

ACCOUNTANT GENERAL'S REPORT



INTRODUCTION

In accordance with the Finance (Control and Management) Act 1958, cap 144 LFN , as amended. It is my honour and privilege to present report on the accounts of the Government of Kebbi State of Nigeria with the Financial Statements for the year ended 31st December, 2019 together with the notes thereon.

STATEMENT OF ACCOUNTING POLICIES

Below are the summary of the most significant accounting policies adopted in the preparation of Kebbi State Government Accounts and Financial Statements for the year 2019.

BASIS OF ACCOUNTING

The Accounts and Financial Statements are prepared in accordance with IPSAS Cash Basis of Accounting by recognizing transaction only when cash is paid or received in accordance with Generally Accepted Accounting Practice (GAAP).

INVESTMENT

Shares and other Government Investments held by the State are stated at historical cost and under the supervision of Ministry of Finance, Kebbi State.

CAPITAL COST

These are recognizable in the year of occurrence only.

ASSET AND LIABILITIES

Assets are stated at their net value, while liabilities are recognized in full.

CONSOLIDATED REVENUE FUND

Consolidated Revenue Fund (CRF) represents the aggregated balance of the revenue and expenditure account after all the recurrent revenue and expenditure for the year have been recognized.

CAPITAL DEVELOPMENT FUND

Capital Development Fund (CDF) represents the aggregated balance after the capital receipts and expenditure for the year have been recognized. It also includes transfers from the Consolidated Revenue Fund (CRF) in line with the amount provided in the annual budget of the state.

RECURRENT REVENUE

Recurrent Revenue are revenue generated by the State from Taxes, Fine and Fees, Earnings and Sales, Rent on Government Property, Dividend Income from

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Investments and other incidental revenue. They are recognized in the Financial Statements when received.

RECURRENT EXPENDITURE

Recurrent Expenditures are expenditure on Personnel, Pension and gratuities, Salaries of Statutory office holders other overheads and public debt charges. They are recognized in the Financial Statements of the State when payments are made.

CONCLUSION

From the analysis above, I am of the opinion that

Government has performed well in the year under review. I commend the Staff of the Office of the Accountant General, Ministry of Finance and all other officers who have contributed to the successful preparation and publication of this year's Financial Statements.

IBRAHIM UMAR (FCNA, CITN, FNFA)
ACCOUNTANT GENERAL

RESPONSIBILITY FOR FINANCIAL REPORT



The Financial Statements have been prepared in accordance with the provisions of the Finance (Control and Management) Act of 1958 as amended. The Financial Statements comply with the Generally Accepted Accounting Practice (GAAP). As the Accountant General, and the state's Accounting Officer for receipts and payments of Government, I am responsible for the general supervision of accounts and the preparation of Annual Financial Statements.

To fulfill accounting and operating responsibilities, 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 statutory authority and properly record the use of all public financial resources by the Government.

Responsibility for integrity and objectivity of financial statements rest entirely with the Government. Efforts have been made to ensure that the financial statements

together with the notes there on reflect the financial position of Government as at 31st December 2019 and its operation for the year ended on that date..

A handwritten signature in blue ink, appearing to read 'Ibrahim Umar'.

IBRAHIM UMAR (FCNA, CITN, FNFA)
ACCOUNTANT GENERAL

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 Kebbi State Government of Nigeria for the year ended 31st December 2019. Which have been prepared on the basis of the significant accounting policies as prescribed in the Public Finances (Control and Management) law of 1958.

Auditor General Responsibility: my responsibility to express an opinion on these financial-statements based on the audit conducted in accordance with the auditing requirements and in accordance with the Nation Auditing standards for Public Sector Account of 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 federal republic of Nigeria 1999, some projects and programs 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 statement (No. 1-4) and related schedule give a true and fair view of the state of affairs of Kebbi State Government as at 31st December, 2019.

Faruk B. Rufa'i (CNA, CFA)

Ag. AUDITOR GENERAL, KEBBI STATE



CASH FLOW STATEMENT

CASH FLOW FROM OPERATING ACTIVITIES	NOTES	CURRENT YEAR	PREVIOUS YEAR
ADD RECEIPT		ACTUAL 2019	ACTUAL 2018
		N	N
Statutory Allocation From FAAC	1	43,479,152,211.97	44,849,071,065.06
Internally Generated Revenue	2	7,367,334,836.87	4,881,960,805.63
Value Added Tax (VAT)	3	12,004,631,273.89	11,346,315,627.12
Miscellaneous (Excess Petrol Profit Tax)	4	1,329,927,812.84	
Local Gov't Contribution (25% For Developmental Project)	5	7,414,043,024.50	6,247,806,332.75
Exchange Gain	6	72,661,730.61	1,145,276,081.25
Paris Club	7		20,366,588,466.54
TOTAL RECEIPT		71,667,750,890.68	88,837,018,378.35
LESS PAYMENT			
Personnel Cost	ST3	22,154,984,560.55	22,743,094,122.60
Overhead Cost	ST3	14,548,036,446.47	11,940,544,710.93
TOTAL PAYMENT		36,703,021,007.02	34,683,638,833.53
NET CASH FLOW FROM OPERATING ACTIVITIES		34,964,729,883.66	54,153,379,544.82
CASH FLOW FROM INVESTMENT ACTIVITIES			
Purchase/Construction of Assets	12	(44,378,837,858.98)	(46,331,298,080.26)
Dividend Received from Companies	13	31,116,790.02	51,566,088.58
NET CASH FLOW FROM INVESTMENT ACTIVITIES		(44,347,721,068.96)	(46,279,731,991.68)
CASH FLOW FROM FINANCING ACTIVITIES			
Internal Loans (Budget Support Facility & AADs Intervention)	14	2,200,000,000.00	
Loan Repayment (External Loan)	15	(473,295,499.14)	(461,645,217.32)
Loan Repayment (Internal Loan)	16	(3,223,769,542.86)	(3,186,665,796.00)
Net Cash Flow From Financing Activities		(1,497,065,042.00)	(3,648,311,013.32)
Net Cash Flow From All Activities		(10,880,056,227.30)	4,225,336,539.82
Cash & its Equivalent 1-01-2019		24,610,214,797.15	20,384,878,257.33
Cash & its Equivalent 31-12-2019	17	13,730,158,569.85	24,610,214,797.15



STATEMENT OF FINANCIAL POSITION (Assets and Liabilities)

	NOTES	CURRENT YEAR ACTUAL 2019	PREVIOUS YEAR ACTUAL 2018
ASSETS		N	N
LIQUID ASSETS			
Cash & Bank Balance	ST1	13,730,158,569.85	24,610,214,797.15
Special Imprest	18	1,431,629,836.75	5,174,312,981.49
SUB TOTAL		15,161,788,406.60	29,784,527,778.64
INVESTMENTS			
State Investment	19	1,958,781,241.80	1,639,456,974.26
Staff Loans & Advances	20	52,866,274.10	413,198,982.72
Liability Over Asset		65,744,002,264.00	111,586,865,342.00
SUB TOTAL		67,755,649,779.90	113,639,521,298.98
TOTAL ASSET		82,917,438,186.50	143,424,049,077.62
Public Fund			
Capital Development fund	ST4	13,651,944,783.07	24,563,117,800.39
LIABILITIES			
Contractual Obligation		26,626,919,192.61	26,262,396,072.83
Outstanding Pension/Gratuity		5,785,901,441.98	2,224,768,713.93
Outstanding Salaries/other staff claim			
External Loan			22,931,533,303.91
Internal Loan	22	36,852,672,768.84	67,442,233,186.56
TOTAL LIABILITIES		82,917,438,186.50	143,424,049,077.62

STATEMENT OF CONSOLIDATED REVENUE FUND



STATEMENT OF CONSOLIDATED REVENUE FUND								
PREVIOUS YEAR	DETAIL	NOTE	ORIGINAL YEAR	SUPLIMENTARY	TOTAL	CURRENT YEAR	VARIANCE	BUDGET
ACTUAL 2018			BUDGETED 2019	BUDGET	BUDGET	ACTUAL 2019		PERFORMAN CE IN %
								%
44,849,071,065.06	Statutory Allocation	1	44,193,755,228.00			43,479,152,211.97	714,603,016.03	98.38
3,632,453,270.18	Taxes (Direct & Indirect)	2	8,198,500,000.00			6,445,557,644.46	1,752,942,355.54	78.62
466,494,885.98	Fines	2	366,410,312.40			396,045,864.35	(29,635,551.95)	108.09
310,996,590.65	Fees	2	244,273,541.60			265,030,576.23	(20,757,034.63)	108.50
131,292,557.57	Licences	2	46,060,000.00			71,961,250.00	(25,901,250.00)	156.23
61,340,113.99	Rent on Gov't Property	2	315,450,000.00			5,754,777.80	309,695,222.20	1.82
28,748,216.91	Interest and Dividend	2	94,558,814.00			54,910,549.64	39,648,264.36	58.07
26,767,983.92	Earning	2	431,260,071.90			35,426,118.82	395,833,953.08	8.21
62,458,629.14	Sales	2	1,006,273,501.10			81,327,610.57	924,945,890.53	8.08
6,303,000.00	Re-Imbursement	2	245,000,000.00			10,236,570.00	234,763,430.00	4.18
155,105,557.29	Miscellaneous	2	500,000.00			1,083,875.00	(583,875.00)	216.78
20,366,588,466.54	Paris Club	7					-	
70,097,620,337.23	TOTAL		55,142,041,469.00			50,846,487,048.84	4,295,554,420.16	92.21
	LESS: EXPENDITURE							
	PERSONNEL COST							
7,551,976,843.82	Ministries	8	8,649,199,049.00	835,863,400.00	9,485,062,449.00	8,417,556,285.39	1,067,506,163.61	97.32
9,279,596,760.97	Board and Parastatals	10A	9,792,343,679.00			9,508,065,160.47	284,278,518.53	97.10
5,911,520,517.81	CRF Charges	11	9,705,168,952.00			4,229,363,114.69	5,475,805,837.31	43.58
22,743,094,122.60	TOTAL PERSONNEL COST		28,146,711,680.00			22,154,984,560.55	6,827,590,519.45	78.71

STATEMENT OF CONSOLIDATED REVENUE FUND (Contd.)



	OVERHEAD COST							
6,464,036,184.39	Ministries	9	9,375,902,555.00	1,561,000,000.00	10,936,902,555.00	8,145,798,323.14	2,791,104,231.86	86.88
1,499,974,304.63	Board and Parastatals	10B	3,814,444,204.00	26,564,822.00	3,841,009,026.00	1,396,903,379.58	2,417,540,824.42	36.62
3,976,534,221.91	CRF Charges	11	5,740,127,981.00			5,005,334,743.75	734,793,237.25	87.20
11,940,544,710.93	TOTAL OVERHEAD COST		18,930,474,740.00			14,548,036,446.47	4,382,438,293.53	76.85
34,683,638,833.53	TOTAL PAYMENT		47,077,186,420.00			36,703,021,007.02	10,325,876,587.06	77.96
35,413,981,503.70	Operating Balance					14,143,466,041.82		
	Appropriation/Transfer							
31,765,670,490.38	Transfer to CDF	ST4	19,936,086,956.00			10,446,400,999.82	(11,829,583,534.38)	52.40
461,645,217.32	External Loan Repayment	15	1,084,832,940.00			473,295,499.14	611,537,440.86	43.63
3,186,665,796.00	Internal Loan Repayment	16	4,241,440,041.00			3,223,769,542.86	1,017,670,498.14	76.01



STATEMENT OF CAPITAL DEVELOPMENT FUND

PREVIOUS YEAR ACTUAL 2018	DESCRIPTION	NOTE	ORIGINAL BUDGET 2019 N	CURRENT YEAR ACTUAL 2019 N	VARIANCE N	BUDGET PERFORMANCE IN %
20,389,347,349.15	Opening Balance			24,563,117,800.39	(24,563,117,800.39)	
31,765,670,490.38	Transfer From CRF	ST3	19,936,086,956.00	10,446,400,999.82	9,489,685,956.18	52.40
	ADD CAPITAL RECEIPTS				-	
11,346,315,627.12	Value Added Tax	3	11,294,161,553.00	12,004,631,273.89	710,469,720.89	106.29
	Miscellaneous(Excess PPT)	4	21,443,976,609.00	1,329,927,812.84	20,114,048,796.16	6.20
6,247,806,332.75	Local Gov't Contribution	5		7,414,043,024.50	(7,414,043,024.50)	
1,145,276,081.25	Exchange Gain	6		72,661,730.61	(72,661,730.61)	
	INTERNAL LOANS	14	13,750,000,000.00		13,750,000,000.00	
	RAAMP etc					
	Budget Support Facility			700,000,000.00	(700,000,000.00)	
	External Loans		10,835,144,951.00		10,835,144,951.00	
	Grants		19,060,824,700.00		19,060,824,700.00	
	CBN/AADS/ Intervention			1,500,000,000.00		
70,894,415,880.65	TOTAL CAPITAL RECEIPTS		96,320,194,769.00	58,030,782,642.05	41,210,351,568.73	60.25
	LESS : CAPITAL EXPENDITURE					
22,623,002,594.02	Economic Sector		35,311,975,501.00	11,567,521,624.34	23,744,453,876.66	32.76
9,940,312,287.00	Social Sector		32,273,605,724.00	13,255,194,510.85	19,018,411,213.15	41.07
3,865,993,309.01	Regional Sector (Environmental)		10,457,265,373.00	3,113,389,733.11	7,343,875,639.89	29.77
9,901,989,890.23	Administration Sector		25,483,123,220.00	16,442,731,990.68	9,040,391,229.32	64.52
	Contingency Fund		152,515,178.00		152,515,178.00	
46,331,298,080.26	TOTAL CAPITAL EXPENDITURE	12	103,678,484,996.00	44,378,837,858.98	59,299,647,137.02	42.80
24,563,117,800.39	CLOSING BALANCE			13,651,944,783.07		