



TRANSITIONAL ACCRUAL BASIS

IPSAS FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2019

KADUNA STATE GOVERNMENT
FEBRUARY 2020

2017



2018



2019



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FOREWORD

As demand for effective service delivery, good infrastructure, and strong institutions continues to rise, it is vital that governments use scarce resources as efficiently and transparently as possible. Assessment of resource utilization requires qualitative and quantitative metrics of stewardship accounting that is true and fair. The need for global standardization particularly in the public sector financial reporting spurred the adoption of the International Public Sector Accounting Standards (IPSAS): a set of accounting standards issued by the International Public Sector Accounting Standards Board for use by public sector entities around the world in the preparation of financial statements.

As a Government and since 2016, we have consistently prepared and published IPSAS compliant financial reports within the sixty-days time-window allowed by the law; this year is no exception. This is due, in part, to the quality processes, reporting infrastructure and the investment in automation prioritized by the Kaduna State Government.

Citizens engagement and accountability of elected officials are directly and strongly correlated; this, among many other equally important imperatives, is why year 2019 annual reports have been made more robust with information that goes beyond just the financial reports. It contains the split between capital and recurrent ratio. It covers investment in key sectors of the State economy, covering but not limited to social, sports, youth, infrastructural, health and education.

Another remarkable development of the year under review is the execution of KDSG Economic Transformation Program-for-Results Project. The project is aimed at improving the business enabling environment and strengthening fiscal management and accountability in Kaduna State. This operation is fully aligned with the World Bank Group's Country Partnership Strategy (CPS). Program-for-Results (P4R) focuses on increasing the number of jobs in the modern private sector and boosting the productivity of traditional economic sectors. Another important and complementary focus of the P4R is to support Kaduna State to increase its fiscal space and enhance expenditure effectiveness to boost investments in human capital and physical assets sustainably.

The future indeed holds more promise for Kaduna State citizens, individual and corporate, than any notable recent exploits.

Alhaji Muhammad Bashir Saidu
Hon. Commissioner of Finance

RESPONSIBILITY FOR FINANCIAL STATEMENTS

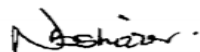
The Financial Statements have been prepared in accordance with the International Public Sector Accounting Standards (IPSAS) as issued by the International Public Sector Accounting Standards Board (IPSASB) and the Financial Reporting Council of Nigeria (FRCN). As indicated in the Notes to the Financial Statements, the year 2019 Financial Statements is one year beyond the three years transitional relief period of IPSAS 33 (First Time Adoption of Accrual Basis IPSAS) but due to the inconclusive valuation of legacy assets, certain transitional exemptions still apply.

As the Accountant General, and the State's Accounting Officer for receipts and payments of Government, I am saddled with the responsibility of general supervision of accounts and the preparation of Accrual Basis IPSAS Financial Statements.

To fulfil these responsibilities, I am to ensure that proper accounting records are maintained; applicable International Public Sector Accounting Standards are applied; judgments and estimates made are reasonable and prudent; and internal control procedures are instituted to provide reasonable assurances that financial transactions are validly recorded to prevent fraud and irregularities with resources are safeguarded.

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 2019 and its Operations for the year ended on that date.

I accept responsibility for the integrity of these Financial Statements, the information contained therein, and hereby declare that they comply with IPSAS 33 and the Guidelines issued by the FAAC Technical Sub Committee on IPSAS Implementation.



Shizzer Bada B.Sc. (Hons.), MBA, CPA(Ireland), CNA, FSCA, ACIT, MNIM, ACCA IPSAS Certified

FRC/2019/002/00000020054

Accountant General, Kaduna State

24th January, 2020

AUDIT CERTIFICATE

The Financial Statements of the Government of Kaduna State of Nigeria for the year ended, December 31, 2019 have been audited in accordance with section 125 subsection 2 of the Constitution of the Federal Republic of Nigeria, 1999 (as amended) and the Kaduna State Audit Law of 2018.

The audit was conducted in accordance with International Standards on Auditing and INTOSAI Auditing Standards.

In the course of the audit, I evaluated the overall adequacy of the information presented in the General-Purpose financial statements which were prepared in accordance with International Public Sector Accounting Standards (IPSAS) as described in Note 2.2. I have obtained information and explanation(s) that to the best of my knowledge, was relevant and necessary for the purposes of the audit. This audit has provided me with reasonable evidences and assurances which formed basis of my independent opinion.

In my opinion, the Financial Statements which were in agreement with the books of accounts and records show a true and fair view of the Financial Position of the Government of Kaduna State for the year ended, December 31, 2019 and the transactions for the fiscal year ended on that date.

Special Opinion:

The State is eligible to receive grant financing from the Federal Government subject to performance against predefined criteria in the World Bank assisted States Fiscal Transparency, Accountability and Sustainability Program for Results (SFTAS Program). The expenditure framework [and receipts] are detailed in Note 40 in the attached General-purpose Financial Statements of Kaduna State Government. In my opinion, Note 40 presents fairly, in all material respects, the expenditures incurred [and funds received] against the SFTAS Program by the State for the year ended, December 31, 2019 [and 2018 as required] in accordance with IPSAS as described in Note 2.2.



(BOSSAN TIMOTHY AVONG)

Auditor-General,
Kaduna State.

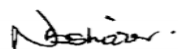
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STATEMENT OF FINANCIAL PERFORMANCE

FOR THE PERIOD ENDED 31 DECEMBER 2019

STATEMENT No. 1

	NOTES	31 DEC. 2019	31 DEC. 2018
		₦'000	₦'000
Revenue			
Non Exchange Transactions	3	129,580,780	119,709,893
Exchange Transactions	4	33,047,540	11,013,090
Total Revenue		162,628,320	130,722,983
Expenses			
Consulting and professional services	5	1,439,982	1,935,792
Employee benefits	6	42,864,633	34,373,244
Fuel and lubricants	7	505,389	551,834
Grants and contributions	8	1,793,459	4,388,412
Insurance	9	79,601	739,479
Materials and supplies	10	9,883,948	4,988,962
General expenses	11	6,646,209	3,933,398
Other services	12	895,445	1,198,707
Repairs and maintenance	13	2,733,344	536,262
Security and safety	14	6,131,625	3,892,241
Social benefits	15	870,603	307,092
Training and human capital development	16	3,081,286	2,377,250
Travel and transport	17	1,994,017	1,501,323
Utilities	18	684,942	1,125,444
Waste Management and Disposal	19	1,278,474	2,406,164
Depreciation and amortisation	20	10,340,586	21,763,574
		91,223,543	86,019,177
Excess of income over expenses before interest		71,404,777	44,703,806
Interest Expense	21	3,126,732	2,460,507
Surplus for the period		68,278,045	42,243,298



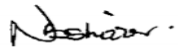
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STATEMENT OF FINANCIAL POSITION

STATEMENT No. 2

DESCRIPTION	NOTES	31 DEC. 2019 N'000	31 DEC. 2018 N'000
ASSETS			
CURRENT ASSETS			
Inventory	22	1,580,536	1,319,339
Receivables	23	42,678,092	23,768,574
Reimbursables from the Federal Government	24	17,830,000	7,218,345
Cash and cash equivalents	25	9,953,385	1,900,409
Prepayments	26	466,190	4,776,516
TOTAL CURRENT ASSETS		72,508,203	38,983,182
NON CURRENT ASSETS			
Property, Plant and Equipment	27	438,414,871	313,423,954
Investment Property	28	1,905,966	195,139
Biological Assets	29	16,984,518	16,973,669
Intangible Assets	30	672,238	385,390
Available for sale financial assets	31	7,360,400	7,326,212
TOTAL NON CURRENT ASSETS		465,337,993	338,304,364
TOTAL ASSETS		537,846,196	377,287,547
LIABILITIES			
CURRENT LIABILITIES			
Liabilities and Accruals	32	18,678,064	30,557,864
Provisions	33	2,820,645	347,587
Financial Liabilities	34	723,306	790,865
TOTAL CURRENT LIABILITIES		22,222,015	31,696,315
NON CURRENT LIABILITIES			
Financial Liabilities	34	200,888,700	142,136,315
Employee Benefits	35	131,546,976	87,763,691
TOTAL NON CURRENT LIABILITIES		332,435,674	229,900,007
TOTAL LIABILITIES		354,657,689	261,596,322
NET ASSETS/EQUITY		183,188,507	115,691,225

NET ASSETS/EQUITY			
Accumulated surplus	35	179,356,040	111,777,995
Available for sale reserves	36	3,832,467	3,913,230
NET ASSETS/EQUITY		183,188,507	115,691,225



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STATEMENT OF CHANGES IN EQUITY/NET ASSETS

STATEMENT No. 3

AS AT 31 DECEMBER 2019

		Accumulated Surplus N'000	Available for sale reserve N'000	Total N'000
Opening balance		111,777,995	3,913,230	115,691,225
Surplus for the period		68,278,045	-	68,278,045
Fair value change in Financial Assets	37	-	(80,763)	(80,763)
Net increase in transitional adjustments	38	(700,000)	-	(700,000)
Closing balance		179,356,040	3,832,467	183,188,507

AS AT 31 DECEMBER 2018

		Accumulated Surplus N'000	Available for sale reserve N'000	Total N'000
Opening balance		77,118,402	2,662,612	79,781,014
Surplus for the period		42,243,298	-	42,243,298
Fair value change in Financial Assets	37	-	1,250,619	1,250,619
Net decrease in transitional adjustments	38	(7,583,706)	-	(7,583,706)
Closing balance		111,777,994	3,913,231	115,691,225

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STATEMENT OF CASH FLOWS

STATEMENT No. 4 FOR THE PERIOD 31 DECEMBER 2019

	31 DEC. 2019	31 DEC. 2018
	N'000	N'000
Surplus/(Deficit) for the period	68,278,045	42,243,298
Add back:		
Depreciation and amortisation	10,340,586	21,763,574
Impairment	-	378,130
Interest expense	3,126,732	2,460,507
Changes in working capital		
Inventories	(261,198)	(1,319,339)
Increase in receivables	(29,521,174)	(5,848,481)
Increase in prepayments	4,310,325	(411,285)
Increase/(decrease) in liabilities and accruals	(11,879,800)	(5,390,173)
(Decrease)/Increase in provisions	2,473,058	132,142
Increase in employee benefits	43,783,285	23,956,546
Cash generated from operations	90,649,859	77,964,920
Interest paid	(3,126,732)	(2,460,507)
Net Cash Flow from Operating Activities	87,523,127	75,504,413

Cash flow from investing activities

Land	-	(393,390)
Building	(37,179,925)	(23,759,054)
Furniture and fittings	(1,101,414)	(1,142,832)
Road infrastructure	(75,436,255)	(40,484,296)
Water infrastructure	(3,602,326)	(9,196,635)
Vehicle	(5,152,185)	(3,520,697)
Equipment	(9,611,200)	(4,998,325)
Plant	(3,175,197)	(5,127,259)
Purchase of Biological Assets	(10,849)	-
Purchase of Intangible Assets	(310,978)	(107,144)
Investment property	(1,759,699)	(195,139)
Equity contribution for KADPMC take-off	(114,950)	
Net Cash Flow from Investing Activities	(137,454,978)	(88,924,771)

Financing activities

Principal loan repayment	(2,847,673)	(4,311,327)
Long term borrowings	60,832,500	11,322,979
Net Cash Flow from Financing Activities	57,984,827	7,011,652

Opening balance of cash and cash equiv	1,900,409	8,309,115
Net changes in cash and cash equiv	8,052,976	(6,408,706)
Closing balance of cash and cash equiv	9,953,385	1,900,409

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STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS (PREPARED ON CASH BASIS) FOR THE PERIOD ENDED 31 DECEMBER 2019

STATEMENT No. 5

	2019 Budget ₦'000	2019 Actual ₦'000	Variance ₦'000
Revenue from Non Exchange Transactions			
Statutory Allocation	52,000,000	49,293,687	2,706,313
Value Added Tax Allocation	14,400,000	16,866,419	(2,466,419)
Aids and Grants	14,101,857	13,495,192	606,665
Direct Taxes	20,345,447	25,931,251	(5,585,804)
Licenses	1,741,171	439,066	1,302,105
Sub Total (A)	102,588,475	106,025,615	(3,437,140)
Revenue from Exchange Transactions			
Sales	10,405,943	3,398,124	7,007,819
Fees	5,651,260	3,416,339	2,234,921
Rent of Government Property	2,554,253	1,325,802	1,228,451
Investment Income	1,017,000	9,451,250	(8,434,250)
Sub Total (B)	19,628,456	17,591,515	2,036,941
Total Revenue (A + B) = C	122,216,931	123,617,130	(1,400,199)
Less: Expenditure budgeted by nature of cost			
Personnel Cost	38,063,109	34,243,164	3,819,945
Government Contribution to Pension	9,008,296	8,621,470	386,826
Overhead Charges	39,724,123	38,018,323	1,705,800
Interest on Internal Loans	-	3,124,946	(3,124,946)
Sub total (D)	86,795,528	84,007,903	2,787,625

Less: Capital Expenditure by Sectors

Sub-sector: Economic

Agriculture	420,810	410,413	10,397
Business Innovation and Technology	3,207,027	3,127,788	79,239
Housing and Urban Development	3,460,388	3,374,890	85,498
Public Works and Infrastructure	62,952,360	61,396,955	1,555,405
Total for Sub-sector: Economic	70,040,585	68,310,046	1,730,539

Sub-sector: Social

Education	45,875,593	44,742,114	1,133,479
Health	11,435,260	11,152,721	282,539
Social Development	543,990	530,549	13,441
Total for Sub-sector: Social	57,854,843	56,425,385	1,429,458

Sub-sector: Regional

Environment and Natural Resources	2,089,455	2,037,830	51,625
Water	1,134,582	1,106,549	28,033
Total for Sub-sector: Regional	3,224,037	3,144,379	79,658

Sub-sector: General Administration

Executive	17,390,352	16,960,677	429,675
Governance	2,230,148	2,175,047	55,101
Law and Justice	1,342,332	1,309,166	33,166
Legislature	253,622	247,355	6,267
Total for Sub-sector: General Admin	21,216,453	20,692,245	524,208
Totals	152,335,918	148,572,055	3,763,863

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NOTES TO THE FINANCIAL STATEMENTS

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. General information

The State financial statements for the year ended 31 December 2019 were authorized for issue by the Accountant General on 24th January, 2020. Kaduna State Government's (KDSG's) principal activities are the provision of social, infrastructure, educational, housing, justice, transport, agricultural and health services, waste management and emergency services. The State's registered office is located at Independence Way, Kaduna North, Nigeria.

2.1 Statement of compliance with IPSAS and transitional explanations

The Federal Executive Council of Nigeria approved the adoption of International Public Sector Accounting Standards (IPSAS) in July 2010. Public Sector Entities were required to adopt, prepare and present 2016 Financial Statements using Accrual Basis IPSAS and Kaduna State was in compliance with Accrual Basis IPSAS from that date. IPSAS therefore became the National Standards in the Public Sector from 2016 and all references to National Standards, if any, refers to the International Public Sector Accounting Standards (IPSAS).

The financial statements have been prepared in accordance with accrual basis International Public Sector Accounting Standards (IPSASs). IPSAS 33 (First Time Adoption of Accrual Basis IPSAS) allows KDSG a period of up to three years to recognize and/or measure certain assets and/or liabilities. The Government views the exercise of identifying and measuring legacy assets as very strategic. Hence KDSG has chosen to be diligent in its approach and consequently require more time to fully accomplish the exercise. Based on the progress made so far, it is expected that the exercise would be concluded soon.

In its transition to accrual basis IPSASs, KDSG took advantage of this transitional exemption for its yet-to-be-valued and yet-to-be-recognized assets and liabilities. Coordinated efforts are currently being made to establish *fair value assessment* of all immovable assets controlled by the State. This is to be achieved, in part, through the constitution of a technical committee of relevant and experienced professionals from the Ministry of Works and other Infrastructure related MDAs.

As a result of the foregoing, KDSG is unable to make an explicit and unreserved statement of compliance with accrual basis IPSASs in preparing its transitional IPSAS financial statements for this reporting period.

The State financial statements are presented in Nigerian Naira, which is the functional and reporting currency and all values are rounded to the nearest thousand except where the thousand sign (N'000) is not indicated. The accounting policies have been consistently applied to all the years presented.

The State financial statements are prepared on an accrual basis, except for the Statement of Cash flows and the Statement of Budget comparison with actual amount.

2.2 Summary of significant accounting policies

a) Consolidation

Controlled entities

The controlled entities are all those entities over which KDSG has the power to govern their financial and operating policies. The entities are Kaduna State Property Development Company, Kaduna Investment and Finance Company Limited, Kaduna State Market Development and Management Company Limited, Kaduna State Transport Authority. These controlled entities are fully consolidated from the date in which control is attained by KDSG. They are de-consolidated from the date that control ceases. Inter-entity transactions, balances and unrealized gains and losses on transactions between members of the State are eliminated in full. The accounting policies of the controlled entities are consistent with the policies adopted by KDSG.

b) Interest in joint venture and associates

Where the State has an interest in a joint venture which is a Joint Arrangement, whereby the venturers have a binding arrangement that establishes joint control over the economic activities of the entity, the State recognizes its interest in the joint venture using the equity method of consolidation. Under the equity method, on initial recognition the investment in an associate or a joint venture is recognized at cost and the carrying amount is increased or decreased to recognize the investor's share of the surplus or deficit of the investee after the date of acquisition. The investor's share of the investee's surplus or deficit is recognized in the investor's surplus or deficit. Distributions received from an investee reduce the carrying amount of the investment. Adjustments to the carrying amount may also be necessary for changes in the investor's proportionate interest in the investee arising from changes in the investee's equity that have not been recognized in the investee's surplus or deficit. Such changes include those arising from the revaluation of property, plant and equipment and from foreign exchange translation differences. The investor's share of those changes is recognized in net assets/equity of the investor.

KDSG has neither associates nor joint ventures as at 31st December, 2019.

c) Current versus non-current classification

KDSG presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The State classifies all other liabilities as non-current.

d) Revenue recognition

Revenue from non-exchange transactions

Fees, taxes and fines

The State recognizes revenues from fees, taxes and fines when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the fair value of the asset can be measured reliably.

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the State and can be measured reliably.

Revenue from exchange transactions

Rendering of services

The State recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labor hours or cost incurred to date as a percentage of total estimated labor hours or total cost.

Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the State.

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

Dividends

Dividends or similar distributions are recognized when the shareholder's or the State's right to receive payments is established.

Rental income

Rental income arising from operating leases on investment properties (from irrigations and other properties) is accounted for on a straight-line basis over the lease terms and included in revenue.

e) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time the cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment properties primary comprise irrigation assets and other rental yielding buildings.

Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a 40-year period.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of derecognition.

Transfers are made to or from investment property only when there is a change in use.

f) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the State recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major overhaul is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

Depreciation on assets is charged on a straight-line basis over the useful life of the asset. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life:

Buildings	45 - 55 years
Infrastructure assets water	20 - 22 years
Infrastructure assets – others	20 – 22 years
Plant & Machinery	5 - 12 years
Furniture & Fittings	5 - 7 years
Vehicles	5 – 7 years
Office & Other Equipment	4 – 5 years

The assets' residual values and useful lives are reviewed, and adjusted prospectively, if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount, or recoverable service amount, if the asset's carrying amount is greater than its estimated recoverable amount or recoverable service amount.

The State derecognizes items of property, plant and equipment and/or any significant part of an asset upon disposal or when no future economic benefits or service potential is expected from its continuing use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the surplus or deficit when the asset is derecognized.

g) Leases

State as a lessee

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the State. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The State also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition.

Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit.

An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the State will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the State. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

State as a lessor

Leases in which the State does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term.

Rent received from an operating lease is recognized as income on a straight-line basis over the lease term. Contingent rents are recognized as revenue in the period in which they are earned.

h) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred.

The useful life of the intangible assets is assessed as either finite or indefinite.

Intangible assets with a finite life are amortized over its useful life:

Software 10 - 15 years

Intangible assets with a finite useful life are assessed for impairment whenever there is an indication that the asset may be impaired. Intangible assets with indefinite useful life are tested for impairment at least once year regardless of impairment indicators.

The amortization period and the amortization method, for an intangible asset with a finite useful life, are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on an intangible asset with a finite life is recognized in surplus or deficit as the expense category that is consistent with the nature of the intangible asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the surplus or deficit when the asset is derecognized.

Research and development costs

The State expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the State can demonstrate:

- The technical feasibility of completing the asset so that the asset will be available for use or sale
- Its intention to complete and its ability to use or sell the asset
- How the asset will generate future economic benefits or service potential
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

i) Impairment of non-financial assets

Impairment of cash-generating assets

At each reporting date, the State assesses whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the State estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

Where the carrying amount of an asset or the cash-generating unit (CGU) exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations are recognized in the statement of financial performance in those expense categories consistent with the nature of the impaired asset.

Impairment of non-cash-generating assets

The State assesses at each reporting date whether there is an indication that a non-cash-generating asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the State estimates the asset's recoverable service amount. An asset's recoverable service amount is the higher of the non-cash-generating asset's fair value less costs to sell and its value in use.

Where the carrying amount of an asset exceeds its recoverable service amount, the asset is considered impaired and is written down to its recoverable service amount.

In assessing value in use, the State has adopted the depreciation replacement cost approach. Under this approach, the present value of the remaining service potential of an asset is determined as the depreciated replacement cost of the asset. The depreciated replacement cost is measured as the reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

In determining fair value less costs to sell, the price of the assets in a binding agreement in an arm's length transaction, adjusted for incremental costs that would be directly attributed to the disposal of the asset is used. If there is no binding agreement, but the asset is traded on an active market, fair value less cost to sell is the asset's market price less cost of disposal. If there is no binding sale agreement or active market for an asset, the State determines fair value less cost to sell based on the best available information.

For each asset, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the State estimates the asset's recoverable service amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable service amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable service amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in surplus or deficit.

j) Financial instruments

Financial assets

Initial recognition and measurement

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The State determines the classification of its financial assets at initial recognition.

The State's financial assets include: cash and short-term deposits; trade and other receivables; loans and other receivables; quoted and unquoted financial instruments.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification.

Financial assets at fair value through surplus or deficit

Financial assets at fair value through surplus or deficit include financial assets held for trading and financial assets designated upon initial recognition at fair value through surplus and deficit. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets at fair value through surplus or deficit are carried in the statement of financial position at fair value with changes in fair value recognized in surplus or deficit. KDSG does not have any 'financial assets at fair value through surplus or deficit' as at 31 December 2019.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit. KDSG does not have any 'loans and receivables' as at 31 December 2019.

Held-to-maturity

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the State has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit. KDSG does not have any 'held to maturity' as at 31 December 2019.

Available-for-sale financial assets

The State classifies available-for-sale financial assets as non-derivative financial assets that are designated as available for sale or are not classified as loans and receivables, held-to-maturity or financial assets at fair value through surplus or deficit.

After initial measurement, available-for-sale financial investments are subsequently measured at fair value with gains or losses recognized directly in net assets through the statement of changes in net assets until the financial asset is derecognized, at which time the cumulative gain or loss is recognized in surplus or deficit.

Derecognition

The State derecognizes a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when:

- The rights to receive cash flows from the asset have expired or is waived
- The State has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either: (a) the State has transferred substantially all the risks and rewards of the asset; or (b) the State has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The State assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

- The debtors or a group of debtors are experiencing significant financial difficulty
- Default or delinquency in interest or principal payments
- The probability that debtors will enter bankruptcy or other financial reorganization
- Observable data indicates a measurable decrease in estimated future cash flows (e.g. changes in arrears or economic conditions that correlate with defaults)

Financial assets carried at amortized cost

For financial assets carried at amortized cost, the State first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the State determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognized are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the assets carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in surplus or deficit. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realized or transferred to the State. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to finance costs in surplus or deficit.

Available-for-sale financial assets

For available-for-sale financial assets, the State assesses at each reporting date whether there is objective evidence that an investment or a group of investments is impaired.

In the case of financial assets classified as available-for-sale, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value was below its original cost. Where there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognized in the surplus or deficit – is removed from the reserve in net assets and recognized in surplus or deficit.

In the case of debt instruments classified as available-for-sale, impairment is assessed based on the same criteria as financial assets carried at amortized cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortized cost and the current fair value, less any impairment loss on that investment previously recognized in surplus or deficit.

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The State determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

The State's financial liabilities include trade and other payables, bank overdrafts, loans and borrowings, financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification.

Financial liabilities at fair value through surplus or deficit

Financial liabilities at fair value through surplus or deficit include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through surplus or deficit.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the State that are not designated as hedging instruments in hedge relationships as defined by IPSAS 29.

Gains or losses on liabilities held for trading are recognized in surplus or deficit.

Loans and borrowing

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in surplus or deficit.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the State statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

k) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. For the purpose of the State's statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

l) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

Costs incurred in bringing each product to its present location and condition are accounted for, as follows:

- Raw materials: purchase cost
- Finished goods and work in progress: cost of direct materials and labor and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs

After initial recognition, inventory is measured at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution.

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the State.

m) Provisions

Provisions are recognized when the State has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the State expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the statement of financial performance net of any reimbursement. The provisions primarily arise from ongoing litigations and from long-term environmental obligations for which there is present obligations, outflow is probable and reliable estimates could be made.

Restoration / Decommissioning liability

Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of that particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the restoration/decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of financial performance as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingent liabilities

The State does not recognize a contingent liability, but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

Contingent assets

The State does not recognize a contingent asset, but discloses details of a probable asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the State in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

n) Changes in accounting policies and estimates

The State recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

The State recognizes the effects of changes in accounting estimates prospectively by including in surplus or deficit.

o) Employee benefits

Retirement benefit plans

The State provides retirement benefits for its employees and political officer holders.

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund), and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined-benefit funds are actuarially valued based on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis. The contributions and lump sum payments reduce the post-employment benefit obligation.

Short and long-term employee benefits

The cost of all short-term employee benefits, such as leave pay, is recognized during the period in which the employee renders the related service. The State recognizes the expected cost of performance bonuses only when the State has a present legal or constructive obligation to make such payment, and a reliable estimate can be made.

The State provides long-term incentives to eligible employees, payable on completion of years of employment. The State's liability is based on an actuarial valuation. The projected unit credit method has been used to value the obligation. Actuarial gains and losses on the long-term incentives are fully accounted for in the statement of financial performance.

p) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Payables and receivables denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

q) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment.

Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

r) Related parties

The State regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the State, or vice versa. Members of key management are regarded as related parties and comprise the State Executive Committee Members and Heads of Ministries, Departments and Agencies.

s) Service concession arrangements

The State analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the State recognizes that asset when, and only when, it controls or regulates the services the operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the State also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

t) Budget information

The State intends to prepare accrual basis budget in the nearest future when all planned costs and income are presented in a single statement to determine the needs of the State. As a result of the adoption of the accrual basis for budgeting purposes, there would be no basis, timing or entity differences that would require reconciliation between the actual comparable amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts. Pending the transition to accrual basis budgeting however, the State would prepare statements of budget comparison on cash basis.

u) Significant judgments and sources of estimation uncertainty

The preparation of the State's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgments

In the process of applying the State's accounting policies, management has made judgments, which have the most significant effect on the amounts recognized in the State financial statements.

Operating lease commitments – State as lessor

The State has entered into property leases of certain of its properties. The State has determined, based on an evaluation of the terms and conditions of the arrangements, (such as the lease term not constituting a substantial portion of the economic life of the commercial property) that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

Estimates and assumptions

In accordance with IPSAS 1 P. 140, the key assumptions concerning the future and other key sources of estimating uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The State based its assumptions and estimates on parameters available when the State financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the State. Such changes are reflected in the assumptions when they occur.

Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- The condition of the asset based on the assessment of experts employed by the State
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

Impairment of non-financial assets – cash-generating assets

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumptions may change, which may then impact management's estimations and require a material adjustment to the carrying value of tangible assets.

The State reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Cash-generating assets are stated at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates of expected future cash flows are prepared for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time.

Impairment of non-financial assets – cash generating assets

The State reviews and tests the carrying value of non-cash-generating assets when events or changes in circumstances suggest that there may be a reduction in the future service potential that can reasonably be expected to be derived from the asset. Where indicators of possible impairment are present, the State undertakes impairment tests, which require the determination of the fair value of the asset and its recoverable service amount. The estimation of these inputs into the calculation relies on the use of estimates and assumptions. Any subsequent changes to the factors supporting these estimates and assumptions may have an impact on the reported carrying amount of the related asset.

Fair value estimation – financial instruments

Where the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, judgment is required in establishing fair values. Judgment includes the consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Provisions

Provisions were raised and management determined an estimate based on the information available.

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

Provision is made for the estimated cost to be incurred on the long-term environmental obligations, comprising expenditure on pollution control and closure over the estimated life of the landfill. The provision is based on the advice and judgment of qualified engineers.

The increase in the restoration provision due to passage of time is recognized as finance cost in the statement of financial performance.

The cost of ongoing programs to prevent and control pollution and rehabilitate the environment is recognized as an expense when incurred.

Held-to-maturity investments and loans and receivables

The State assesses its loans and receivables and its held-to-maturity investments at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the State evaluates the indicators present in the market to determine if those indicators are indicative of impairment in its loans and receivables or held-to-maturity investments.

Where specific impairments have not been identified the impairment for receivables, held-to-maturity investments and loans and receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

SUB CLASSIFICATION OF BALANCES

	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Revenue from non-exchange transactions		
Gross Allocation from Federation Accounts	54,233,605	55,777,102
Non-Oil Revenue (Excess Revenue - Share of Solid Minerals)	69,881	-
Share of Good and Value Consideration	562,245	-
Excess Petroleum Profit Tax	-	-
Share of forex equalization	425,700	1,306,146
Excess bank charges	128,277	77,492
Excess crude	459,931	401,604
Value added tax	16,866,419	15,610,827
Exchange Gain Differences	91,791	363,024
Paris Club Refund to State		12,252,928
Aids and Grants	13,495,192	405,784
Share of additional fund from NNPC	80,321	96,385
Other capital receipts		-
Direct taxes - KADIRS	42,728,352	30,126,405
Land use charge - Ministry of Finance	121,255	
Income from stabilization augmentation	-	2,750,596
Licenses - Internal Revenue Services	-	258,453
License - Ministry of Health & Human Services	5,602	
Fines - High Court of Justice	6,059	-
Fines - Customary Court of Appeal	5,370	-
Fines - Sharia Court of Appeal	9,920	-
Fines - Kaduna State Environmental Protection Agency	55	2,088
Fines - KASTELEA	-	203,376
Fines - Ministry of Agriculture	2,697	-
Penalty, Revocation and Re-issuance of C of O - KADGIS	4,820	18,670
Penalty - Kaduna State Traffic Law Enforcement Authority	168,491	-
Registration - Ministry of finance	-	3,905
Kaduna State Public Procurement Authority	109,427	55,106
Stamp duty - Alhuda-Huda College, Zaria	89	-
Stamp duty - Kaduna Capital School	234	-

Stamp duty - Government Secondary School Fadan Kaje	21	-
Stamp duty - Government Secondary School Ikara	24	-
Stamp duty - Science Secondary School, Kufena, Zaria	4	-
Stamp duty - Sardauna Memorial College	41	-
Stamp duty - Ministry of Education, Science and Technology	1,805	-
Stamp duty - KADIRS	3,056	-
Stamp duty - Rimi College, Kaduna	42	-
Stamp duty - GSS Birnin Gwari	18	-
Stamp duty - Government College Kagoro	36	-
		-
Total Non - Exchange Revenue	129,580,780	119,709,893

	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Revenue from exchange transactions		
Fees -Muslim Pilgrims Welfare Board	7,074	9,865
Fees -Christian Pilgrims Welfare Board	10	-
Fees -Office of the Auditor General (State)	145	235
Fees -Kaduna State Independent Electoral Commission	420	41,628
Fees -Office of the Auditor General (Local Government)	-	-
Fees -Ministry of Agriculture	5,975	17,762
Fees -Ministry of Finance	109,427	105,835
Fees -KADIRS	213,695	304,607
Fees -Ministry of Business Innovation and Technology	7,948	14,140
Fees -KASUPDA	423,297	143,244
Fees -Ministry of Works and Transport	91,207	10,971
Fees -Ministry of Water Resources	72	2,397
Fees -Ministry of Lands and Survey	-	-
Fees -Ministry of Justice		1,287
Fees -High Court of Justice	10,901	12,806
Fees -Customary Court of Appeal	5,053	10,121
Fees -Sharia Court of Appeal	8,420	9,694

Fees -Ministry of Sports	2,495	3,097
Fees -Ministry of Education	130,926	229,895
Fees -Library Board	41	47
Fees -Agency for Mass Literacy	-	323
Fees -Nuhu Bamalli Polytechnic Zaria	731,354	684,027
Fees -College of Education Gidan Waya	223,796	204,506
Fees -Capital School Kaduna	23,259	30,482
Fees -Barewa College Zaria	13,875	14,671
Fees -Al Hudda College Zaria	3,924	3,451
Fees -Sardauna Memorial College Kaduna	579	660
Fees -Government College Kaduna	2,301	1,874
Fees -Queen Amina College	16,002	21,500
Fees -Government Secondary School Kagoro	729	1,158
Fees -Government Secondary School Fada Kaje	2,889	3,932
Fees -Rimi College	673	715
Fees -Government Girls College Zonkwa	2,730	3,922
Fees -Kaduna State University	548,758	789,973
Fees -Government Science Secondary School Kufena	7,103	7,308
Fees -Government Science Secondary School Soba	8,430	10,249
Fees -Government Secondary School Kwoi	15,239	18,644
Fees -Government Science Secondary School Ikara	3,767	5,822
Fees -Science Secondary School Birnin Gwari	2,744	4,591
Fees -Government College Kagoro	6,204	7,052
Fees -Private Schools Board		26,351
Fees -Ministry of Health	101,109	342,388
Fees -College of Nursing Kafanchan	30,668	27,949
Fees -Shehu Idris School of Health Technology Makarfi	43,906	227,448
Fees -State Emergency Management Agency	52,255	40,582
Fees -Kaduna State Environmental Protection Agency	38,670	4,246
Fees -Kaduna State Public Works Agency (KAPWA)	-	595
Fees -Ministry of Rural and Community Development	3,556	2,962
Fees - Kaduna State Road Agency	1,620	-
Fees - Kaduna State Schools Quality Assurance Authority	112,059	-
Ministry of Business Innovation and Technology	10,493	-

Fees -Ruwassa	3,610	5,055
College of Midwifery Kaduna	26,121	31,209
Min of Environment & N/Resources	-	-
Science and Tech. School Management Board	-	9,118
Local Government Service Comm.	620	-
KADGIS	755,046	3,595,054
Kaduna Market Development & Mgt Co. Ltd	-	101,170
Fees - sub total	3,811,195	7,146,617

Revenue from exchange transactions

	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Sales - Muslim Pilgrims Welfare Board	1,769	1,638
Sales - Christian Pilgrims Welfare Board	110	130
Sales - Kaduna State Media Corporation - KSMC	102,020	169,054
Sales - Government Printing Press	16,526	20,442
Sales - Ministry of Agriculture	3,077	12,618
Sales - Kaduna State Forest Management Project	-	3,000
Sales - Ministry of Finance	2,930,443	1,183,775
Sales - Kad. State Internal Revenue Service	22,929	12,038
Sales - Ministry of Commerce	-	-
Sales - College of Education Gidan Waya	28,741	13,512
Sales - Ministry of Health	35,454	52,475
Sales - Barau Dikko Teaching Hospital, Kaduna	256,134	205,059
Sales - School of Health Technology Makarfi	3,575	38,617
Sales - Kaduna State Agric. Dev Agency - Irrigation proceeds	-	100
Sales - Ministry of Youth and Sports	675	-
Sales - Nuhu Bamalli Polytechnic	6,614	19,000
Sales - Ministry of Environment	-	-
Sales - State Environmental Protection Agency - KEPA	746	24,930
Sales - Kaduna State University	2,044	1,045
Sales - Kaduna State Management Project (FMP)	2,482	

Kaduna Market Development & Mgt Co. Ltd	-	3,649
Kaduna Water Corporation	7,248,835	521,473
513001001 - Min. of Youths, Sports & Culture	-	10,194
Sales - sub total	10,662,174	2,292,747

Revenue from exchange transactions

	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Rent of Gov. Property - Muslim Pilgrims Welfare Board	189	535
Rent of Gov. Property - Kad State Forest Management Project	-	124
Rent of Gov. Property - Ministry of Finance	3,115	5,746
Rent of Gov. Property - Ministry of Works and Transport	-	-
Rent of Gov. Property - KASUPDA	-	65,897
Rent of Gov. Property - Kaduna State University	5,598	14,178
Rent of Gov. Property - College of Nursing Kafanchan	175	185
Rent of Gov. Property - Kad. State Environmental Protection Agency	330	408
Rent - Ministry of Business Innovation and Technology	5,056	-
Rent - Ministry of Sport Development	18,792	-
Rent - School of Midwifery	310	-
Rent - Sales - Kaduna State Management Project (FMP)	122	-
Local Government Service Comm.	-	105
Kaduna Market Development & Mgt Co. Ltd	-	123,432
Min. of Commerce & Industries	-	6,882
KADGIS - Rent	9,067,357	983,875
Rent on Gov. Building - Ministry of Environment	-	-
Min. of Agriculture & Forestry	21,553	8,936
Library Board	141	100
Scholarship Board	130	360
Capital School Kaduna	55	49
College of Education G/Waya	-	598
	9,122,922	1,211,410

Revenue from exchange transactions

	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Dividend and other investment Income		
Ministry of Finance	9,374,033	287,245
Kaduna State Muslim Pilgrims Welfare Board	77,216	-
Kaduna State Muslim Pilgrims Welfare Board		75,071
	9,451,250	362,316
Total Exchange Revenue	33,047,540	11,013,090
Total Revenue	162,628,320	130,722,983

4A	REVENUE SPLIT BETWEEN ALLOCATION AND IGR	31 Dec. 2019	31 Dec. 2018
		N'000	N'000
	Cash Internally Generated Revenue	43,961,832	24,316,376
	Accrued Internally Generated Revenue (See Note 4B)	32,253,127	17,364,718
	Subtotal of Internally Generated Revenue	76,214,958	41,681,094
	Cash FAAC Allocation (See Note 4C)	66,160,106	67,689,814
	Accrued FAAC Allocation (See Note 4C)	6,758,064	5,942,767
	Paris Club Refund	-	12,252,928
	Subtotal of Allocation	72,918,170	85,885,509
	Grants	13,495,192	3,156,380
	GRAND TOTAL OF REVENUE	162,628,320	130,722,983

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4B MDA / CLASS OF REVENUE	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
KADGIS	7,797,121	2,513,585
KASUPDA Fees	148,283	-
Kaduna State Water Corporation	7,248,835	521,473
Nuhu Bamali Polytechnic, Zaria	203,967	271,392
Shehu Idris College Health Science & Tech, Makarfi	-	45,243
Kaduna State Media Corporation	7,266	36,015
Kaduna State Market Development Co. Limited	-	(24,196)
Kaduna State Quality Assurance Authority	-	25,016
Ministry of Business Innovation and Technology	7,948	5,320
State Emergency Management Agency (SEMA)	42,606	30,231
Kaduna State Scholarship Board	-	150
Reimbursement of PAYE, VAT & WHT from FG	16,797,101	13,940,491
	32,253,127	17,364,718

SCHEDULE OF JANUARY – DECEMBER 2019 FAAC ALLOCATION

4C	Month	NON-OIL					SHARE OF GOOD		SHARE OF		TOTAL
		GROSS	REVENUE	SHARE OF	EXCESS	EXCHANGE	& VALUE	EXCESS	ADDITIONAL	VAT	
	FAAC	EXCESS	FOREX	BANK	GAINS	CONSIDERATION	CRUDE	FUND FROM	ALLOCATION	ALLOCATION	
	N'000	REVENUE	EQUALIZATION	CHARGES	DIFFERENCES	DIFFERENCES	REVENUE	NNPC	N'000	N'000	
		N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	
	January	4,079,576	-	-	74,992	5,372	-	-	-	1,487,860	5,647,800
	February	3,873,788	-	-	37,083	6,955	-	354,828	-	1,325,711	5,598,365
	March	3,652,136	-	-	-	5,307	441,764	105,103	80,321	1,292,208	5,576,839
	April	4,199,994	-	-	-	6,459	-	-	-	1,323,202	5,529,655
	May	4,700,946	-	-	-	9,474	-	-	-	1,473,995	6,184,414
	June	5,140,218	-	-	-	8,513	-	-	-	1,505,308	6,654,038
	July	5,008,118	-	-	-	8,299	-	-	-	1,361,565	6,377,982
	August	5,042,238	-	-	16,202	8,448	-	-	-	1,199,410	6,266,297
	September	4,906,788	-	-	-	7,742	-	-	-	1,278,487	6,193,017
	October	4,839,105	69,881	-	-	9,116	-	-	-	1,444,169	6,362,271
	November	4,035,052	-	425,700	-	6,412	-	-	-	1,302,263	5,769,427
	December	4,755,646	-	-	-	9,694	120,481	-	-	1,872,242	6,758,064
	TOTAL	54,233,605	69,881	425,700	128,277	91,791	562,245	459,931	80,321	16,866,419	72,918,170

5 Consulting and professional services	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Revenue collection expenses	275,555	256,816
Budgeting expenses	220,464	208,181
Other services	943,963	1,470,795
Total	1,439,982	1,935,792

This is the expenditure made by Government in procuring professional services from specialists in the advancement of government programmes.

Revenue collection expenses represents performance-based incentives awarded revenue collection agencies for meeting and surpassing targets. Budget expenses are extra expenditure and incentives for budget preparation. Other services were expenses incurred in procuring expert services across various disciplines.

6 Employee benefits	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Basic salary	28,562,399	14,617,290
Entertainment Allowance	70,532	136,914
Furniture Allowance	137,631	-
Hazard Allowance	100,872	256,225
Housing Allowance	992,151	1,809,377
Leave Allowance	666,044	32,742
Legislative Allowance	76,019	4,883
Meal Allowance	173,220	300,845
Medical Allowance	309,077	302,056
Responsibility Allowance	7,852	43,759
Robe Allowance	110,904	59,903
Shift Allowance	90,239	148,722
Teaching Allowance	348,530	283,264

Transport Allowance	790,575	1,110,709
TSS Allowance	679,850	838,481
Utility Allowance	224,357	381,466
Vehicle Maintenance Allowance	50,240	44,015
Wages	34,630	64,226
Post-Employment Benefits	8,621,470	13,115,169
CRFC Salaries/Allowances	223,629	177,419
Other Allowances	594,413	645,780
	42,864,633	34,373,244

Employee benefits are establishment cost for direct and indirect employees, including political office holders. In Kaduna State, all employee benefits are consolidated.

Basic salary is a base salary from which other allowances are determined. Entertainment allowance is aimed at catering for work related entertainment of internal and external customers. Furniture allowance is meant to augment the cost of furnishing official residences of government appointees, customarily paid once in four years subject to approval. Hazard allowance is a special allowance paid to employees who work in hazardous environment, for example, hospitals, laboratories, fire services etc. Housing allowance is given to employees to augment rental charges for employees that do not enjoy government quarters. Leave allowance is paid to employees to defray cost of travelling to leave destinations. Legislative allowance is a special allowance paid to staff working with legislators. Meal allowance is meal subsidy paid to all employees. Medical allowance is aimed at subsidizing cost of medication and hospital services. Responsibility allowance is to confidential secretaries of Management staff and in certain instances, the Management staff. Robe allowance is paid to Judges and Solicitors that appear in courts and in official capacities. Shift allowance is paid to staff that run shifts involving evening and night duties. Teaching allowance is a special allowance for classroom teachers. Transport allowance is aimed at augmenting transportation cost of staff that do not qualify for official vehicles. TSS allowance is an awarded salary for all professional teachers. Utility allowance is aimed at defraying cost of utilities (water, electricity etc.). Vehicle maintenance allowance is paid to appointees to maintain official vehicles. Wages are paid to non-scheduled temporary staff. Post-employment benefits include pension and gratuities. CRFC Salaries/Allowance applies to certain employees of scheduled Commissions and Boards as first line charges. Other allowances cover such benefits as domestic staff allowance, exams supervision allowance etc.

The Government took the decision to merge Rent allowance, Utility allowance, Meal subsidy, Transport allowance and Entertainment allowances into consolidated salary earning in addition with the implementation of the minimum wage. This, in part, explains the significant increase in 2019 Basic salaries compared with similar figure for the comparative period.

7 Fuel and lubricants	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Cooking Gas/Fuel Cost	1,084	495
Motor Vehicle Fuel Cost	253,593	276,011
Other Transport Equipment Fuel Cost	25,191	14,261
Plant/Generator Fuel Cost	225,521	261,066
	<u>505,389</u>	<u>551,834</u>

Fuel and lubricants relate to the expenses incurred in running official vehicles, plant and equipment as distinct from cost of maintenance.

8 Grants and contributions	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Cultural and Religious Expenses	338,458	437,220
Grants and Donations	1,136,831	3,564,101
Parastatals Overheads	283,704	171,477
Recurrent Counterpart Contribution	34,466	215,614
	<u>1,793,459</u>	<u>4,388,412</u>

Grants and contribution relate to the Government intervention for the operations and proper functioning of quasi-government organizations and other entities that are self-accounting.

Cultural and religious expenses are government expenditure to promote activities of traditional councils including seminars and workshop for the council. Grants and donations are funding support for research or special services. Parastatals overheads expenditure relate to quasi government organization for specific purposes. Recurrent counterpart contributions are condition precedent to receiving health related grants from external donors.

9 Insurance	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Group Personal Accident	37,443	596,069
Kaduna Health Insurance Scheme	-	27,805
Motor Vehicle comprehensive insurance	42,158	115,604
	<u>79,601</u>	<u>739,479</u>

Insurance expenditure provides covers against identified insurable risk.

Group personal accident insurance is aimed at providing group compensation to employees of government in case of death. Kaduna Health Insurance Scheme (KHIS) is a contribution towards providing medical bills cover for public servants. Motor vehicle insurance is a comprehensive cover for government vehicles.

10 Materials and supplies	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Books	56,299	448,395
Consumables	1,992,051	979,883
Drugs and medical supplies	1,522,285	1,552,520
Health related programmes	20,500	74,645
Scholarship	2,431,746	323,336
Education Expenses and Examination fees	657,365	203,823
Newspapers and periodicals	57,629	52,537
Printing and stationery	477,067	329,383
School feeding	2,027,854	846,853
Water infrastructure chemicals	641,154	177,587
	<u>9,883,948</u>	<u>4,988,962</u>

Materials and supplies are consumables procured and used by government organizations in the course of service delivery.

Books are educational supplies covering text books and exercise books; they are expensed upon distribution. Consumables are materials used in the course of providing services by government covering uniforms, office stationery, computer consumables. Drugs and medical supplies are health products, public health emergencies etc. Health related programmes include foreign medical treatment programmes geared towards achieving good health for the residents. Scholarship are special education support scheme for students. Education Expenses and Examination fees are education related expenses and other expenditure paid to external examination bodies. Newspapers and periodicals are magazines procured for departments and management staff for information currency. Printing and stationery are cost of producing documents and materials for documentation and communication. School feeding is a special programme of government to provide food and nutrition for pupils. Water treatment chemicals are inputs for public water purification.

Certain expenses were reclassified from General office expense category (Note 11) to Materials and supplies category in order to more accurately reflect their substance. These include Education and examination expenses, Health related programmes and Scholarship.

11 General office expenses	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Catering expenses	100,752	261,346
Cleaning and fumigation	836,052	480,436
Court settlement/provisions (see note 33)	2,042,308	132,142
Entertainment	1,448,954	1,444,275
Honorarium and sitting allowance	60,514	54,451
Hotel accommodation	-	10,709
Mass awareness	1,598,246	1,186,558
Promotion and recruitment expenses	114,786	30,504
Rent	11,078	12,174
Sporting and recreation expenses	180,695	195,969
Subscription	252,825	124,832
	6,646,209	3,933,398

General office expenses are other office expenditure of a general nature separately from stationery materials and supplies.

Catering expenses are expenditure on food items for inhouse facilities for Ministries, Departments and Agencies. Cleaning and fumigation are expenditure incurred on work/office environment. Court settlement are payment and/or provisions for judgement debt. Entertainment are hospitality related expenditure in the course of service delivery. Honorarium and sitting allowance are expenses of conducting meetings and per-diem paid to non-scheduled staff. Hotel accommodation are expenses for government visitors. Mass awareness are campaigns for sensitization and awareness about government policies and programmes. Promotion and recruitment expenses are direct cost of job interviews. Rent expenses are rentals for office accommodation. Sporting and recreation expenses are youth and hospitality oriented programmes to engender youth empowerment and leisure. Subscription expenses are software renewal charges, internet access, subscription to professional bodies etc.

Certain expenses were reclassified to Materials and supplies category (Note 10) in order to more accurately reflect their substance. These include Education and examination expenses, Health related programmes and Scholarship.

12 Other services	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Seedling expenses	657,129	-
Agricultural immunization	54,135	-
Weeding and fire tracing	31,959	-
Agricultural Processing Productivity Enhancement and Livelihood Support Project (APPEALS)	-	48,000
Vodacom Solutions and Small Holder Farmer Registration	-	258,968
Agric subsidy	-	31,039
Restoration of River Kaduna Biodiversity Programme	25,900	9,875
Pre planting and post planting activities	26,993	8,728
Land clearance for Agricultural activities	30,030	807,447
Brushing, coppice reduction	69,300	34,650
	895,445	1,198,707

Seedling expenses is the cost of raising seedlings to the point of transplanting. Agricultural immunization is the protection of livestock against diseases and pests. Weeding and fire tracing are cost of maintaining tree plantations against fire outbreaks; it involves weeding of grass and brush around the perimeter of the forest. Restoration of River Kaduna Biodiversity programme involves de-silting of the river channels and streams running into the river to keep it clean and reduce sludge. Pre planting are activities undertaken before transplanting of seedlings. Post planting are the immediate activities including weeding, manuring etc. to ensure survival of the transplanted seedlings. Land clearance for agricultural activities include ploughing, harrowing and ridging preparatory to planting crops. Brushing, coppice reduction are maintenance activities to ensure that new shots from stumps are reduced to manageable numbers.

13 Repairs and maintenance	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Repairs and Maintenance - Building	2,216,871	45,222
Repairs and Maintenance - Furniture and fittings	43,093	40,185
Repairs and Maintenance - Vehicle	214,430	214,333
Repairs and Maintenance - Equipment	93,722	118,700
Repairs and Maintenance - Plant	101,446	81,349
Repairs and Maintenance - Roads	802	2,804
Repairs and Maintenance - Others	62,980	33,669
	2,733,344	536,262

Repairs and maintenance expenses were incurred to maintain the proper functioning of the property, plant and equipment. Included in "repairs and maintenance - others is the maintenance cost of dumpsites.

14 Security and safety	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Fire Fighting Materials	19,956	25,649
Printing of Security Documents	27,178	34,831
Protocol Support Services	344,498	233,909
Security Personnel Allowances	87,209	58,578
Security Services	2,020,077	897,119
Security Vote (Including Operations)	1,026,045	414,149
Security Vote (Preventive & Supportive Measure)	2,606,662	2,228,005
	6,131,625	3,892,241

Security and safety expenses relate to the protection of lives and property and in the maintenance of laws and order.

Fire-fighting materials expenses included materials, reagents and chemicals used in fire prevention and control. Printing of security documents expense were spent producing sensitive and controlled documents which includes stamps, receipts, vouchers etc. Security personnel allowances are paid to the security details of designated government officials. Security services are expenses in the course of providing security that may include security related supplies. Security votes are expenses related to the maintenance of the security architecture across the state.

15 Social benefits	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Welfare Packages	303,244	279,627
Social investments	567,358	10,681
Empowerment of persons with disability	-	16,783
	870,603	307,092

Social benefits are all humanity related expenditure geared towards improving their lives and living conditions.

Welfare packages are authorized expenditure to cater for welfare needs especially during festivities and to engender family and social relationships. Social investments and Empowerment of persons with disability are targeted investments aimed at improving the lives of youth and vulnerable persons in the society.

16 Training and human capital development	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Conferences and events	2,318,075	1,596,630
Formal training and capacity building - local	702,864	726,057
Formal training and capacity building - international	60,346	54,564
	3,081,286	2,377,250

Training and human development is investment in human capacity that is job and career related.

17 Travel and transport	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Local travel and transport	1,204,330	678,697
International travel and transport	789,688	822,626
	1,994,017	1,501,323

Travel and transport are out of station job related travels.

18 Utilities	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Electricity	562,781	859,856
Postages and Telephone	19,981	18,260
Water Rates	102,180	247,328
	684,942	1,125,444

Utility expenses are payment to providers of electricity, telephone and water

19 Waste Management and Disposal	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Refuse evacuation programme	1,278,474	2,406,164
	1,278,474	2,406,164

Waste management and disposal are expenditure on waste collection, transportation and disposal of both domestic and industrial waste.

20 Depreciation and amortization	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Irrigation	48,871	-
Building	1,352,743	3,232,009
Furniture & Fittings	802,948	2,188,562
Road Infrastructure	3,781,891	7,573,861
Water Infrastructure	454,957	1,184,755
Motor Vehicle	930,790	1,761,933
Office & Other Equipment	1,582,368	2,344,304
Plant & Machinery	1,361,888	3,450,624
Intangible assets amortization	24,130	27,528
	10,340,586	21,763,574

Depreciation expense is the systematic allocation of the depreciable amount of an item of property, plant and equipment over its useful life.

Depreciable amount is determined after deducting the residual value. For the purpose of computing depreciation, residual value is deemed to be zero. Depreciation begins when the property, plant and equipment is available for use. The useful life of each asset is reassessed at the end of every reporting period and where expectation differs from previous projections, the change is accounted for as a change in accounting estimates and treated prospectively. Depreciation is charged in the year of construction or acquisition and none is charged in the year of disposal or asset retirement.

21 Finance and other bank charges	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Interest on local loans	2,571,903	1,871,840
Interest on foreign loans	553,043	580,639
Other administrative bank charges	1,786	8,028
	<u>3,126,732</u>	<u>2,460,507</u>

Finance charges are credit and bank related expenses.

Interest on local loans is determined using the effective interest method. Effective interest method is a method of calculating the amortized cost of financial liabilities and of allocating the interest expense over the loan tenor. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the net carrying amount of the financial liability. Determination of effective interest rate on foreign loans is daunting due to the complications in obtaining verifiable repayment schedules on foreign borrowings, many of which predate the establishment of debt management office (DMO). In additions, the DMO hardly provides detailed amortizations, limiting the source of information to that provided by Federation Accounts Allocation Committee (FAAC). Other bank charges are bank administrative charges not related to credits.

22 Inventories	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Water treatment chemicals	98,937	590,946
Books	353,563	61,727
Agric supplies	128,036	657,129
Molds	-	9,537
Buildings	1,000,000	-
	<u>1,580,536</u>	<u>1,319,339</u>

Inventories are assets in the form of materials or supplies to be consumed in the production process; In the form of materials or supplies to be consumed or distributed in the rendering of services; Held for sale or distribution in the ordinary course of operations; or in the process of production for sale or distribution.

Water treatment chemicals are alum for water purification; this balance represents the inventory of unused chemicals at year end; the sum of N590.946m was expensed in 2019 under the heading Water Infrastructure Chemicals in Note 10. Books are multi-year usage reference books, other than student text and exercise books that are written off as incurred. Agric supplies are inventories of farm inputs such as fertilizer and seedlings; the sum of N657.129m was expensed in 2019 under the heading Seedling expenses in Note 12. Molds are the inventories of unused containers necessary for raising tree seedlings; the sum of N9.537m was expensed in 2019 under the heading Pre and Post Planting Activities in Note 12. Buildings represent investments in a Public Private Partnership between Kaduna State Mortgage and Foreclosure Agency and other private sector partners to construct residential houses for sale. The buildings were under construction as at 31 December, 2019

23	Receivables	31 Dec. 2019	31 Dec. 2018
		N'000	N'000
	Kaduna Geographic Information Service (KADGIS)	7,797,121	2,513,585
	KASUPDA	148,283	-
	Kaduna State Water Corporation	7,248,835	521,473
	State Emergency Management Agency (SEMA)	42,606	30,231
	Federal Account Allocation	6,758,064	5,942,767
	Direct taxes and other related taxes refund from FG	20,095,996	13,940,491
	Nuhu Bamali Polytechnic, Zaria	203,967	271,392
	Shehu Idris College Health Science & Tech, Makarfi	-	45,243
	Kaduna State Media Corporation	7,266	36,015
	Kaduna State Market Development Co. Limited	-	(24,196)
	Kaduna State Quality Assurance Authority	-	25,016
	Ministry of Business Innovation and Technology	7,948	5,320
	Kaduna State Scholarship Board	-	150
	Loans and advances	368,007	378,130
	Contractor's refund	-	82,959
		42,678,092	23,768,574

These are earned revenues, demand notices and staff related advances not yet collected at year end.

23A	Receivables	31 Dec. 2019	31 Dec. 2018
		N'000	N'000
	Exchange	15,824,033	3,885,316
	Non-Exchange	26,854,060	19,883,258
		42,678,092	23,768,574

24 Reimbursables from the Federal Government	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Refund on account of Operation Sharan Daji at Kamuku/Kuyambana Forest	600,000	600,000
Primary School Feeding Programme Refund	-	3,867,749
Augmentation of Statutory Revenue from Stabilization Account	-	2,750,596
Zaria Water Supply Expansion Project	17,230,000	-
	17,830,000	7,218,345

Refund for the renovation of Kaduna Airport, refund on account of Operation Sharan Daji at Kamuku/Kuyambana Forest and Primary School Feeding Programme Refund represent capital expenditure incurred on behalf of FGN. Augmentation of Statutory Revenue from Stabilization Account is a grant aimed at mitigating the impact of security challenges confronting the State.

25 Cash and cash equivalents	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Treasury Single Accounts (TSA)	2,178,883	140,268
Operations Accounts	7,774,502	1,760,142
	9,953,385	1,900,409

Cash represents demand deposits. Cash equivalents are highly liquid investments that are convertible to known amount of cash and with insignificant risk of change in value and that has short maturity period usually 90days from date of origination. There were no cash equivalents at year end.

26 Prepayments	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Contractors prepayment	466,190	3,576,516
Light rail upfront payments	-	1,200,000
	466,190	4,776,516

Prepayments are advance payment and mobilization to contractors and supplies of services. Contractors prepayment are duly backed by Advance Payment Guarantees (APGs) issued by reputable financial institutions.

27	COST	LAND N'000	BUILDING N'000	FURNITURE & FITTINGS N'000	ROAD INFRASTRUCTURE N'000	WATER INFRASTRUCTURE N'000	VECHICLE N'000	EQUIPMENT N'000	PLANT N'000	TOTAL N'000	
	2019 Opening balance	3,007,614	145,440,398	10,942,808	151,477,218	23,695,099	8,809,665	9,377,215	17,253,118	370,003,135	
	Addition	-	37,179,925	1,101,414	75,436,255	3,602,326	5,152,185	9,611,200	3,175,197	135,258,502	
	Reclassification	-									
	Retirement	-									
	2019 Closing balance	3,007,614	182,620,323	12,044,222	226,913,473	27,297,425	13,961,850	18,988,415	20,428,316	505,261,637	
	ACCUMULATED DEPRECIATION										
	2019 Opening balance	-	(10,237,149)	(7,455,431)	(20,909,109)	(2,524,978)	(4,000,990)	(4,416,867)	(7,034,656)	(56,579,181)	
	Charge for the year	-	(1,352,743)	(802,948)	(3,781,891)	(454,957)	(930,790)	(1,582,368)	(1,361,888)	(10,267,585)	
	Reclassification										
	Retirement										
	2019 Closing balance	-	(11,589,892)	(8,258,379)	(24,691,000)	(2,979,935)	(4,931,780)	(5,999,235)	(8,396,544)	(66,846,766)	
	2019 Carrying Amount	3,007,614	171,030,430	3,785,843	202,222,473	24,317,489	9,030,070	12,989,180	12,031,772	438,414,871	

27	COST	LAND	BUILDING	FURNITURE & FITTINGS	ROAD INFRASTRUCTURE	WATER INFRASTRUCTURE	VECHICLE	EQUIPMENT	PLANT	TOTAL	
		N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
	2018 Opening balance	2,614,224	121,681,344	9,799,976	110,992,923	14,498,463	5,288,967	4,378,889	12,125,860	281,380,646	
	Addition	393,390	23,759,054	1,142,832	40,484,296	9,196,635	3,520,697	4,998,325	5,127,259	88,622,489	
	Reclassification	-									
	Retirement	-									
	2018 Closing balance	3,007,614	145,440,398	10,942,808	151,477,218	23,695,099	8,809,665	9,377,215	17,253,118	370,003,135	
	ACCUMULATED DEPRECIATION										
	2018 Opening balance	-	(7,005,140)	(5,266,870)	(13,335,248)	(1,340,223)	(2,239,057)	(2,072,564)	(3,584,033)	(34,843,134)	
	Charge for the year	-	(3,232,009)	(2,188,562)	(7,573,861)	(1,184,755)	(1,761,933)	(2,344,304)	(3,450,624)	(21,736,047)	
	Reclassification										
	Retirement										
	2018 Closing balance	-	(10,237,149)	(7,455,431)	(20,909,109)	(2,524,978.02)	(4,000,990)	(4,416,867)	(7,034,656)	(56,579,181)	
	2018 Carrying Amount	3,007,614	135,203,249	3,487,377	130,568,110	21,170,120.52	4,808,675	4,960,347	10,218,462	313,423,954	

Property, plant and equipment and tangible assets held for use in the production or delivery of goods and services, for rental to other and for administrative purposes and that are expected to be used for more than one financial period.

Included in land are parcels of land purchased for right of way road construction and building of schools. Building are structures used for administrative purposes, teaching facilities, housing facilities and market and commercial purposes. Furniture and fittings include furnishings, desks, chairs, tables etc. Road infrastructure are roads constructed and rehabilitated including street lights, roads signs and other related infrastructure to facilitate mobility of human, goods and services. Water infrastructure are water related constructions including dams, canals, boreholes, storage tanks etc. Vehicles include motor and tricycles, trucks, vans, ambulances used for conveyance of persons and goods in the course of government operations. Equipment consists office equipment, electrical and mechanical appliances used in government operations. Plant includes immovable power plant and other heavy-duty installations.

Land are not depreciated except in quarry and land fill. Building are depreciated over its useful life usually within 50years. Furniture and fittings are depreciated over its useful life and within the range of 5years. Road infrastructure is depreciation over its useful life usually within 20years. Water infrastructure is depreciated over its useful life and within 20years. Vehicles are depreciated over its useful life, usually 5years. Equipment has a useful life of 4years whilst Plant is depreciated over 5years. These depreciation periods are in line with the policy contained in section 2.2(f) of the accounting policy.

The residual value and the useful life of an asset are reviewed at least at each annual reporting date and, if expectations differ from previous estimates, the change(s) are accounted for as a change in an accounting estimate in accordance with IPSAS 3, Accounting Policies, Changes in Accounting Estimates and Errors.

The State is yet to measure and recognize legacy assets. Logistics are in place to bring them into the books as soon as practicable.

	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
28 Investment property		
Land irrigation - Opening balance	195,139	-
Addition in the year	1,759,699	195,139
Gross carrying amount	1,954,837	195,139
Accumulated Depreciation		
Opening balance	-	-
Charge for the year	(48,871)	-
Closing balance	(48,871)	-
Carrying amount	1,905,966	195,139

Investment property is land or a building (or part of a building – or both) held to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administrative purposes; or sale in the ordinary course of operations.

Land irrigation are plots of land rented out to farmers for dry season farming. It is currently being written off over 40years.

	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
29 Biological Assets		
Plantation assets	16,962,726	16,955,751
Ranch assets	9,013	5,138
Wildlife assets	12,780	12,780
	<u>16,984,518</u>	<u>16,973,669</u>

Biological assets are living plants and animals.

Plantation assets are living trees to be used as pulp woods, fuel woods, timber; they are also used for construction, scaffolding and building. Ranch assets are living animals bred for resale. Wildlife assets are living animals kept in the zoo for exhibition. IPSAS 27 requires Biological assets to be measured at fair value less cost of disposal at initial recognition and at each reporting date, except where the fair value cannot be determined reliably. The State cannot reliably determine fair values less cost to sell.

30 Intangible Assets	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Opening balance	412,918	305,775
Addition	310,978	107,144
Gross carrying amount	723,896	412,918
Amortization		
Opening balance	(27,528)	-
Charge for the year	(24,130)	(27,528)
Accumulated amortization	(51,658)	(27,528)
Carrying amount	672,238	385,390

Intangible assets are identifiable non-monetary assets without physical substance.

Addition to Intangible asset includes license rights with carrying amount N26.888m (2018: Nil), other acquired Operational software with carrying amount N284.090m (2018: N107.144m). Intangible assets are amortized over the period of agreement or if shorter, over its useful life.

The amortization expense is recognized in the Statement of Financial Performance under the heading 'Depreciation and amortization'

31 Financial Assets	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
N.N.D.C. Limited	200,939	200,939
Flour Mills of Nigeria Limited	6,131	11,908
Cement Company of Northern Nigeria Ltd	252,000	233,400
Kaduna Industrial and Finance Company	7,000	67,000
Niger Delta Holding	27,812	13,906
Nigeria Sovereign Investment Authority	6,696,066	6,727,900
DAAR Communication	36	400
First City Monument Bank	1,312	2,196
Unity Bank Plc.	44,098	58,757
First Bank Plc.	10,056	9,807
Take off grants - KADPMC	114,950	-
	7,360,400	7,326,212

Financial assets are investments and instruments that entitle the government to receive cash or the equity instruments of other entities.

IPSAS 29 requires Financial assets to be designated subsequent to initial recognition at Held to maturity, Available for sale, Loans and receivables and Fair value through surplus or deficit. The investments listed above are designated at "Available for sale" and are recognized at fair value and with fair value changes recognized in net assets/equity in accordance with IPSAS 29 p. 64b

32 Liabilities and accruals	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Liabilities on capital projects	16,409,100	29,534,880
Local Government share of IGR	2,268,963	1,022,985
	18,678,064	30,557,864

Liabilities are accruals consist of unpaid bills to third parties.

Liabilities on capital projects represent indebtedness to contractors on projects on which certificate of values (CVs) have been raised. The CVs are raised on projects covering road infrastructure, water infrastructure, buildings etc. Utility accruals are unpaid bills on water, electricity and other utilities. Local governments share of IGR represents local government share of internal generated revenue collected by a central state agency to be remitted to the respective local governments.

	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
33 Provisions		
Opening balance: Ongoing legal cases with ' <i>probable</i> ' outflow	347,587	215,444
Additional provision/(reversal) on legal cases (see note 11)	2,042,308	132,142
2.5% Provision on Zaria Water Supply and Expansion Project	430,750	-
	2,820,645	347,587

The State has various legal cases in court; many of which are possible obligation as a result of past event, the outcome of which could result in outflow of resources or service potential. The Zaria Water provision is in respect of facilitation fee due on the receivable from the project.

	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
34 FINANCIAL LIABILITIES		
Non-Current		
Zenith Bank	-	-
FG/Zenith Bank	12,423,878	12,849,528
Access Bank	8,688,027	8,985,684
Federal Government (BSF)	17,530,179	16,869,000
Development Partners	162,246,615	103,432,104
	200,888,700	142,136,315
Current		
Zenith Bank	-	122,839
FG/Zenith Bank	425,649	393,118
Access Bank	297,657	274,907
	723,306	790,865
	201,612,006	142,927,180

34A FINANCIAL LIABILITIES - MOVEMENT	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
34B Zenith Bank		
Opening balance	122,839	454,144
Interest accretion based on effective interest rate	4,179	49,750
Repayment	(127,018)	(381,055)
Closing balance	0.00	122,839
34C FG/Zenith Bank		
Opening balance	13,242,646	13,605,718
Interest accretion based on effective interest rate	1,042,213	1,072,259
Repayment	(1,435,331)	(1,435,331)
Closing balance	12,849,528	13,242,646
34D Access Bank		
Opening balance	9,260,591	9,514,488
Interest accretion based on effective interest rate	728,821	749,831
Repayment	(1,003,728)	(1,003,728)
Closing balance	8,985,684	9,260,591
34E Federal Government Budget Support		
Opening balance	16,869,000	16,069,000
Adjustment to beginning balance (Note 38)	700,000	800,000
Additional receipt	-	-
Interest accretion	796,690	-
Repayment	(835,510)	-
Closing balance	17,530,179	16,869,000

34F Foreign loans - IDA, BADE, AfDB, Indian EXIM		
Opening balance	103,432,104	72,675,122
Adjustment to beginning balance (Note 38)	-	22,797,056
Additional receipt	60,832,500	11,322,979
Interest	553,043	580,639
Repayment	(2,571,031)	(3,943,692)
Closing balance	162,246,615	103,432,104
	201,612,006	142,927,180

Financial liabilities above are measured at initial recognition at fair value, which is the net amount received after deducting any directly related transaction cost. They are measured and carried subsequently at amortized cost with the exception of foreign loans. Determination of contractual repayment cash flows are daunting for foreign loans, hence are carried at provisional amounts.

34F (i) Subsequent to the authorization and publication of the 2019 Financial Statements however, a reconciliation exercise of foreign loan stock was undertaken with the Debt Management Office (DMO). The exercise threw-up certain differences in the carrying amounts of the foreign loan stock, resulting in a difference of about N6.9billion between the DMO reconciled foreign loan stocks and the carrying amount in the 2019 Accrual Basis IPSAS Financial Statements.

The aforementioned difference shall be adjusted for in the opening balance of accumulated surplus of 2020 Financial Statements (Statement of Changes in Equity/Net Assets). The schedule below shows the DMO reconciled foreign loan stocks as at 31st December, 2019.

S/N	CREDITOR	PURPOSE	CURRENCY	AMOUNT	STOCK @
				\$'000	31/12/2019
				\$'000	\$'000
1	IDB	Kaduna State- Zaria Water Supply and Expansion Project	IDB	6,500	57,982
2	AFDF	Kaduna State - Health Service Rehabilitation Project	CHF	824	585
3	AFDF	Kaduna State - Health Service Rehabilitation Project	EUR	1,195	926
4	AFDF	Kaduna State - Health Service Rehabilitation Project	EUR	77	59
5	AFDF	Kaduna State - Health Service Rehabilitation Project	USD	6,040	4,351
6	AFDF	Kaduna State - Health Service Rehabilitation Project	EUR	5,083	3,938
7	AFDF	Kaduna State Health System Dev. IV	EUR	2,149	2,722
8	AFDF	Kaduna State Health System Dev. IV	USD	1,097	1,020
9	BADE	Kaduna State- Small Earth Dam (Construction & Rehab)	USD	1,500	340

10	IDA	Kaduna State-Multi State Water- IDA (50%)	XDR	35,131	18,217
11	IDA	Kaduna State-HIV/AIDS Programme	XDR	3,350	2,857
12	IDA	Kaduna State- Health Systems Development	XDR	1,085	908
13	IDA	Kaduna State- Universal Basic Education	USD	5,000	1,451
14	IDA	Kaduna State -National Fadama II-IDA	XDR	4,872	5,881
15	IDA	Kaduna State-Nat. Urban Water Sector Reform-IDA	XDR	34,359	39,270
16	IDA	Kaduna State- State Governance and Capacity Building	XDR	3,641	4,589
17	IDA	Kaduna State- State Education Sector	XDR	12,431	16,366
18	IDA	Kaduna State-Rural Access & Mobility Project	XDR	37,800	48,301
19	IDA	Kaduna State-Third National Fadama Dev Project	XDR	2,723	3,648
20	IDA	Kaduna State-Commercial Agricultural Development Project	XDR	17,670	21,264
21	IDA	Kaduna State- Nat Urban Water Sector Reform Project	XDR	24,366	33,694
22	IDA	Kaduna State- Public Sector Governance Reform & Dev	XDR	4,600	6,244
23	IDA	Kaduna State Economic Transformation Program (Portion A)	XDR	97,600	61,548
24	IDA	Kaduna State Economic Transformation Program (Portion B)	XDR	157,800	114,897
25	ADF	Kaduna State-Community Based Agric and Rural Development	EUR	2,400	3,078
26	IDA	Kaduna State- Save One Million Lives Project	XDR	-	2,500
27	IDA	Kaduna State Agro-Processing, Production, Enhancement & Livelihood Improvement Support Project	XDR	5,000	8,000
28	IDA	Kaduna State- Exim Bank of India Line of Credit	USD	29,850	13,679
29	ADF	Kaduna State- Zaria Water Supply and Expansion Project	FUA	63,920	76,468
30	IDA	Kaduna State Accelerating Nutrition in Nigeria Project	XDR	156,500	-
31	IDB	Kaduna State- Construction of Four Science Secondary School	USD	17,320	-
32	IDA	Kaduna State - Community and Social Development Project	USD	4,000	-
33	IDA	Kaduna State-Youth Employment and Social Support Operation Project	USD	18,000	-
				SUB TOTAL IN USD	554,782
				₦'000	
NAIRA EQUIVALENTS @ 1USD: ₦305				169,208,480	
Amount reflected in 2019 IPSAS Financial Reports				162,246,615	
Difference to be adjusted for in 2020 Financial Reports				6,961,865	

35 Employee benefits	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Gratuity -A	63,063,320	39,889,061
Pension (defined benefits) - B	52,652,273	47,434,480
Pension (defined contributions)	17,229,058	939,038
Pension liability held in trust for workers without RSA Number	1,176,722	217,118
Severance benefits of political office holders	2,500,000	2,097,428
Payment of gratuity and death benefits - C	(1,924,566)	(724,566)
Investments domiciled in the Central Bank of Nigeria D	(3,149,830)	(2,088,868)
	<u>131,546,976</u>	<u>87,763,691</u>

The 2018 closing balances of Gratuity and Defined Benefits Pension Obligation consist of the 2016 Actuarial obligations based on the reports of HR Nigeria Limited (A firm of professionally qualified Actuaries) and the estimates made to account for additional gratuity and pension obligations for the period to 31 Dec. 2019.

35A Employee benefits	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Gratuity A + C	61,138,754	39,164,495
Pension (defined benefits) B + D	49,502,443	45,345,612
Pension (defined contributions)	17,229,058	939,038
Pension liability held in trust for workers without RSA Number	1,176,722	217,118
Severance benefits of political office holders	2,500,000	2,097,428
	<u>131,546,976</u>	<u>87,763,691</u>

36 Accumulated Surplus	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Beginning balance	111,777,995	77,118,402
Surplus for the period	68,278,046	42,243,298
Net transitional adjustments (see Note 38)	(700,000)	(7,583,706)
Closing balance	179,356,040	111,777,995

37 Available for Sale Reserve	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Beginning balance	3,913,230	2,662,612
Fair value movement	(80,763)	1,250,618
Closing balance	3,832,467	3,913,230

IPSAS 29 p. 64b requires that financial assets designated at Available for sale be measured at fair value and with fair value changes recognized in net assets/equity.

38 Transitional adjustments	31 Dec. 2019	31 Dec. 2018
	N'000	N'000
Political Class Loans and advances	-	378,130
Biological assets	-	15,635,220
Federal Government Budget Support (Note 34E)	(700,000)	(800,000)
Foreign Loans (Note 34F)	-	(22,797,056)
	(700,000)	(7,583,706)

In accordance with IPSAS 33 p. 146, certain historical assets were recognized in 2018 Financial Statements and with the transitional adjustments recognized in accumulated surplus.

ECONOMIC TRANSFORMATION PROGRAM-FOR-RESULTS (P4R)

39. The P4R is an initiative that is aligned to the Kaduna State Development Plan (SDP) 2016 – 2020 and consistent with the Economic Development and Governance Pillars of the plan. The PforR focuses on the following two key results areas;

Results Area 1: Improving the Business-enabling Environment;

Results Area 2: Strengthening Fiscal Management and Accountability.

Overall, the Programme supports the efforts of Kaduna State to improve its business-enabling environment with the view to becoming a leading investment destination in Nigeria. On one hand, the Programme supports the efforts of Kaduna State to significantly increase private investments for job creation and revenue generation. On the other hand, the Programme supports Kaduna State to strengthen fiscal management and accountability to ensure that increasing - but still limited - revenues are spent as efficiently as possible to increase the state's capacity to invest in human capital and physical assets and to catalyze private investments. Accountability underlies this strategy by building public (including investors') trust in government and ensuring that its actions and decisions are subject to public scrutiny and citizens engagement.

The schedule below depicts actual programme execution vis-à-vis the plan of action.

ECONOMIC TRANSFORMATION PROGRAM-FOR-RESULTS (P4R)

DLI Categories	SEMESTER			Cumulative			PAD: Life of Project	Revised: Life of Project
	Planned	Actual	Variance	Planned	Actual	Variance		
DLI 1: SIMPLIFIED BUSINESS PROCESSES:	5,555,375,204	4,567,946,937	987,428,268	5,555,375,204	4,567,946,937	987,428,268		
DLI 2: IMPLEMENTATION OF SYSTEMATIC PROPERTY REGISTRATION PROGRAM	7,945,950,609	7,284,029,221	661,921,388	7,945,950,609	7,284,029,221	661,921,388		
DLI 3: STRENGTHENING INVESTMENT PROMOTION	2,367,666,655	1,462,754,919	904,911,736	2,367,666,655	1,462,754,919	904,911,736		
Sub-total	15,868,992,469	13,314,731,077	2,554,261,391	15,868,992,469	13,314,731,077	2,554,261,391		

DLI 5: DEVELOPMENT AND IMPLEMENTATION OF A FRAMEWORK FRILIA	2,506,600,638	1,628,814,475	877,786,162	2,506,600,638	1,628,814,475	877,786,162
DLI 6: INCREASING IGR OUTTURN	3,186,435,236	2,444,276,940	742,158,296	3,186,435,236	2,444,276,940	742,158,296
DLI 7: IMPROVEMENT OF TAX COLLECTION: INCREASING THE NUMBER OF REGISTERED TAX PAYER TIN	4,992,018,275	4,304,111,126	687,907,149	4,992,018,275	4,304,111,126	687,907,149
Sub-total	10,685,054,149	8,377,202,541	2,307,851,608	10,685,054,149	8,377,202,541	2,307,851,608
DLI 8: INCREASING CAPITAL EXPENDITURE EXECUTION RATE	12,859,443,899	13,011,289,710	(151,845,812)	12,859,443,899	13,011,289,710	(151,845,812)
DLI 9: INCREASING PROCUREMENT EFFECTIVENESS.	4,856,051,356	4,141,018,633	715,032,723	4,856,051,356	4,141,018,633	715,032,723
DLI 10: IMPROVING GOVERNMENT RESPONSE TO FISCAL PERFORMANCE	10,039,624,387	9,648,958,732	390,665,655	10,039,624,387	9,648,958,732	390,665,655
Sub-total	27,755,119,641	26,801,267,076	953,852,565	27,755,119,641	26,801,267,076	953,852,565
4.0 Policy Reform & Institutional Development						
4.1 Expert technical assistance						
4.2 Low income strategy & implementation						
Sub-total	-	-	-	-	-	-
Total Project Expenditure	54,309,166,259	48,493,200,694	5,815,965,564	54,309,166,259	48,493,200,694	5,815,965,564

40. SFTAS EXPENDITURE FRAMEWORK

MDAs	2019			2018		
	Personnel (₦'000)	Overheads (₦'000)	Total (₦'000)	Personnel (₦'000)	Overheads (₦'000)	Total (₦'000)
Accountant General Centralized Head	157,863	14,228,381	14,386,244	296,242	15,350,688	15,646,930
Alhudahuda College, Zaria	57,761	1,608	59,369	48,052	1,885	49,937
Assembly Service Commission	41,064	23,487	64,550	39,351	15,417	54,767
Barau Dikko Teaching Hospital Kaduna	1,808,941	129,491	1,938,432	1,305,524	79,196	1,384,720
Barewa College Zaria	76,832	1,494	78,326	59,242	3,712	62,954
Bureau of Interfaith	20,034	8,174	28,208	20,257	11,045	31,302
Bureau of Public Service Reform	-	5,403	5,403	-	9,285	9,285
Bureau of State Pension	11,756	18,343	30,098	10,223	9,837	20,060
Bureau of Substance Abuse, Prevention and Treatment	-	4,503	4,503	5,258	-	5,258
COLlege Of Nursing Kafanchan	196,284	39,012	235,296	190,585	43,998	234,583
Christian Pilgrims Welfare Board	14,175	1,459	15,634	12,185	2,000	14,185
Civil Service Commission, Kaduna	56,943	49,187	106,130	137,922	40,481	178,403
College of Education, Gidan Waya	1,142,886	222,478	1,365,364	1,056,805	213,893	1,270,698
College of Midwifery Kaduna	86,378	22,123	108,501	86,625	18,430	105,054
Community and Social Development Agency	-	3,698	3,698	-	2,499	2,499
Customary Court of Appeal	599,628	93,383	693,011	557,549	101,288	658,837
Drugs and Medical Supplies Management Agency	61,884	5,477	67,361	66,463	8,018	74,481
Government Girls Secondary School, Kwoi	49,701	1,694	51,395	40,994	2,047	43,041
Government College, Kagoro	78,696	1,395	80,091	65,462	1,735	67,197
Government College Kaduna	81,350	1,354	82,704	68,481	1,856	70,337
Government Girls' College, Zonkwa	24,532	1,418	25,949	20,096	1,420	21,516
Government House	142,391	3,572,688	3,715,079	176,921	3,154,810	3,331,731
Government Printing Department	28,894	3,053	31,947	23,465	6,169	29,634
Government Secondary School, Kagoro	59,959	1,485	61,443	48,371	1,589	49,959
Government Secondary School Fadan Kaje	33,062	1,604	34,666	27,045	1,994	29,040

Govt Girl Science Secondary School, Soba	57,451	1,603	59,054	48,109	2,000	50,109
GSSS B Gwari	37,276	1,290	38,566	31,107	1,456	32,563
High Court of Justice	672,199	285,343	957,542	597,420	193,613	791,033
Industrialization and Micro Credit Management Board	8,601	3,115	11,716	7,682	5,038	12,720
Judicial Service Commission	24,801	4,646	29,447	27,229	35,464	62,693
Kaduna Capital School	112,445	21,970	134,416	95,881	27,492	123,373
Kaduna Geographic Information Service	173,643	20,795	194,438	130,487	18,339	148,827
Kaduna Investment Promotion Agency	344	57,707	58,051	-	127,065	127,065
Kaduna Power Supply Company Limited	2,227	3,698	5,925	-	4,933	4,933
Kaduna State Agricultural Development Agency	290,229	3,201	293,430	249,637	4,732	254,369
Kaduna State AIDS Control Agency	60,522	7,054	67,576	54,298	10,464	64,762
Kaduna State Bureau of Statistics	114,985	6,207	121,192	98,142	8,959	107,101
Kaduna State Environmental Protection Authority	72,942	42,325	115,267	57,649	28,265	85,914
Kaduna State Facilities Management Agency	31,508	268,562	300,069	38,220	177,816	216,036
Kaduna State Fiscal Responsivity Commission	2,246	3,698	5,945	-	-	-
Kaduna State Forest Management Project	36,530	2,928	39,458	28,265	3,550	31,815
Kaduna State Health Contributory Management Authority	-	2,612	2,612	-	-	-
Kaduna State Internal Revenue Service	446,145	375,498	821,643	355,603	393,767	749,370
Kaduna State Legislature	777,762	2,170,256	2,948,017	585,681	2,352,799	2,938,480
Kaduna State Library Board	39,235	2,089	41,324	32,748	2,682	35,430
Kaduna State Media Corporation	186,954	131,925	318,880	145,255	148,400	293,655
Kaduna State Peace Commission	-	6,067	6,067	-	-	-
Kaduna State Planning and Budget Commission	102,752	182,043	284,794	62,550	168,463	231,013
Kaduna State Rehabilitation Board.	65,055	31,192	96,248	30,444	41,394	71,837
Kaduna State Roads Agency	60,639	71,329	131,968	40,152	2,561	42,713
Kaduna State Scholarship Board	29,521	1,701,989	1,731,509	22,858	303,260	326,118
Kaduna State Schools Quality Assurance Authority	46,964	281,548	328,512	12,038	12,746	24,785
Kaduna State Traffic Law Enforcement Agency	972,331	63,537	1,035,869	810,371	73,171	883,541
Kaduna State Transport Regulatory Authority	5,976	-	5,976	-	-	-
Kaduna State University	3,762,462	412,775	4,175,237	3,209,316	513,115	3,722,431

Kaduna State Urban Planning Development Authority (kasupda)	164,359	43,633	207,992	133,199	52,820	186,020
Kaduna State Vigilance Service	-	3,718	3,718	-	2,919	2,919
Liaison Office, Abuja	-	20,801	20,801	-	16,893	16,893
Local Government Service Commission	26,547	796	27,343	31,465	1,136	32,602
Ministry of Agriculture and Forestry	500,310	23,954	524,265	351,051	24,713	375,765
Ministry of Education, Science and Technology	8,920,957	388,466	9,309,423	7,385,344	383,388	7,768,731
Ministry of Environment and Natural Resources	69,676	11,044	80,720	75,052	20,788	95,840
Ministry of Finance	299,524	190,465	489,989	153,354	89,445	242,799
Ministry of Health and Human Services	5,531,999	81,306	5,613,305	-	36,347	36,347
Ministry of Justice	236,534	156,884	393,418	211,866	165,939	377,806
Ministry of Local Government Affairs	56,614	349,807	406,421	58,819	404,324	463,143
Ministry of Rural and Community Development	52,836	5,819	58,655	53,641	19,650	73,290
Ministry of Water Resources	220,539	4,198	224,737	60,194	12,450	72,644
Muslim Pilgrims Welfare Board	25,152	1,503	26,655	33,733	2,065	35,798
Nuhu Bamalli Polytechnic, Zaria	1,296,142	404,549	1,700,691	1,333,730	433,363	1,767,093
Office of The Auditor-general (local Government)	100,842	19,956	120,798	90,494	28,161	118,654
Office of The Head of Service	135,433	223,310	358,744	134,616	276,880	411,496
Office of The State Auditor-general	87,185	24,571	111,756	76,510	30,641	107,151
Public Procurement Authority	52,004	104,226	156,230	40,213	41,210	81,422
Queen Amina College Kaduna	74,098	1,156	75,254	61,149	1,855	63,005
Rimi College Kaduna	93,839	1,552	95,391	78,696	1,773	80,469
Ruwassa	17,885	2,304	20,189	16,864	1,841	18,705
Sardauna Memorial College	79,448	1,235	80,683	65,478	3,433	68,911
Science Sec School Ikara	43,758	1,031	44,789	35,655	1,445	37,100
Science Secondary School Kufena	72,143	1,320	73,462	62,059	1,385	63,443
Secretary to The State Government	630,151	2,876,782	3,506,933	700,992	3,500,699	4,201,691
Sharia Court of Appeal	616,289	61,406	677,695	581,379	86,995	668,374
Shehu Idris College of Health Sciences and Technology, Makarfi	500,804	233,269	734,073	477,697	136,717	614,415
State Emergency Management Agency (SEMA)	78,767	182,206	260,973	60,937	22,456	83,393
State Independent Electoral Commission (SIECOM)	100,454	10,968	111,422	-	-	-

State Primary Health Care Development Agency	802,847	387,063	1,189,910	1,924,257	59,474	1,983,731
State Universal Basic Education Board	77,977	118,759	196,736	64,027	156,699	220,726
Teachers Service Board	36,522	55,440	91,962	29,487	16,529	46,016
Water Services Regulatory Commission	382	3,303	3,684	-	14,088	14,088
Kaduna State Agency for Mass Literacy	-	-	-	67,052	502	67,554
Ministry of Commerce, Industry and Tourism	-	-	-	148,326	101,942	250,267
Ministry of Women Affairs and Social Development	-	-	-	32,416	12,602	45,018
Ministry of Youth, Sports and Culture	-	-	-	116,735	151,581	268,316
Science and Technical Schools Management Board	-	-	-	26,845	-	26,845
Ministry of Works, Housing and Transport	-	-	-	106,639	31,545	138,184
Total	34,026,778	30,606,191	64,632,969	26,014,229	30,091,528	56,105,757

Certain Ministries were realigned in the 2019 fiscal year. These include Ministry of Works, Housing and Transport; Ministry of Youth, Sports and Culture, Ministry of Women Affairs and Social Development, Ministry of Commerce and Tourism. Agencies such as Science and Technical Schools Management Board and Agency for Mass Literacy were realigned with the Ministry of Education.

The schedule above represents actual cash outflow on personnel and overheads expenditures. It excludes certain non-cash flow items like depreciation, finance charges based on effective interest rate computations, assets utilization write offs (e.g. prior year's inventories used-up in the current period, provisions and accruals).