



## KATSINA STATE WATER BOARD

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### FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020

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### **SHB PROFESSIONAL SERVICES**

(Certified National Accountants & Chartered Tax Practitioners)

No.6 LMD Plaza, Opp. Custom Barrack, Olusegun  
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## **CORPORATE INFORMATION**

### **BOARD MEMBERS**

Engr. Bello Muhammad	Chairman
Ibrahim B. Musawa	Member
Ibrahim Abubakar Bugaje	Member
Muazu Dahiru Rafindadi	Member
Hamisu Adamu Daudawa	Member

### **Statutory Members**

Ministry of Water resources  
Rural Water Supply and Sanitation Agency (RUWASSA)  
Ministry of Works Housing and Transport

### **MANAGEMENT**

Ibrahim Dasuki Abubakar	Managing Director
Dahiru Mani	Director Admin/Secretary
Maikaita Mamman	Director Operations
Yahaya Abdullahi	Director Commercial
Ahmed Lawal	Director Finance and Supply
Ibrahim I. Ado	Director Audit
Abdullahi Shehu Kafarda	Director Human Resources

**OFFICE ADDRESS**

Katsina State Water Board  
Olusegun Obasanjo Drive  
P. M. B.  
Katsina  
Katsina State

**BANKERS**

First Bank Plc, Katsina  
United Bank for Africa Plc, Katsina  
Access Bank Plc, Katsina

**AUDITORS**

SHB PROFESSIONAL SERVICES  
(Certified National Accountants)  
Suite No. 6 LMD Plaza, Opp. Custom Barrack,  
Olusegun Obasanjo Drive, Katsina, Katsina State.  
GSM: 08035927284; 08036047623  
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## **REPORT OF THE MANAGEMENT**

The Management hereby submits its report on the financial statements for the year ended 31<sup>st</sup> December, 2019.

### **1. The Establishment of the Board**

Katsina State Water Board was established through the enactment of Katsina State of Nigeria Edict No. 2 of 1971.

### **2. POWER OF THE BOARD**

The powers of the Board amongst others are:

- a.) To adopt with or without amendment such master plans for the maintenance and development of its understandings as its officers may prepare and submit from time to time.
- b.) Act as an advisory body and consultant to the body responsible for other Library Services in the State
- c.) Set standards and policy for the establishment and maintenance of the School Library Services within the State; and
- d.) Provide such services as are usually provided by Libraries of high standard

### **3. The Management's Responsibilities**

The Management is responsible for the preparation of the Financial Statements which present fairly its state of affairs at the end of each financial period and of the income and expenditure for the period. In doing so, they ensure that:

- a) Proper accounting records are maintained;
- b) Adequate internal control procedures are instituted which, as far as is reasonable, safeguard the assets, prevent and detect fraud and other irregularities;
- c) Applicable accounting standards are adhered to;
- d) Suitable accounting policies are adopted and consistently applied;
- e) Judgments and estimates made are reasonable and prudent and;
- f) The going concern basis is used, unless it is inappropriate to presume that the Board will continue its activities.

## Financial Highlights

Highlights of the agency's financial statements for the period under review are as follows:

<b>Statement of Financial Position</b>	<b>2020</b>
Property, Plant & Equipment	24,687,481,184
Other Non-Current Assets	-
Current Assets	925,205
Current Liabilities	-
Grants and Endowments	2,002,210,993
Accumulated Fund	17,572,238,013

<b>Statement of Financial Performance</b>	
Recurrent Subventions	704,362,603
Earnings	392,379,368
Other income	-
Recurrent and Other Expenditures	641,752,917
Deficit for the Year	(719,981,915)

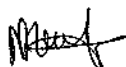
## POST BALANCE SHEET EVENTS

There was no post balance sheet event which could have had a material effect on the Financial Statements of the Board as at 31st December, 2020 which have not been adequately provided for or disclosed.

## AUDITORS

The Auditors, Messrs Mustapha Alawiye & Co (Certified National Accountants) have indicated their willingness to continue in office as Auditors to the Board

By Order of the Board



**Dahiru Mati**  
**Board Secretary**  
**Katsina, Nigeria**

## KATSINA STATE WATER BOARD

### AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER, 2020 REPORT OF THE INDEPENDENT AUDITORS TO THE KATSINA STATE WATER BOARD

We have audited the financial statements of **KATSINA STATE WATER BOARD** Which comprise the Statement of Financial Position as at **31<sup>st</sup> December, 2020**, and the Statement of Financial Performance, statement of cash flow for the year ended and a summary of significant accounting policies and other explanatory notes to the financial statements.

#### ***Responsibility for the Financial statements***

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with Statements of Accounting Standards applicable in Nigeria and provision of the laws that established the institute. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial statements, whether due to fraud or error.

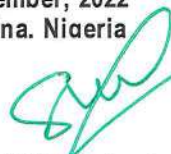
In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management, as well as evaluating the overall presentation of the Financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Opinion***

In our opinion, the financial statements give a true and fair view of the financial position of **KATSINA STATE WATER BOARD** as at **31<sup>st</sup> December, 2020** and of its financial performance and cash flows for the period ended in accordance with Statements of Accounting Standards applicable in Nigeria and in the manner required by law.

September, 2022  
Katsina, Nigeria



FOR: SHB Professional Services  
(Certified National Accountants)  
FRC/2015/ANAN/0000012097



# KATSINA STATE WATER BOARD

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER, 2019


## STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2019

	NOTES	2020 N	2019 N
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	2	24,687,481,184	25,393,513,790
		<u>24,687,481,184</u>	<u>25,393,513,790</u>
<b>CURRENT ASSETS</b>			
Stock	3	179,978,659	179,340,469
Account Receivables	4	984,157,612	951,680,800
Cash and Cash Equivalent	5	925,205	15,490,188
<b>NET CURRENT ASSETS</b>		<u>1,165,061,476</u>	<u>1,146,511,457</u>
<b>TOTAL ASSETS</b>		<u>25,852,542,660</u>	<u>26,540,025,247</u>
<b>FINANCED BY:</b>			
Long term Borrowing	6	4,299,288,973	4,723,481,348
Capital Grants	7	2,002,210,993	2,002,210,993
Accumulated Deficits/Surplus	8	17,572,238,013	17,835,526,225
Revaluation Reserves	9	1,978,806,681	1,978,806,681
		<u>25,852,544,660</u>	<u>26,540,025,247</u>

The Financial Statements were approved by the Board at a meeting

held on \_\_\_\_\_ and signed on its behalf by:

 \_\_\_\_\_) Managing Director

 \_\_\_\_\_) Director, Finance and Accounts

The notes annexed form an integral part of these financial statements



# KATSINA STATE WATER BOARD

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER, 2019

## STATEMENTS OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2019

	NOTE	2020 N	2019 N
<b>INCOME</b>			
Recurrent Grants	10	704,362,603	517,189,120
Earnings	11	392,379,368	365,344,432
Other Income	12	2,796,500	2,507,647
Cost of Operation and Productions	14+15	(1,177,767,468)	(811,690,788)
		<u>(78,228,997)</u>	<u>73,350,411</u>
<b>Less: Expenditure</b>			
Staff Salaries and other related costs	16a	62,372,735	68,057,846
General Administrative expenses	16b	9,307,215	10,369,156
Repairs and Maintenance	16d	6,537,070	3,989,700
Other Administrative Charges	16e	97,821,215	76,561,186
Financial Charges	17	314,770	61,442
Depreciation Expenses	18	465,399,912	476,474,282
		<u>641,752,917</u>	<u>635,513,612</u>
<b>Surplus /Deficit for the Year</b>		(719,981,915)	(562,163,201)
Add Prior Year Adjustment		29,604,905.00	18,975,862,262.00
Accumulated Fund for the Year		(690,377,010)	18,413,699,061
Accumulated Fund B/F		18,262,615,022	(151,084,039)
<b>Surplus Carried Forward</b>		<u><u>17,572,238,013</u></u>	<u><u>18,262,615,022</u></u>

# **KATSINA STATE WATER BOARD**

**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER, 2020**

## **NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The following are the significant Accounting Policies adopted by the Board in the preparation of its Financial Statements

### **1. Basis of preparation**

The financial statements of the Board for the year ended 31<sup>st</sup> December, 2020 has been prepared in accordance the International Public Sector Accounting Standards (IPSAS) as issued by the IPSAS Board, and adopted by the Financial Reporting Council of Nigeria, as at 1<sup>st</sup> January, 2016.

### **2. Basis of measurements**

The financial statements values are presented in Nigerian Naira (₦), which is the functional currency of the board and also prepared under the historical cost convention.

### **3. Use of estimates and judgements**

The preparation of financial statements in conformity with International Public Sector Accounting Standards requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future.

### **4. 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 Board recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement recognition criterion 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.

# KATSINA STATE WATER BOARD

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER, 2020

## NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

### a) Subsequent costs

Subsequent costs of property, plant and equipment are measured using the cost model. Accordingly, the board measures its property, plant and equipment subsequent to initial recognition at cost less accumulated depreciation and impairment losses.

### b) Depreciation

The straight-line method is adopted to depreciate the cost less any estimated residual value of property, plant and equipment over their expected useful lives. The board estimates the useful lives of property, plant and equipment in line with their beneficial periods. Depreciation commences when the asset is ready for use i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation is charged at rates calculated to allocate the cost or valuation of the assets less any estimated residual values over their remaining useful lives thus:

c) Asset class	Estimated useful lives
Land and Building	50 Years
Motor Vehicle	5 Years
Office Furniture & Equipment	7 Years
Library Books	10 Years
Plant and Machinery	7 Years

The residual value, useful lives are adjusted prospectively, if appropriate at the end of each reporting period.

### d) De-recognition

An item of Property, Plant and Equipment is derecognized upon disposal or when further future economic benefits are not expected from its use or disposal. Any gain or loss arising on de-recognition 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. Depreciation ceases at the point at which an asset is classified as held for sale.



# **KATSINA STATE WATER BOARD**

**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER, 2020**

## **NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

### **5. Cash and Cash Equivalents**

Cash and Cash Equivalents include cash in hand, short term deposits held with banks, other short term highly liquid financial assets with original maturities of three months or less, which are readily convertible into known amount of cash and are subject to insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities on the statements of financial position while bank overdrafts that are repayable on demand form an integral part of the entity's cash managements are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

### **6. Inventory**

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. After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of 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.

# **KATSINA STATE WATER BOARD**

**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER, 2020**

## **NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

### **7. Foreign currency transactions**

The board functional currency is the Nigerian Naira. The Financial Statements are presented in Naira, rounded to the nearest Naira. Transactions in currencies other than the Naira are initially recorded in the functional currency spot rate at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date. Differences arising on settlement or translation of monetary items are recognized in surplus or deficit.

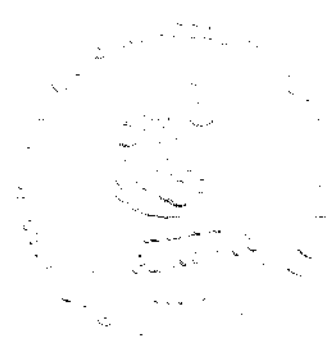
Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary measured at fair value is treated in line with the recognition of gain or loss on change in fair value in the item.

### **8. Employee benefits – Pensions, gratuity and other post-employment benefits**

The board is 100% owned by the Katsina State Government which seconded to the board most of its current staffing. Accordingly, the Pension and Gratuity of such employees are payable by the State Government and the board does not have nor does it accrue any such liability in its Financial Statements. However, there are some category of staff who employed on casual basis. These employments are governed by agreements between the board and the casual staff, at the moment no plan benefits are set aside for these set of employees.

### **9. Provisions**

Provisions are recognized when the board 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 board 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.



# **KATSINA STATE WATER BOARD**

**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER, 2020**

## **NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

### **10. Revenue recognition**

#### **a) Recurrent Subventions and Capital Grants**

Recurrent Subventions and Capital Grants are obtained from the State Government based on budgetary allocation. Recurrent subvention finances staff salary costs and overheads while Capital Grants are slated for specific projects. These are recognized when control of the related cash by the board is established.

#### **b) 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 board and can be measured reliably. These include grants and endowments received from other donors and are recognized when control over the cash is established or where conditions are attached to the Grants, when such conditions are fulfilled.

#### **c) Other Income**

These are recognized when the right to receive financial benefit or service potential is established.

### **11. Overheads and other Expenses**

Expenses are recognized in the Statement of Financial Performance when decrease in future economic benefits relate to a decrease in an asset or an increase of a liability has arisen that can be measured reliably. This means, in effect, that recognition of expenses occurs simultaneously with the recognition of an increase in liabilities or a decrease in assets. An expense is recognized immediately in the Statement of Financial Performance when expenditure produces no future economic benefits or when, and to the extent that future economic benefits do not qualify, or cease to qualify, for recognition in the statement of financial position as an asset.

# **KATSINA STATE WATER BOARD**

**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER, 2020**

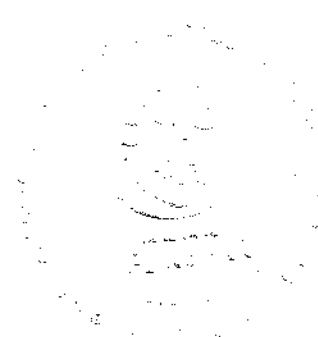
## **NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

### **12. Changes in Accounting Policies and Estimates**

The board may recognize the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical. The board recognizes the effects of changes in accounting estimates prospectively by including them in surplus or deficit.

### **13. Related Party Disclosures**

The board regards a related party as a person or an entity with the ability to exercise control individually or jointly, or to exercise significant influence over the agency or vice versa. Members of Katsina State Executive Council, Members of the Governing Board and key management\principal officers are regarded as related parties. Information and business relation with related parties are disclosed.





**KATSINA STATE WATER BOARD**  
**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER, 2020**  
**NOTES TO THE ACCOUNTS**

**Note 2 - PROPERTY, PLANTS & EQUIPMENT**

	Civil Works and Building N	Motor Vehicle N	Plant and Machinery #	Furniture & Fittings N	Office Equipment N	TOTAL N
Cost/Valuation	22,980,496,260	19,294,400	2,367,738,131	14,125,248	11,859,751	25,393,513,790
Additions	-	-	-	-	-	-
As At 31/12/2019	22,980,496,260	19,294,400	2,367,738,131	14,125,248	11,859,751	25,393,513,790
Depreciation	0.02	0.20	0.10	0.20	0.25	
As at 01/01/2020	22,980,496,261	19,294,400	2,367,738,131	14,125,248	11,859,751	25,393,513,791
Charge for the year	459,609,925	3,858,880	236,773,813	2,825,050	2,964,938	706,032,606
	22,520,886,335	15,435,520	2,130,964,317	11,300,198	8,894,813	24,687,481,184
Net Book Value						
As At 31/12/2022	22,520,886,335	15,435,520	2,130,964,317	11,300,198	8,894,813	24,687,481,184

# KATSINA STATE WATER BOARD

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER, 2020

## NOTES TO THE FINANCIAL STATEMENTS

NOTE	2020 (N)	2019 (N)
<b>3 INVENTORY</b>		
Chemicals	170,007,916.00	154,466,733.00
Plumbing Materials	896,393.00	13,465,176.00
Spairparts and Materials	1,827,741.00	2,704,656.00
Stationary	3,332,417.00	3,332,417.00
Diesel	-	48,440.00
Electrical Matrials	3,914,192.00	5,297,947.00
Cleaning Materials	-	8,100.00
Office Furniture and Equipments	-	17,000.00
	<b>179,978,659.00</b>	<b>179,340,469.00</b>
<b>4 RECEIVABLES AND PREPAYMENTS</b>		
	<b>2020</b>	<b>2019</b>
Trade Debtors Domestic Consumers	891,964,170.00	867,532,089.00
Commercial Consumers	55,793,142.00	53,325,930.00
Fed Parast	10,654,339.00	9,734,780.00
Industrial Consumers	2,809,610.00	2,959,610.00
Nigerian Airforce	2,450,000.00	2,220,000.00
State Pararstatals	15,648,391.00	15,648,391.00
Others	401,000.00	-
Water Rates	3,726,960.00	-
Staff Debtors	710,000.00	260,000.00
	<b>984,157,612.00</b>	<b>951,680,800.00</b>
<b>5 CASH AND CASH EQUIVALENT</b>		
First Bank Expenditure Account	-	13,212.00
First Bank Revenue Account	391,513.00	431,995.00
Access Bank	6,183.00	-
UBA Account	527,509.00	15,044,981.00
	<b>925,205.00</b>	<b>15,490,188.00</b>
<b>6 LONG TERM BORROWING</b>		
Katsina State Government Counter Funding	113,454,257.00	113,454,257.00
World Bank Loan Principal	5,574,470,578.00	5,574,470,578.00
World Bank Loan Interest	2,927,674,839.00	2,927,674,839.00
<b>LONG TERM PROVISIONS</b>		
World Bank loan- 1998	102,678,565.00	102,678,565.00
World Bank loan- 1999	644,691,405.00	644,691,405.00
World Bank loan- 2000	884,159,128.00	884,159,128.00
Interest on loan ( First Multi-State Water Project) 1994	705,623,678.00	705,623,678.00

# KATSINA STATE WATER BOARD

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER, 2020

## NOTES TO THE FINANCIAL STATEMENTS

NOTE	2020 (N)	2019 (N)
Interest on loan ( First Multi-State Water Project) 1995	62,019,518.00	62,019,518.00
Interest on loan ( First Multi-State Water Project) 1999	565,062,914.00	565,062,914.00
Interest on loan ( First Multi-State Water Project) 2000	927,883,118.00	927,883,118.00
	<b>4,229,288,973.00</b>	<b>4,723,481,348.00</b>
<hr/>		
<b>7 PAYABLES AND ACCRUALS</b>		
First Bank Plc- Transfer	3,219,401	-
Raw Water	120,000	-
Water Tanker	121,000	-
Private Water Collection	1,341,100	-
	<b>4,801,501</b>	-
<hr/>		
<b>8 KTSG CAPITAL GRANTS</b>		
Balance Brought Forward	2,002,210,993.00	517,979,686.00
Katsina State Govt Counterpart Fund	-	1,123,554,876.00
Petroleum Trust Fund Counter Funds	-	360,676,431.00

**KATSINA STATE WATER BOARD**  
**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER, 2020**  
**NOTES TO THE FINANCIAL STATEMENTS**

NOTE	2020 (N)	2019 (N)
Balance Carried Forward	<u>2,002,210,993.00</u>	<u>2,002,210,993.00</u>
<b>9 ACCUMULATED FUND</b>		
Balance as at 1st January, 2020	18,321,898,899.00	(580,581,704.00)
Operating deficit/Surplus	(719,981,915)	(562,163,201.00)
Prior Year Adjustment	29,604,905.00	19,462,234,936.00
Balance Carried Forward	<u>17,631,521,889.45</u>	<u>18,321,898,899.00</u>
<b>9b PRIOR YEAR ADJUSTMENT</b>		
2018 Debtors not included in the Financial Statements	-	(143,714,491.00)
Debts paid in previous years not recognized in the Financial Statements	-	262,047,517.00
Understated of stock figures in 2018 Account	36,667,403.00	15,302,421.00
Addition in Non Current Assets	-	19,328,599,489.09
Understated of bank balance	<u>(7,062,498.00)</u>	-
	<u>29,604,905.00</u>	<u>19,462,234,936.09</u>
<b>10 RESERVES</b>		
Balance as at 1/1/2020	1,886,692,653.00	1,886,692,653.00
Revaluation	92,114,028.00	92,114,028.00
	<u>1,978,806,681.00</u>	<u>1,978,806,681.00</u>
<b>11 STATE GOVERNMENT SUBVENTION</b>		
Chemical from Ministry of Water Resources	639,051,506.00	472,125,420.00
Special Intervention Grant	17,640,000.00	22,878,700.00
Deposit for works	47,671,097.00	22,185,000.00
	<u>704,362,603.00</u>	<u>517,189,120.00</u>
<b>12 EARNINGS</b>		
Water Rates	380,254,308.00	351,905,372.00
Raw Water Sales	7,415,160.00	7,830,160.00
Water Tanker	4,614,900.00	5,608,900.00
Water Test & Analysis	95,000.00	-
	<u>392,379,368.00</u>	<u>365,344,432.00</u>

# KATSINA STATE WATER BOARD

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER, 2020

## NOTES TO THE FINANCIAL STATEMENTS

NOTE	2020 (N)	2019 (N)
<b>13 OTHER INCOME</b>		
Sales of employment form	8,500.00	10,500.00
Compensation for Pipe damage	2,716,000.00	2,087,740.00
ITF Reimbursement	-	409,407.00
Miscellaneous income	72,000.00	-
	<u>2,796,500.00</u>	<u>2,507,647.00</u>
<b>14a COST OF PRODUCTION</b>		
Chemicals		
Opening Stock	154,466,733.00	43,310,387.00
Add: Water Treatment	36,667,402.00	-
	<u>191,134,135.00</u>	<u>43,310,387.00</u>
Chemical Purchased	639,051,506.00	472,125,420.00
	<u>830,185,641.00</u>	<u>515,435,807.00</u>
Transportation of Chemicals	-	-
	<u>830,185,641.00</u>	<u>515,435,807.00</u>
Less: Closing Stock	170,007,916.00	(154,466,733.00)
<b>Cost of Production</b>	<u>660,177,725.00</u>	<u>360,969,074.00</u>
<b>14b WAGES (PRODUCTION)</b>		
Salaries and Wages	118,265,275.00	66,977,782.00
Casual Staff Allowance	24,179,000.00	29,511,667.00
Staff/Overtime Allowance	3,370,867.00	2,902,481.00
	<u>145,815,142.00</u>	<u>99,391,930.00</u>
<b>14c Fuel and Lubricants</b>	33,008,555.00	36,228,398.00
Electricity	19,000.00	-
	<u>33,027,555.00</u>	<u>36,228,398.00</u>
<b>14d COST OF PRODUCTION AND DISTRIBUTION</b>		
Maintenance of Reservoir and Tanks	-	801,140.00
Maintenance of Pumps/Dams	12,568,784.00	5,106,720.00
Maintenance of Electrical Appliances	1,393,755.00	-
Procurement of High yield Pumps	17,640,000.00	-
Purchase of Re-agents	110,000.00	254,839.00
Maintenance of Distribution System	3,939,550.00	3,154,375.00
Maintenance of Water Works	1,101,365.00	3,725,400.00
Cost of Deposit Work Done	-	23,089,740.00
Repairs of Damaged Pipes	2,716,000.00	-

**KATSINA STATE WATER BOARD**  
**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER, 2020**  
**NOTES TO THE FINANCIAL STATEMENTS**

NOTE	2020 (N)	2019 (N)
Water Connetion of PVC Pipes (NAF)	1,322,154.00	-
Water Supply to Housing Estate	25,902,430.00	-
Extention of Water Supply Kasuwan Maya Funtua	1,185,000.00	-
Improvement of Water Work Daura	14,177,313.00	-
Installation and Water Supply (Amadi Rimi Hospital)	6,269,200.00	-
Maintenance of Genarator	-	3,581,583.00
Purchase of Transformer	-	2,990,000.00
Purchase of Iron Pole	-	192,000.00
Maintenance of Borehole	-	260,000.00
Stocks Transformer/MWR	-	829,496.00
Miantenance of Plant Equipment	9,788,802.00	9,156,522.00
	<b>98,114,353.00</b>	<b>53,141,815.00</b>
<b>15 DEPRECIATION (PRODUCTION)</b>		
Motor Vehicle	3,858,880	4,871,500.00
Plant and Machinery	236,773,813	257,088,071.00
	<b>240,632,693.05</b>	<b>261,959,571.00</b>
<b>Total Cost of Production (14a+14b+14c+14d+15)</b>	<b>1,177,767,468.05</b>	<b>811,690,788.00</b>
<b>16a GENERAL &amp; ADMINISTRATION EXPENSES</b>		
PERSONNEL EMOLUMENTS		
Salaries and Wages	55,700,735.00	62,009,846.00
Casual Wages	6,672,000.00	6,048,000.00
	<b>62,372,735.00</b>	<b>68,057,846.00</b>
<b>16b Travelling and Transportation</b>		
Transport Allowance	9,307,215.00	10,369,156.00
	<b>9,307,215.00</b>	<b>10,369,156.00</b>
<b>16c REPAIRS AND MAINTENACE</b>		
Motor Vehicles	2,466,700.00	2,797,850.00
Office Buildings	1,095,510.00	669,050.00
Office Furniture and Equipment	2,839,360.00	126,300.00
Computer Maintenance	135,500.00	396,500.00
	<b>6,537,070.00</b>	<b>3,989,700.00</b>

**KATSINA STATE WATER BOARD**  
**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER, 2020**  
**NOTES TO THE FINANCIAL STATEMENTS**

NOTE	2020 (N)	2019 (N)
<b>16d OTHER ADMINISTRATIVE EXPENSES</b>		
Pension and Gratuity	76,964,991.00	64,254,929.00
Conference and Seminar	-	409,750.00
Staff Training and Development/Inservices	94,500.00	733,090.00
Printing and Stationaries	4,782,890.00	3,670,537.00
Advertisement and Publicity	339,000.00	547,000.00
Rent of Office Accomadation	296,666.00	885,400.00
Board Meeting Expenses	1,098,700.00	968,000.00
Staff Walfare	2,037,500.00	1,297,480.00
Board Member Allowance	106,608.00	280,000.00
Postage and Telephone Charges	61,960.00	60,000.00
Consultancy Expenses	-	333,500.00
Subscription Expenses	-	38,900.00
Budget Preparation Exp.	-	645,000.00
Security Services Expences	7,928,800.00	76,200.00
Audit Expenses	145,000.00	-
Entertainment and Hospitality Expenses	2,384,000.00	830,000.00
Cleaning Expenses	38,100.00	22,400.00
Professional Fee	888,500.00	-
Hotel Bills	654,000.00	1,509,000.00
	<b>97,821,215.00</b>	<b>76,561,186.00</b>
 Total Administrative and Genral Expenses (15a-15d)	 <b>176,038,235.00</b>	 <b>158,977,888.00</b>
 <b>17 FINANCIAL EXPENSES</b>		
Bank Charges and Commission	314,770.00	61,442.00
	<b>314,770.00</b>	<b>61,442.00</b>
 <b>18 DEPRECIATION</b>		
Land and Building	459,609,925	468,989,719.60
Office Equipment	2,964,938	3,953,250
Furniture and Fittings	2,825,050	3,531,312
	<b>465,399,912.50</b>	<b>476,474,281.85</b>



# KATSINA STATE WATER BOARD

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER, 2020

## NOTES TO THE FINANCIAL STATEMENTS

NOTE	2020 (N)	2019 (N)
<b>3 INVENTORY</b>		
Chemicals	170,007,916.00	154,466,733.00
Plumbing Materials	896,393.00	13,465,176.00
Spairparts and Materials	1,827,741.00	2,704,656.00
Stationary	3,332,417.00	3,332,417.00
Diesel	-	48,440.00
Electrical Matrials	3,914,192.00	5,297,947.00
Cleaning Materials	-	8,100.00
Office Furniture and Equipments	-	17,000.00
	<b>179,978,659.00</b>	<b>179,340,469.00</b>
<b>4 RECEIVABLES AND PREPAYMENTS</b>		
	<b>2020</b>	<b>2019</b>
Trade Debtors Domestic Consumers	891,964,170.00	867,532,089.00
Commercial Consumers	55,793,142.00	53,325,930.00
Fed Parast	10,654,339.00	9,734,780.00
Industrial Consumers	2,809,610.00	2,959,610.00
Nigerian Airforce	2,450,000.00	2,220,000.00
State Pararstatals	15,648,391.00	15,648,391.00
Others	401,000.00	-
Water Rates	3,726,960.00	-
Staff Debtors	710,000.00	260,000.00
	<b>984,157,612.00</b>	<b>951,680,800.00</b>
<b>5 CASH AND CASH EQUIVALENT</b>		
First Bank Expenditure Account	-	13,212.00
First Bank Revenue Account	391,513.00	431,995.00
Access Bank	6,183.00	-
UBA Account	527,509.00	15,044,981.00
	<b>925,205.00</b>	<b>15,490,188.00</b>
<b>6 LONG TERM BORROWING</b>		
Katsina State Government Counter Funding	113,454,257.00	113,454,257.00
World Bank Loan Principal	5,574,470,578.00	5,574,470,578.00
World Bank Loan Interest	2,927,674,839.00	2,927,674,839.00
<b>LONG TERM PROVISIONS</b>		
World Bank loan- 1998	102,678,565.00	102,678,565.00
World Bank loan- 1999	644,691,405.00	644,691,405.00
World Bank loan- 2000	884,159,128.00	884,159,128.00
Interest on loan ( First Multi-State Water Project) 1994	705,623,678.00	705,623,678.00

# KATSINA STATE WATER BOARD

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER, 2020

## NOTES TO THE FINANCIAL STATEMENTS

NOTE	2020 (N)	2019 (N)
Interest on loan ( First Multi-State Water Project) 1995	62,019,518.00	62,019,518.00
Interest on loan ( First Multi-State Water Project) 1999	565,062,914.00	565,062,914.00
Interest on loan ( First Multi-State Water Project) 2000	927,883,118.00	927,883,118.00
	<u>4,229,288,973.00</u>	<u>4,723,481,348.00</u>
<b>7 PAYABLES AND ACCRUALS</b>		
First Bank Plc- Transfer	3,219,401	-
Raw Water	120,000	-
Water Tanker	121,000	-
Private Water Collection	1,341,100	-
	<u>4,801,501</u>	<u>-</u>
<b>8 KTSG CAPITAL GRANTS</b>		
Balance Brought Forward	2,002,210,993.00	517,979,686.00
Katsina State Govt Counterpart Fund	-	1,123,554,876.00
Petroleum Trust Fund Counter Funds	-	360,676,431.00

# KATSINA STATE WATER BOARD

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER, 2020

## NOTES TO THE FINANCIAL STATEMENTS

NOTE	2020 (N)	2019 (N)
Balance Carried Forward	<u>2,002,210,993.00</u>	<u>2,002,210,993.00</u>
 <b>9 ACCUMULATED FUND</b>		
Balance as at 1st January, 2020	18,321,898,899.00	(580,581,704.00)
Operating deficit/Surplus	(719,981,915)	(562,163,201.00)
Prior Year Adjustment	29,604,905.00	19,462,234,936.00
Balance Carried Forward	<u>17,631,521,889.45</u>	<u>18,321,898,899.00</u>
 <b>9b PRIOR YEAR ADJUSTMENT</b>		
2018 Debtors not included in the Financial Statements	-	(143,714,491.00)
Debts paid in previous years not recognized in the Financial Statements	-	262,047,517.00
Understated of stock figures in 2018 Account	36,667,403.00	15,302,421.00
Addition in Non Current Assets	-	19,328,599,489.09
Understated of bank balance	<u>(7,062,498.00)</u>	-
	<u>29,604,905.00</u>	<u>19,462,234,936.09</u>
 <b>10 RESERVES</b>		
Balance as at 1/1/2020	1,886,692,653.00	1,886,692,653.00
Revaluation	92,114,028.00	92,114,028.00
	<u>1,978,806,681.00</u>	<u>1,978,806,681.00</u>
 <b>11 STATE GOVERNMENT SUBVENTION</b>		
Chemical from Ministry of Water Resources	639,051,506.00	472,125,420.00
Special Intervention Grant	17,640,000.00	22,878,700.00
Deposit for works	47,671,097.00	22,185,000.00
	<u>704,362,603.00</u>	<u>517,189,120.00</u>
 <b>12 EARNINGS</b>		
Water Rates	380,254,308.00	351,905,372.00
Raw Water Sales	7,415,160.00	7,830,160.00
Water Tanker	4,614,900.00	5,608,900.00
Water Test & Analysis	95,000.00	-
	<u>392,379,368.00</u>	<u>365,344,432.00</u>

**KATSINA STATE WATER BOARD**  
**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER, 2020**  
**NOTES TO THE FINANCIAL STATEMENTS**

NOTE	2020 (N)	2019 (N)
<b>13 OTHER INCOME</b>		
Sales of employment form	8,500.00	10,500.00
Compensation for Pipe damage	2,716,000.00	2,087,740.00
ITF Reimbursement	-	409,407.00
Miscellaneous income	72,000.00	-
	<u><b>2,796,500.00</b></u>	<u><b>2,507,647.00</b></u>
<b>14a COST OF PRODUCTION</b>		
Chemicals		
Opening Stock	154,466,733.00	43,310,387.00
Add: Water Treatment	36,667,402.00	-
	<u>191,134,135.00</u>	<u>43,310,387.00</u>
Chemical Purchased	639,051,506.00	472,125,420.00
	<u>830,185,641.00</u>	<u>515,435,807.00</u>
Transportation of Chemicals	-	-
	<u>830,185,641.00</u>	<u>515,435,807.00</u>
Less: Closing Stock	170,007,916.00	(154,466,733.00)
<b>Cost of Production</b>	<u><b>660,177,725.00</b></u>	<u><b>360,969,074.00</b></u>
<b>14b WAGES (PRODUCTION)</b>		
Salaries and Wages	118,265,275.00	66,977,782.00
Casual Staff Allowance	24,179,000.00	29,511,667.00
Staff/Overtime Allowance	3,370,867.00	2,902,481.00
	<u><b>145,815,142.00</b></u>	<u><b>99,391,930.00</b></u>
<b>14c Fuel and Lubricants</b>	33,008,555.00	36,228,398.00
Electricity	19,000.00	-
	<u><b>33,027,555.00</b></u>	<u><b>36,228,398.00</b></u>
<b>14d COST OF PRODUCTION AND DISTRIBUTION</b>		
Maintenance of Reservoir and Tanks	-	801,140.00
Maintenance of Pumps/Dams	12,568,784.00	5,106,720.00
Maintenance of Electrical Appliances	1,393,755.00	-
Procurement of High yield Pumps	17,640,000.00	-
Purchase of Re-agents	110,000.00	254,839.00
Maintenance of Distribution System	3,939,550.00	3,154,375.00
Maintenance of Water Works	1,101,365.00	3,725,400.00
Cost of Deposit Work Done	-	23,089,740.00
Repairs of Damaged Pipes	2,716,000.00	-

# KATSINA STATE WATER BOARD

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER, 2020

## NOTES TO THE FINANCIAL STATEMENTS

NOTE	2020 (N)	2019 (N)
Water Connetion of PVC Pipes (NAF)	1,322,154.00	-
Water Supply to Housing Estate	25,902,430.00	-
Extention of Water Supply Kasuwan Maya Funtua	1,185,000.00	-
Improvement of Water Work Daura	14,177,313.00	-
Installation and Water Supply (Amadi Rimi Hospital)	6,269,200.00	-
Maintenance of Genarator		3,581,583.00
Purchase of Transformer	-	2,990,000.00
Purchase of Iron Pole	-	192,000.00
Maintenance of Borehole	-	260,000.00
Stocks Transformer/MWR	-	829,496.00
Miantenance of Plant Equipment	9,788,802.00	9,156,522.00
	<b>98,114,353.00</b>	<b>53,141,815.00</b>
<b>15 DEPRECIATION (PRODUCTION)</b>		
Motor Vehicle	3,858,880	4,871,500.00
Plant and Machinery	236,773,813	257,088,071.00
	<b>240,632,693.05</b>	<b>261,959,571.00</b>
<b>Total Cost of Production (14a+14b+14c+14d+15)</b>	<b>1,177,767,468.05</b>	<b>811,690,788.00</b>
<b>16a GENERAL &amp; ADMINISTRATION EXPENSES</b>		
<b>PERSONNEL EMOLUMENTS</b>		
Salaries and Wages	55,700,735.00	62,009,846.00
Casual Wages	6,672,000.00	6,048,000.00
	<b>62,372,735.00</b>	<b>68,057,846.00</b>
<b>16b Travelling and Transportation</b>		
Transport Allowance	9,307,215.00	10,369,156.00
	<b>9,307,215.00</b>	<b>10,369,156.00</b>
<b>16c REPAIRS AND MAINTENACE</b>		
Motor Vehicles	2,466,700.00	2,797,850.00
Office Buildings	1,095,510.00	669,050.00
Office Furniture and Equipment	2,839,360.00	126,300.00
Computer Maintenance	135,500.00	396,500.00
	<b>6,537,070.00</b>	<b>3,989,700.00</b>

# KATSINA STATE WATER BOARD

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER, 2020

## NOTES TO THE FINANCIAL STATEMENTS

NOTE	2020 (N)	2019 (N)
<b>16d OTHER ADMINISTRATIVE EXPENSES</b>		
Pension and Gratuity	76,964,991.00	64,254,929.00
Conference and Seminar	-	409,750.00
Staff Training and Development/Inservices	94,500.00	733,090.00
Printing and Stationaries	4,782,890.00	3,670,537.00
Advertisement and Publicity	339,000.00	547,000.00
Rent of Office Accomadation	296,666.00	885,400.00
Board Meeting Expenses	1,098,700.00	968,000.00
Staff Walfare	2,037,500.00	1,297,480.00
Board Member Allowance	106,608.00	280,000.00
Postage and Telephone Charges	61,960.00	60,000.00
Consultancy Expenses	-	333,500.00
Subscription Expenses	-	38,900.00
Budget Preparation Exp.	-	645,000.00
Security Services Expences	7,928,800.00	76,200.00
Audit Expenses	145,000.00	-
Entertainment and Hospitality Expenses	2,384,000.00	830,000.00
Cleaning Expenses	38,100.00	22,400.00
Professional Fee	888,500.00	-
Hotel Bills	654,000.00	1,509,000.00
	<b>97,821,215.00</b>	<b>76,561,186.00</b>
Total Administrative and Genral Expenses (15a-15d)	<b>176,038,235.00</b>	<b>158,977,888.00</b>
<b>17 FINANCIAL EXPENSES</b>		
Bank Charges and Commission	314,770.00	61,442.00
	<b>314,770.00</b>	<b>61,442.00</b>
<b>18 DEPRECIATION</b>		
Land and Building	459,609,925	468,989,719.60
Office Equipment	2,964,938	3,953,250
Furniture and Fittings	2,825,050	3,531,312
	<b>465,399,912.50</b>	<b>476,474,281.85</b>