



Da Afghanistan Bank Financial Supervision Department

Financial Supervision Department Accounting Circular 85/03 “Revision in the Regulatory Capital and Balance Sheet Memo Instructions”

06 May 2006 – 16 Sawr 1385

To: Chief Executive Officers of Licensed Commercial Banks and General Managers of Permitted Branches of Foreign Banks

You are informed that there will be changes in the Regulatory Capital Worksheet and Balance Sheet Memo instructions.

In the Regulatory Capital Worksheet; a line is inserted stating that while calculating risk-weighted assets, loans should be calculated net of specific loss reserves and gross of general loss reserves.

In Balance Sheet Memo, while classifying loans in line item 2, they should be classified without deducting loan loss reserves.

You are also reminded that there will be many other changes in the balance sheet memo as a result of introduction of the new balance sheet for the monetary survey purposes. As you recall from the visit of the IMF representatives, you are requested to produce a trial version of this new balance sheet by 01 August 2006, based on data as of 30 June 2006. You are thereafter requested to continue to produce trial version for July and August, and then an official version using data as of 30 September 2006.

If you have any questions on any of these matters, please contact the following person:

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Very truly yours,

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