



THE GOVERNMENT OF KADUNA STATE

KADUNA STATE AUDITED ACCOUNTS FOR 2017

STATEMENT ONE

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER, 2017

	ACTUAL 2017 N'000	ACTUAL 2016 N'000
REVENUE		
Non-Exchange Transactions	85,197,607	74,361,813
Exchange Transactions	20,032,159	5,885,954
TOTAL REVENUE	105,229,766	80,247,767
EXPENSES		
Consulting and Professional Services	(1,947,274)	(2,402,160)
Employee Benefits	(68,237,952)	(46,421,689)
Fuel and Lubricants	(639,154)	(439,077)
Grants and Contributions	(5,316,320)	(6,558,222)
Insurance	(497,941)	(438,760)
Materials and Supplies	(4,604,389)	(5,679,983)
General Expenses	(5,167,753)	(6,374,949)
Other Services	(415,273)	(512,282)
Repair and Maintenance	(495,175)	(598,587)
Security and Safety	(3,827,962)	(4,089,025)
Social Benefits	(649,092)	(800,721)
Training and Human Capital Development	(1,483,333)	(1,518,467)
Travel and Transport	(2,047,489)	(1,484,115)
Utilities	(2,484,956)	(3,065,446)
Waste Management and Disposal	(2,316,602)	(3,207,148)
Depreciation	(15,516,282)	(10,950,212)
	(115,646,946)	(94,540,843)
Excess of Income over expenses before interest	(10,417,181)	(14,293,076)
Interest Expense	(2,625,484)	(3,543,669)
Deficit for the Period	(13,042,665)	(17,836,745)

STATEMENT TWO

STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31ST DECEMBER, 2017

DESCRIPTION	ACTUAL 2017 N'000	ACTUAL 2016 N'000
ASSETS		
CURRENT ASSETS		
Receivables	17,041,179	3,774,856
Reimbursables from the Federal Government	8,097,259	-
Cash and cash equivalent	8,309,115	12,899,960
Prepayments	4,365,230	161,718
TOTAL CURRENT ASSETS	37,812,783	16,836,534
NON-CURRENT ASSETS		
Property, Plant and Equipment	246,537,512	199,390,611
Biological Assets	1,338,449	884,250
Intangible Assets	305,775	201,272
Available for sale financial assets	6,075,594	4,743,534
TOTAL NON-CURRENT ASSETS	254,257,329	205,219,667
TOTAL ASSETS	292,070,122	222,056,201
LIABILITIES		
CURRENT LIABILITIES		
Liabilities and Accruals	35,948,037	18,900,888
Provisions	215,444	4,860,454
Financial Liabilities	948,274	851,819
TOTAL CURRENT LIABILITIES	37,111,755	24,613,162
NON-CURRENT LIABILITIES		
Financial Liabilities	111,370,199	98,088,639
Employee Benefits	63,807,145	16,085,188
TOTAL NON-CURRENT LIABILITIES	175,177,344	114,173,827
TOTAL LIABILITIES	212,289,099	138,786,989
NET ASSETS/EQUITY	79,781,013	83,269,213
NET ASSETS/EQUITY		
Accumulated Surplus	77,118,402	82,063,808
Available for sale Reserves	2,662,611	1,205,405
NET ASSETS/EQUITY	79,781,013	83,269,213

STATEMENT THREE

STATEMENT OF CHANGES IN EQUITY/NET ASSETS
AS AT 31ST DECEMBER, 2017

	Accumulated Surplus N'000	Available for Sale Reserve N'000	Total N'000
Opening Balance	82,063,808	1,205,405	83,269,213
Reimbursable from the Federal Government	8,097,259	-	8,097,259
Deficit for the period	-13,042,685	-	-13,042,685
Fair Value Change in AFS	-	1,457,206	1,457,206
Closing Balance	77,118,382	2,662,611	79,780,993

STATEMENT OF CHANGES IN EQUITY/NET ASSETS
AS AT 31ST DECEMBER, 2016

	Accumulated Surplus N'000	Available for Sale Reserve N'000	Total N'000
Opening Balance	99,900,552	-326,168	99,574,384
Deficit for the period	-17,836,744	-	-17,836,744
Fair Value Change in AFS	-	1,531,573	1,531,573
Closing Balance	82,063,808	1,205,405	83,269,213

STATEMENT FOUR

STATEMENT OF CASHFLOW
FOR THE YEAR ENDED 31ST DECEMBER, 2017

	ACTUAL 2017 N'000	ACTUAL 2016 N'000
Deficit for the period	-13,042,665	-17,836,744
Add back:		
Depreciation	15,516,282	10,950,212
Foreign exchange loss	-	16,493,145
Impairments	125,148	4,371,235
Interest expense	2,625,484	3,543,669
Changes in Working Capital		
Increase in receivables	-13,266,322	-305,985
Increase in prepayments	-4,203,513	-161,718
Increase/(decrease) in liabilities and accruals	17,047,148	-2,750,622
(Decrease)/Increase in provisions	-4,645,010	4,794,954
Increase in employee benefits	47,721,957	490,272
Cash generated from operations	47,878,509	19,588,419
Interest paid	-2,625,484	-3,543,669
Net Cash Flow from operating Activities	45,253,025	16,044,750
Cash Flow from Investing Activities		
Land	-804,333	1,809,890
Building	-21,042,584	-7,727,547
Furniture and Fittings	-1,204,327	-656,927
Road Infrastructure	-21,282,936	-23,707,935
Water Infrastructure	-6,360,646	-3,969,636
Motor Vehicle	-1,733,295	-1,205,027
Office and other equipment	-1,634,831	-1,576,750
Plant and Machinery	-8,600,230	-1,256,956
Purchase of Biological Assets	-454,199	-
Purchase of Intangible Assets	-104,503	-
Net Cash Flow from Investing Activities	-63,221,885	-41,910,668
Financing Activities		
Loan repayment	-4,602,027	-4,746,003
Long Term borrowings	17,980,042	9,957,786
Net Cash Flow from Financing Activities	13,378,015	5,211,783
Opening balance of cash and cash equiv.	12,899,960	33,554,095
Net changes in cash and cash equiv.	-4,590,845	-20,654,135
Closing balance of cash and cash equiv.	8,309,115	12,899,960

STATEMENT FIVE

COMPARISON OF BUDGET AND ACTUAL AMOUNTS (PREPARED ON CASH BASIS)
FOR THE YEAR ENDED 31ST DECEMBER, 2017

	Actual 2017 N'000	Orig Budget 2017 N'000	Final Budget 2017 N'000	Variance 2017 N'000
Revenue from Non Exchange Transactions				
Statutory Allocation	42,350,923	34,919,424	34,919,424	(7,431,499)
Value Added Tax Allocation	13,729,684	9,469,838	9,469,838	(4,259,846)
Aids and Grants	5,225,262	42,444,346	42,444,346	37,219,084
Direct Taxes	12,992,882	24,089,686	24,089,686	11,096,804
Licenses	360,923	2,077,834	2,077,834	1,716,911
Fines	231,981	612,900	612,900	380,919
Re-Imbursement	2,433,601	3,818,740	3,818,740	1,385,139
Sub Total (A)	77,325,256	117,432,768	117,432,768	
Revenue from Exchange Transactions				
Sales	4,922,488	7,464,728	7,464,728	2,542,240
Fees	2,880,534	11,245,066	11,245,066	8,364,532
Rent of Government Property	2,730,432	181,158	181,158	(2,549,274)
Rent on Government Building	18,735	65,159	65,159	46,424
Investment Income	13	17,000	17,000	16,987
Interest Earned	311,129	661,620	661,620	350,491
Sub Total (B)	10,863,331	19,634,730	19,634,730	
Total Revenue (A + B) = C	88,188,587	137,067,498	137,067,498	
Less: Expenditure budgeted by nature of cost				
Personnel Cost	28,966,581	39,791,025	39,791,025	10,824,444
Government Contribution to Pension	10,923,011	3,637,385	3,637,385	(7,285,626)
Overhead Charges	14,963,745	34,618,846	34,618,846	19,655,101
Consolidated Revenue Fund Charges	163,431	1,299,368	1,299,368	1,135,937
Interest on Internal Loans	2,625,484	4,118,669	4,118,669	1,493,185
Sub total (D)	57,642,252	83,465,293	83,465,293	
Less: Expenditure budgeted by function of Government				
General Public Services	6,019,802	21,139,914	21,139,914	15,120,112
Public Order and Safety	1,672,167	1,684,165	1,684,165	11,998
Economic Affairs	6,354,236	37,805,950	37,805,950	31,451,714
Environmental Protection	2,006,601	4,581,519	4,581,519	2,574,918
Housing and Community Amenities	3,009,901	8,602,883	8,602,883	5,592,982

AUDIT CERTIFICATE:

In compliance with Section 125(2) of the Constitution of the Federal Republic of Nigeria, 1999, I have examined the Accounts and Financial Statements of Kaduna State Government of Nigeria for the year ended, 31st December, 2017, (IPSAS TRANSLATED), which has been prepared on the basis of the significant accounting policies as prescribed in the Public Finances (control and Management) Law of 1958.

Auditor-General's responsibility: My responsibility is to express an opinion on these financial statements, based on the audit conducted in accordance with the auditing requirements as specified in the Audit Law (No.5) of Kaduna State of Nigeria, 2010, and in accordance with the National Auditing Standards for Public Sector Accounts in Nigeria. These standards require that we comply with ethical requirements, plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement(s).

Opinion: In the discharge of my responsibility as required by Section 125(5) of the Constitution of the Federal Republic of Nigeria, 1999, some Projects and Programmes were verified in the concept of Performance Audit.

In my opinion, projects and programmes executed were satisfactory in consideration of funds employed. Furthermore, the Financial Statements and related schedules give a true and fair view of the state of affairs of Kaduna State Government as at 31st December, 2017. The Financial Statements are hereby certified subject to the observations and comments contained in this report.


(BOSSAN TIMOTHY AVONG)
Auditor-General,
Kaduna State.


RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Financial Statements have been prepared in accordance with Accrual Basis International Public-Sector Accounting Standards (IPSAS) except Statement No. 5 (Comparison of Budget and Actual amount), as permitted by IPSAS 24 (Presentation of Budget Info. in FS). They equally comply with the Generally Accepted Accounting Principles (GAAP); and the broad principles of Kaduna State Public Finances (Control and Management) Act 2016.

To fulfil my responsibilities as the Accountant General, I am to ensure that proper accounting records are maintained; applicable Accounting Standards are applied; judgments and estimates made are reasonable and prudent; and internal controls procedures are instituted to provide reasonable assurances that financial transactions are validly recorded and assets are safeguarded. The Internal Control System is designed to prevent or detect fraud and irregularities.

The 2017 Financial Statements is the second in the three-year transitional exemptions as provided by IPSAS 33 and the Guideline Issued by FAAC Sub-Committee on IPSAS Implementation. Assessment activities that would help establish the fair value of all immovable assets controlled by the State have been initiated, to be completed within the three-year transitional period.

Efforts were made to ensure that these Financial Statements reflect the true and fair view of the Financial Position of Kaduna State Government as at 31st December 2017 and its Operations for the year ended on that date.


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FRC/2014/ICAN/0000006728
Accountant General, Kaduna State
May 2018