B. EXPENDITURES

COST OF RECEIVING CREDIT AND OVERDRAFT FROM FOREIGN BANKS

The cost of receiving credit and overdraft from foreign banks amounted to Rls. 67,847.2 million as follows:

COST OF RECEIVING CREDIT AND OVERDRAFT FROM FOREIGN BANKS

	(million rials)	
	Year end	
	1380	1381
Correspondents	571.8	1,718.5
Overdraft	16,129.4	55,436.5
Bonds	0	7,829.5
Clearing	<u>69,385.6</u>	<u>2,862.7</u>
Total	<u>86,086.8</u>	<u>67,847.2</u>

REWARDS PAID ON BANKS' LEGAL DEPOSITS

As approved at the 788th session of MCC on 15.12.1371, Rls. 524,297.2 million was paid as rewards on legal deposit in 1381.

Rate of rewards paid on legal deposits is as follows:

Banks	
Demand	0.8 percent
Short-term and others	1.1 percent
Long-term	1.2 percent
Credit institutions	
Short-term and others	0.9 percent
Long-term	1.1 percent

PROFIT PAID ON CBI'S PARTICIPATION PAPERS

The profit accrued to CBI's participation papers, including the tax thereon, in 1381 amounted to Rls. 1,936,527.2 million and this was considered in the accounts.

PROFIT PAID ON SPECIAL TERM DEPOSITS

The profit paid on banks' term deposits amounted to Rls. 1,535,002 million in 1381, Rls. 986,302 million of which was projected as banks' special term deposit and Rls. 548,700 was the profit of Bank Mellat, Maskan, Melli and Industry and Mine term deposit.

COMMISSIONS PAID ON BANKING SERVICES

The commission paid on banking services by the CBI amounted to Rls. 280,677.8 million, as shown in the following table:

	COMMISSIONS PAID ON BANKING SERVICES (million rials)	
	Year end	
	1380	1381
Paid to banks for government accounts	220,000.0	270,000.0
Purchase of notes from abroad	763.4	3,624.6
Commission paid to correspondents	<u>964.0</u>	<u>7,053.2</u>
Total	<u>221,727.4</u>	<u>280,677.8</u>

As approved at the 670th session of MCC on 17.4.1368, the commission paid on banking services for keeping government accounts, according to the Bank's annual approved budget and the average of outstanding of government accounts with banks, is paid to banks.

PERSONNEL AND ADMINISTRATIVE EXPENDITURES

Personnel and administrative expenditures in 1381, and its comparison with the approved budget figures are shown in the following table:

	PERSONNEL AND ADMINISTRATIVE EXPENDITURES (million rials)	
	1381	
	Approved budget	Performance
Personnel expenditures	286,690.0	257,140.0
Administrative expenditures	<u>304,535.8</u>	<u>245,581.7</u>
Total	<u>591,225.8</u>	<u>502,721.7</u>

CURRENCY ISSUANCE AND MISCELLANEOUS PUBLISHING EXPENDITURES

The total currency issuance and miscellaneous publishing expenditures in the review year was Rls. 129,302.6 million, which was mainly related to issuance of notes and coins.

DEPRECIATION COST

In 1381, a sum of Rls. 53,674.8 million was allocated as depreciation cost for movable and immovable assets, as follows:

DEPRECIATION COST

	(million rials)	
	1380	1381
	Depreciation cost of movable assets	8,843.7
Depreciation cost of immovable assets	<u>25,292.3</u>	<u>41,930.2</u>
Total	<u>34,136.0</u>	<u>53,674.8</u>

A sum of Rls. 1,324.3 million related to depreciation cost of movable and immovable assets of the Print and Mint Organization was deposited into currency issuance account. Increase in depreciation cost of immovable assets is due to the operation of a new building.

OTHER EXPENDITURES

Other expenditures amounted to Rls. 25,248.1 million as follows:

	OTHER EXPENDITURES (million rials)	
	Year end	
	1380	1381
Implementation of Note 2, Budget Law for 1381	0	20,770.5
Paid to Treasury, "Law for preventing drought related losses"	9,373.7	0
Gold transportation and insurance	3,615.2	2,686.4
Euro bonds issuance	<u>0</u>	<u>1,791.2</u>
Total	<u>12,988.9</u>	<u>25,248.1</u>

According to the 1381 Budget Law, a sum of Rls. 20,770.5 million was deposited into Treasury account.

PROFIT APPROPRIATION

The net profit of the CBI in 1381 amounted to Rls. 821,121,121,268. The net profit of Rls. 679,511 was carried forward and added to the above figure, bringing the total amount to Rls.821,121,800,779 which was proposed to be appropriated as follows:

	PROFIT APPROPRIATION (rials)	
Income tax	239,396,007,965	
Transfer to legal reserve	82,112,112,127	
Transfer to contingency reserve	400,000,000,000	
Share of the government in the net profit	95,508,000,000	
0.5% allocated to low-income groups for provision of housing	4,105,605,606	
Balance of net profit carried forward	75,081	
Total	<u>821,121,800,779</u>	

