

Comparative Financial Statements

Statement of Condition

(in millions)

	As of December 31, 1999	As of December 31, 1998
Assets		
Gold certificates	\$ 566	\$ 643
Special drawing rights certificates	299	574
Coin	11	16
Items in process of collection	401	527
U.S. government and federal agency securities, net	28,011	29,680
Investments denominated in foreign currencies	1,081	1,271
Accrued interest receivable	282	280
Interdistrict settlement account	3,272	—
Bank premises and equipment, net	192	190
Other assets	57	23
Total assets	\$ 34,172	\$ 33,204
Liabilities and Capital		
Liabilities:		
Federal Reserve notes outstanding, net	\$ 31,757	\$ 26,164
Deposits:		
Depository institutions	1,118	1,574
Other deposits	5	14
Deferred credit items	315	334
Surplus transfer due U.S. Treasury	22	84
Interdistrict settlement account	—	4,170
Accrued benefit cost	52	49
Other liabilities	15	17
Total liabilities	33,284	32,406
Capital:		
Capital paid-in	\$ 444	\$ 399
Surplus	444	399
Total capital	888	798
Total liabilities and capital	\$ 34,172	\$ 33,204

The accompanying notes are an integral part of these financial statements.

Statement of Income

(in millions)

	For the year ended December 31, 1999	For the year ended December 31, 1998
Interest income:		
Interest on U.S. government and federal agency securities	\$ 1,638	\$ 1,755
Interest on foreign currencies	15	28
Total interest income	\$ 1,653	\$ 1,783
Other operating income (loss):		
Income from services	\$ 54	\$ 52
Reimbursable services to government agencies	28	29
Foreign currency (losses) gains, net	(34)	120
U.S. government securities (losses) gains, net	(1)	3
Other income	3	2
Total other operating income	\$ 50	\$ 206
Operating expenses:		
Salaries and other benefits	\$ 74	\$ 71
Occupancy expense	13	13
Equipment expense	11	10
Cost of unreimbursed Treasury services	1	1
Assessments by Board of Governors	40	37
Other expenses	64	56
Total operating expenses	\$ 203	\$ 188
Net income prior to distribution	\$ 1,500	\$ 1,801
Distribution of net income:		
Dividends paid to member banks	\$ 25	\$ 23
Transferred to surplus	45	64
Payments to U.S. Treasury as interest on Federal Reserve notes	1,430	546
Payments to U.S. Treasury as required by statute	—	1,168
Total distribution	\$ 1,500	\$ 1,801

Statement of Changes in Capital

(in millions)

	For the years ended December 31, 1999 and December 31, 1998		
	Capital Paid-in	Surplus	Total Capital
Balance at January 1, 1998 (7.0 million shares)	\$ 349	\$ 335	\$ 684
Net income transferred to Surplus	—	64	64
Net change in capital stock issued (1.0 million shares)	50	—	50
Balance at December 31, 1998 (8.0 million shares)	\$ 399	\$ 399	\$ 798
Net income transferred to Surplus	—	45	45
Net change in capital stock issued (0.9 million shares)	45	—	45
Balance at December 31, 1999 (8.9 million shares)	\$ 444	\$ 444	\$ 888

The accompanying notes are an integral part of these financial statements.