

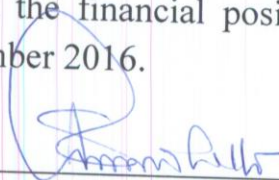
Report of the Accountant General with Financial Statements of the year 2016

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Accountant-General of Kano State in accordance with the provisions of the Finance (Control and Management) Act 2014 as revised. The Financial Statements are in compliance with Generally Accepted Accounting Practice (GAAP) and are presented in the new format of General Purpose Financial Statement (GPFS) using International Public Sector Accounting Standard (IPSAS Cash).

The Accountant-General is responsible for establishing and maintaining an adequate system of Internal Control designed to provide reasonable assurance that the transactions recorded are within the statutory authority and that the use of public financial resources by the government is properly recorded.

To the best of my knowledge, the system of internal control has been very effective and adequate for the scope of government official transactions. The various statements presented in this report therein reflect the financial position of government as at the year ended 31st December 2016.


31/10/2017
HAJIYA AISHA M. BELLO
Accountant-General
Kano State.

STATEMENT NO. 1

Cash Flow Statement For The Year Ended 31st December, 2016

Annual Budget 2016	Description	Notes	Actual 2016 ₦	Previous Year 2015 ₦
	Cash Flows From Operating Activities			
	<u>Receipts</u>			
53,505,187,032	Statutory Allocation	1	32,334,508,944	48,420,615,295
18,000,000,000	Value Added Tax (VAT)	2	14,883,807,165	14,132,823,162
25,410,532,069	Other Receipts (FGN)	3	10,303,246,346	6,934,897,646
-	Salary Bailout		-	20,000,000,000
-	Infrastructural Dev. Loan		9,000,000,000	1,000,000,000
-	Budget Support Facility	4	8,614,000,000	-
-	Commercial Agriculture Credit Scheme	5	1,000,000,000	-
-	Small & Medium Scale Enterprises Loan	6	2,000,000,000	-
-	Aid & Grants	7	1,089,296,073	-
-	Miscellaneous (State)	8	20,877,086	5,354,661,140
-	Power Intervention	9	1,985,576,688	26,214,061
96,915,719,101	Sub-Total		81,231,312,302	95,869,211,304
	<u>Independent Revenue</u>			
31,779,926,100	Direct Taxes	10	24,852,189,977	20,392,920,166
2,858,350,000	Licenses		1,842,113,744	999,723,714
13,154,639,116	Fines and Fees		5,660,743,018	7,061,531,787
11,923,738,733	Earnings and Sales		7,793,604,950	7,899,620,928
112,898,733	Rent on Government Buildings		182,337,409	74,765,862
170,448,051	Interest/Dividend Earned		29,220,738	1,601,894
60,000,000,000	Sub-Total - (Independent Revenue)		40,360,209,836	36,430,164,351
	<u>Other Revenues</u>			
34,978,609,076	Miscellaneous General	11	23,772,188	73,167,239
52,390,307,543	Grants General		589,736,010	499,126,811
29,945,151,690	Loans		-	-
-	Grants from L. G. (5 KM Road)		-	-
100,000,000	Treasury Opening Balances		-	-
117,414,068,309	Sub-Total - Other Revenue		613,508,198	572,294,050
274,329,787,410	Total Receipts (a)		122,205,030,336	132,871,669,705
	<u>Payments</u>			
64,577,228,020	Personnel Cost (Incl. Sal. on (CRF) Charges	13	37,049,642,308	37,313,767,866
6,338,513,608	17% Government Contribution to Pension	14	6,743,989,050	4,603,681,245
12,165,004,049	Overhead Charges	15	10,600,331,121	10,547,201,486
10,066,886,000	Subvention to Parastatals	16	5,915,878,549	3,474,406,422
93,147,631,676	Total Payments (b)		60,309,841,028	55,939,057,019
181,182,155,733	Net Cashflow from Operating Activities (a-b)		61,895,189,308	76,932,612,686
	<u>Cash Flows From Investment Activities</u>			
	<u>Sectoral Capital Expenditure</u>			
17,385,273,000	Administrative Sector	17	1,420,242,654	5,339,798,522
11,319,231,967	Economic Sector		238,645,859	144,282,240
1,860,620,167	Law and Justice Sector		109,795,100	121,397,120
106,496,771,338	Regional Development Sector		64,062,721,941	37,225,472,604
53,286,180,078	Social Services Sector		8,579,393,737	12,067,817,351
190,348,076,550	Total Sectoral Capital Expenditure (MDAs)		74,410,799,291	54,898,767,837

Continued

Annual Budget 2016	Description	Notes	2016 ₱	2015 ₱
-	Total Capital Expenditure (5KM Road)		-	-
--	Total Capital Expenditure Scholar. (Sure-P)		-	519,777,273
190,348,076,549	Total Capital Expenditure Aid & Grants		<u>1,044,764,249</u>	<u>5,531,403,694</u>
	Net Cash Flow From Investing Activities		<u>75,455,563,540</u>	<u>60,949,948,804</u>
	<u>Cash Flow from Financing Activities:</u>			
	Repayment of External Loan (including serv.)	18	436,979,581	354,770,431
-	Repayment of Internal Loan (including Serv.)	19	<u>4,245,255,883</u>	<u>359,890,382</u>
-	Net Cash Flow from Financing Activities		<u>4,682,235,464</u>	<u>714,660,813</u>
-	<u>Movement in Other Cash Equiv. Accounts</u>			
	(Increase)/Decrease in Investment		-	-
-	(Net Increase)/Decrease in other Cash Equiv.		<u>(694,371,494)</u>	<u>513,682,430</u>
-	Total Cash Flow from Other Cash Equiv. A/C		<u>(694,371,494)</u>	<u>513,682,430</u>
	Net Cash For The Year		(18,936,981,190)	14,750,320,639
	Cash & Its Equivalent as at 01/01/2016		<u>22,639,119,086</u>	<u>7,884,798,447</u>
	Cash & Its Equivalent as at 31/12/2016		<u>3,702,137,896</u>	<u>22,639,119,086</u>

The Accompanying Notes are Integral Part of These Statements

STATEMENT NO. 2

Statement of Assets And Liabilities For The Year Ended 31st December, 2016

Description	Notes	Current Year 2016 ₦	Previous Year 2015 ₦
ASSETS			
Liquid Assets:			
<u>Cash Held by Accountant-General:</u>			
Consolidated Revenue Fund Balance		1,001,733,284	595,315,398
Crown Agent		66,426,761	-
Other Banks of the Treasury		401,216,587	195,431,643
Sure-P		649	649
Infrastructural Development Loan		-	1,000,000,000
Salary Bailout		-	19,640,109,618
Cash Balance of Sub-Treasury		177,440,231	45,000,000
Cash Balance (MDA's) (Board of Survey)	20	<u>2,055,320,384</u>	<u>1,163,261,778</u>
TOTAL LIQUID ASSETS		<u>3,702,137,896</u>	<u>22,639,119,086</u>
<u>Investments & Other Cash Assets:</u>			
State Investment	21	52,000,584,469	52,000,584,469
Cash at Bank (BOI) Power Intervention		-	-
Revolving Loan		<u>1,361,694,033</u>	<u>1,433,143,236</u>
TOTAL INVESTMENT & OTHER CASH ASSETS		<u>53,362,278,502</u>	<u>53,433,727,705</u>
TOTAL ASSETS		<u>57,064,416,398</u>	<u>76,072,846,791</u>
LIABILITIES:			
<u>PUBLIC FUNDS:</u>			
Consolidated Revenue Fund		1,901,378,051	31,264,190,414
Capital Development Fund		(16,438,003,048)	(20,523,097,988)
Trust & Other Public Funds	22	9,394,946,907	11,805,085,260
Treasury Clearance Account	23	<u>8,680,326,960</u>	<u>7,914,506,261</u>
TOTAL PUBLIC FUNDS		<u>3,538,648,870</u>	<u>30,460,683,947</u>
EXTERNAL & INTERNAL LOANS:			
Infrastructural Development Loan	24	9,010,301,449	1,000,000,000
Contractors Liabilities	25	12,323,499,639	20,707,974,073
Salary Bail Out		17,353,420,120	19,640,109,618
Commercial Agric Credit Scheme		960,000,000	-
Power Intervention Loan		1,056,708,854	-
Small and Medium Scale Enterprises Loan		2,000,000,000	-
Budget Support Facility		8,614,000,000	-
External Loan Including Servicing		<u>708,623,848</u>	<u>1,145,603,429</u>
TOTAL EXTERNAL & INTERNAL LOANS		<u>52,026,553,910</u>	<u>42,493,687,120</u>
OTHER LIABILITIES:			
17% Government Contribution to Pension		<u>1,499,213,618</u>	<u>3,118,475,724</u>
TOTAL LIABILITIES		<u>53,525,767,528</u>	<u>45,612,162,844</u>
TOTAL PUBLIC FUNDS + LIABILITIES		<u>57,064,416,398</u>	<u>76,072,846,791</u>

The Accompanying Notes are Integral Part of These Statements

STATEMENT NO. 3

Statement of Consolidated Revenue Fund For The Year Ended 31st December, 2016

Actual Previous Year 2015 ₦	Description	Notes	Actual Year 2016 ₦	Final Budget 2016 ₦	Initial/Original Budget ₦	Supplementary Budget 2016 ₦	Variance on Final Budget (%)
134,679,161	Opening Balance		31,264,190,414				
	Add Revenue:						
48,420,615,295	Statutory Allocation		32,334,508,944	53,505,187,032	53,505,187,032	-	40
14,132,823,162	Value Added Tax		14,883,807,165	18,000,000,000	18,000,000,000	-	17
6,934,897,646	Other Receipts (FGN)		10,303,246,346	25,410,532,069	25,410,532,069	-	59
20,000,000,000	Salary Bail Out		-	-	-	-	
-	Budget Support Facility		8,614,000,000	-	-	-	
26,214,061	Miscellaneous (State)		20,877,086	-	-	-	
<u>89,649,229,325</u>	<i>Sub-Total</i>		<u>97,420,629,955</u>	<u>96,915,719,101</u>	<u>96,915,719,101</u>	-	
20,392,920,166	Direct Taxes		24,852,189,977	31,779,926,100	63,559,852,200	(31,779,926,100)	22
999,723,714	Licenses		1,842,113,744	2,858,350,000	5,716,700,000	(2,858,350,000)	36
7,061,531,787	Fine and Fees		5,660,743,018	13,154,639,116	26,184,878,232	(13,030,239,116)	57
7,899,620,928	Earning and Sales		7,793,604,950	11,923,738,733	23,844,477,466	(11,920,738,733)	35
74,765,862	Rent on Land & Govt. Buil.		182,337,409	112,898,000	225,796,000	(112,898,000)	62
1,601,894	Interest/Dividend Received		29,220,738	170,448,051	340,896,102	(170,448,051)	83
<u>36,430,164,351</u>	<i>Sub-Total - Indep. Rev.</i>		<u>40,360,209,836</u>	<u>60,000,000,000</u>	<u>119,872,600,000</u>	<u>(59,872,600,000)</u>	34
	Other Revenues (MD's):						
73,167,239	Miscellaneous General		23,772,188	34,978,609,076	34,978,609,076	-	99
499,126,811	Grants General		589,736,010	52,390,307,543	52,390,307,543	-	99
572,294,050	<i>Sub-Total (Other Revenue)</i>		<u>613,508,198</u>	<u>87,368,916,619</u>	<u>87,368,916,619</u>	-	99
<u>126,651,687,726</u>	Total Revenue (a)		<u>138,394,347,989</u>	<u>244,284,635,720</u>	<u>304,157,235,720</u>	<u>(59,872,600,000)</u>	56
	Less: Expenditure						
37,313,767,866	Pers. Cost (incl. sal. on CRF charge)		37,049,642,308	64,577,228,019	60,498,713,860	4,078,514,159	43
4,603,681,245	17%Govt. Contribution to Pension		6,743,989,050	6,338,513,608	5,796,762,808	541,750,800	6
10,547,201,486	Overhead Charges		10,600,331,121	12,165,004,049	13,311,111,000	(1,146,106,951)	13
3,474,406,422	Subvention to Parastatals		5,915,878,549	10,101,886,000	10,171,886,000	(70,000,000)	42
354,770,431	Repayment of Ext. Loan (inc. serv.)		436,979,581	233,675,000	233,675,000	-	87
359,890,382	Repayment of Int. Loan (inc. serv.)		4,245,255,883	-	-	-	30
<u>56,653,717,832</u>	Total Expenditure (b)		<u>64,992,076,492</u>	<u>93,416,306,676</u>	<u>90,012,148,668</u>	<u>3,404,158,008.60</u>	
69,997,969,894	Operating Balances (a-b)		73,402,271,497	150,868,329,043	214,145,087,052	(56,468,501,992)	52
<u>38,733,779,480</u>	Trans. to Capital Dev. Fund		<u>71,500,893,446</u>	<u>72,934,008,241</u>	<u>72,934,008,241</u>	-	2
<u>31,264,190,414</u>	Closing Balance As At 31/12/2016		<u>1,901,378,051</u>	<u>77,934,320,802</u>	<u>141,211,078,811</u>	<u>(56,468,501,992)</u>	99

(The Accompanying Notes are Integral Part of These Statements)

STATEMENT NO. 4

Statement of Capital Development Fund For The Year Ended 31st December, 2016

Actual Previous 2015 ₦	Description	Notes	Total Capital 2016 ₦	Final Budget 2016 ₦	Initial/Original Budget ₦	Supplementary Budget 2016 ₦	Performanc e on Total %
38,758,883,182	Opening Balance 01-01-16		(20,523,097,988)				
	Add: Revenue:						
38,733,779,480	Transfer From Consoli. Rev. Fund		71,500,893,446	72,934,008,241	72,934,008,241		98
1,000,000,000	Infrastructural Development Loan		9,000,000,000	-	-		100
-	Commercial Agricultural Loan		1,000,000,000	-	-		100
-	Small & Medium Scale Enterprises		2,000,000,000	-	-		100
-	Power Intervention		1,985,576,688	-	-		100
5,354,661,140	Aid and Grants		1,089,296,073	-	-		100
83,847,323,802	Total Capital Revenue		66,052,668,219	72,934,008,241	72,934,008,241		91
	Less: Capital Expenditure						
5,339,798,522	Administrative Sector		1,420,242,654	17,635,273,000	17,635,273,000	-	8.0
144,282,240	Economic Sector		238,645,859	11,319,231,967	11,319,231,967	-	2.0
121,397,120	Law and Justice Sector		109,795,100	1,860,620,166	1,860,620,166	-	6.0
37,225,472,604	Regional Development Sector		64,062,721,941	105,053,364,129	106,496,771,338	(1,443,407,209)	61
12,067,817,351	Social Services Sector		8,579,393,737	51,617,180,078	53,286,180,078	(1,669,000,000)	17
54,898,767,837	Sub-Total		74,410,799,291	187,485,669,340	190,348,076,549	2,862,407,209	40
5,531,403,694	Capital Expen. Aid & Grants		1,044,764,249	-	-	-	
519,777,273	Sure-P (Scholarship & Road Cosnt.)		-	-	-	-	
6,051,180,967	Sub-Total		1,044,764,249	-	-	-	
60,949,948,804	Total Capital Expenditure		75,455,563,540	187,485,669,340	190,348,076,549		40
22,897,374,998			(9,402,895,321)				
(43,420,472,986)	Adj. in mov. in Pub. Debt/Inv		(7,035,107,727)	-	-		
(20,523,097,988)	Closing Balance As At 31/12/2016		(16,438,003,048)	(114,551,661,099)	(117,414,068,308)	2,862,407,209	


The Accompanying Notes are Integral Part of These Statements

Audit Certificate

The Account of the Government of Kano State of Nigeria for the year ended 31st December, 2016 have been examined in accordance with Section 125(2) of the Constitution of the Federal Republic of Nigeria, 1999 and Section 7(1) of the Kano State Audit Law, 1986.

I have for the purpose of my audit obtained the information and explanations required and, subject to the comments and observations contained therein, I certify that, in my opinion, the statement of Assets and Liabilities and the supporting Accounts and Statements are properly drawn up and presented fairly, in all material aspects, the financial position of the Government of Kano State of Nigeria as at 31st December, 2016 and its financial transactions for the fiscal year then ended.

**Office of the Auditor-General
AuduBako Secretariat
P. M. B. 3017
Kano.**


**Tijani Nababa Ibrahim, FCNA.
Auditor - General
Kano State.**