

YOBE STATE INTERNAL REVENUE SERVICE

**MANAGEMENT REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2021,**

YOBE STATE INTERNAL REVENUE SERVICE

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YOBE STATE INTERNAL REVENUE SERVICE

CORPORATE INFORMATION

BOARD MEMBERS

Alh. Mohammed Abacha Geidam, mni	Executive Chairman
Barr. Rakiya T. Muktar	Legal Adviser/Board Secretary
Idris Mohammed Disa	Director Finance and Supply
Mohammed Adamu Kukuiri	Director Human Resource Management
Ishaka Abubakar	Director Motor Licenses Authority
Abubakar Musa Damaturu	Director Tax Audit
Baba Kuli Ahmed	Director Direct Assessment
Musa Hamma	Director Collection and Accounting
Mohammed Umar Kukuiri	Director Planning, Research and Statistics
Umar Babagoni	Director Other Taxes
Zainab Abu Shehu Daya	Director Pay As You Earn

BANKERS

Zenith Bank International Bank Plc, Damaturu
Union bank of Nigeria Plc, Damaturu
Unity Bank Plc, Damaturu
First Bank of Nigeria Plc, Damaturu
United Bank for Africa, Damaturu
Access Bank Plc, Damaturu
Polaris Bank Plc, Damaturu
Keystone Bank

AUDITORS

Messrs Linus Gobum & Co.
(Certified National Accountants)
No. 1, Niger Avenue
Jos, Plateau State.

YOBE STATE INTERNAL REVENUE SERVICE

REPORT OF THE DIRECTORS

The Board Members of the revenue board have the pleasure to submit their report together with the audited financial statements for the year ended 31st December, 2021.

1. RESULT AT A GLANCE	2021	2020
	₦	₦
Recurrent Grant	273,172,490	96,691,322
Revenue Generated	8,460,647,980	6,810,915,628
	<u>8,733,820,470</u>	<u>6,907,606,950</u>
Total Payments	<u>(8,981,215,746)</u>	<u>(7,074,390,918)</u>
Surplus/(Deficit) for the year	<u>(247,395,276)</u>	<u>(166,783,968)</u>

2. LEGAL STATUS

The board was established under the law of Yobe State as a requirement of the Personal Income Tax Act and Joint Tax Board of the federation which is to be known as Yobe State Board of Internal Revenue and Other Related Matters thereto.

3. ACTIVITIES OF THE BOARD

- The principal activities of the board are for the due administration of Personal Income Tax law and the performance of the function of the commissioner under it.
- The board shall assess, collect, and account for all taxes in the state and do all such things as may be deemed necessary or expedient for the assessment and collection of such taxes.
- The board shall in the exercise or performance of its duties or functions be assisted by such member of the public within or without the civil service of the state as it may request for such purpose.
- The board shall have control and supervision of all collection of the state revenue including parastatals.

4. BOARD MEMBERS' RESPONSIBILITY

The Board members of the YOBE STATE INTERNAL REVENUE SERVICE are responsible for the preparation of the financial statement which give true and fair view of the state of affairs of Yobe State Board of Internal Revenue at the end of each financial year. In doing so, it ensures that:

- * Proper accounting records are maintained;
- * Internal control procedures are instituted which as far as is reasonable possible, safeguard the assets and prevent and detect fraud and irregularities;
- * Applicable accounting standards are followed;
- * Suitable accounting policies are adopted and consistently applied;
- * The going concern basis is used, unless it is inappropriate to presume that Yobe State Board of Internal Revenue will continue in existence.

5. POST BALANCE SHEET EVENTS

There are no post balance sheet events which could have material effect on the state of affairs of the Board as at 31st December, 2021.

YOBE STATE INTERNAL REVENUE SERVICE

REPORT OF THE DIRECTORS (CONT'D)

5. EMPLOYMENT AND EMPLOYEES

i. Health and Welfare of Employees

The health, safety and welfare of employees are of primary concern to the revenue board. Incentive schemes are designed to meet the circumstances of each individuals and implemented where ever appropriate and in consistence with Yobe State scheme of service and civil service scheme.

ii. Employee Involvement and Training

The Revenue Board is committed to keeping employees fully informed as much as possible regarding the Board performance and progress and seeking their views wherever practicable on matters which particularly affect them as employees. The Board's skills base has been expanded by a range of training provided to enhance the opportunities for career development of its employees. Training is carried out at various levels through in-house and external courses.

6. APPROVAL OF ACCOUNTS

These Financial Statements for the year ended 31st December, 2021 were approved by the Board Members of the Revenue Board on

7. Messrs Linus Gobum & Co. (Certified National Accountants) having indicated their willingness to continue in office as Auditors to YOBE STATE INTERNAL REVENUE SERVICE in accordance with relevant guidelines and regulations.

BY ORDER OF THE BOARD

**SECRETARIES TO THE BOARD
MESSRS LINUS GOBUM & CO.
(Certified National Accountants)**

YOBE STATE INTERNAL REVENUE SERVICE

STATEMENT OF ACCOUNTING POLICIES

The following are the significant accounting policies adopted by the Board in the preparation of its financial statements from year to year.

(a) ACCOUNTING CONVENTION

These accounts have been prepared in accordance with standards issued out by the Financial Reporting Council of Nigeria (FRCN) and any legislated laws of state and other regulatory agencies in Nigeria.

(b) BASIS OF ACCOUNTING

Basis of accounting refers to the method employed in the recording and reporting of transactions. These financial statements have been prepared under the historical cost convention and on modified cash basis of accounting. No adjustment have been made to reflect the impact of specific or general changes in the level of price on the financial statements.

© NON-CURRENT ASSETS/DEPRECIATION

Non-Current Assets (Fixed Assets) are stated at cost less accumulated depreciation.

(d) DEPRECIATION OF NON-CURRENT ASSETS

Depreciation on a straight line basis to write off the cost of assets concored over their estimated useful lives at the following rate:

Land & Buildings	2%
Plant & Machinery	10%
Office Furniture & Equipment	10%
Motor Vehicles	20%
Computer & Accessories	10%

(e) INVENTORY

Inventory are stated at lower of cost or net realizable value of the physical balances.

(f) REPAIRS AND MAINTENANCE

Repairs and maintenance expenses are written off when incurred but major overhead expenditure is capitalized and depreciated over the remaining lives of the assets concerned.



LINUS GOBUM & CO.

(Certified National Accountants)

HEAD OFFICE

No. 1 Niger Avenue, Adjacent
Jos North LGC Secretariat, Jos
Tel: 07038276102, 08098358950

BRANCH OFFICE

Bauchi, Gombe, Jalingo, And Yola

Our Ref: _____ Your Ref: _____ Date: _____

REPORT OF THE AUDITORS TO THE MEMBERS OF YOBE STATE INTERNAL REVENUE SERVICE

We have examined the Financial Statements set out on pages 5 to 7 which are in agreement with the Board's Books of Accounts. We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.

RESPECTIVE RESPONSIBILITIES OF MANAGEMENT AND AUDITORS

The Board is responsible for the preparation of the financial statements. It is our responsibility to form an opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our Audit in accordance with generally accepted auditing standards with International Standards of Supreme Audit Institutions (ISSAIs) of the International Organisation of Supreme Audit Institutions (INTOSAI). An audit includes examination on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made in the preparation of the financial statements; and whether the accounting policies appropriate to the company's circumstances, are consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain full information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material mis-statements, whether caused by fraud, other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

The financial statements are in agreement with the books of account which have been properly kept and we obtained the information and explanations we required.

OPINION

In our opinion and to the best of our knowledge and belief, the financial statement has been prepared in accordance with the Acceptable Financial Reporting Standard. The Audit of the financial statement was carried out in compliance with International Standards of Supreme Audit Institutions (ISSAIs) of the International Organisation of Supreme Audit Institutions (INTOSAI) in the manner so required and present a true and fair view of the state of affairs of the Board as at 31st December, 2021 and the Income and Expenditure Account and source and application of funds for the year ended on that date.

JOS - NIGERIA

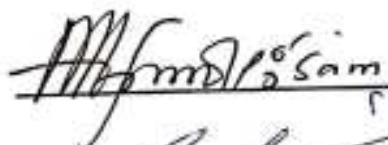
Linus Gobum & Co
CERTIFIED NATIONAL ACCOUNTANT!



YOBE STATE INTERNAL REVENUE SERVICE

STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST DECEMBER, 2021

	2021 N	2020 N
NON-CURRENT ASSETS		
Property, Plant & Equipment	<u>402,588,350</u>	<u>394,482,050</u>
CURRENT ASSETS		
Bank & Cash Balances	61,026,029	303,500,857
Advances	0	0
Investment	0	0
TOTAL ASSETS	<u>61,026,029</u>	<u>303,500,857</u>
NET ASSETS	<u>463,614,379</u>	<u>697,982,907</u>
FINANCED BY:		
Yobe State Government	<u>463,614,379</u>	<u>697,982,907</u>

 EXECUTIVE CHAIRMAN

 DIRECTOR FINANCE & SUPPLIES

YOBE STATE INTERNAL REVENUE SERVICE

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021

	2021	2020
	N	N
Cash Flow from Operating Activities		
Revenue		
Recurrent Grant	273,172,490	96,691,322
Revenue Generated	8,460,647,980	6,810,915,628
Total Revenue	<u>8,733,820,470</u>	<u>6,907,606,950</u>
Payments:		
Personnel Cost	111,966,683	96,691,322
Overhead Cost	260,219,954	153,757,219
Remittance to A.Gs office	8,591,448,896	6,810,915,629
Allowances & Social Contribution	3,652,765	0
Depreciation	0	13,026,748
Total Payments	<u>8,967,288,298</u>	<u>7,074,390,918</u>
Net Cash Flow from Operating Activi.	<u><u>(233,467,828)</u></u>	<u><u>(166,783,968)</u></u>
Cash Flow from Investing Activities		
Purchase of Fixed Assets	9,007,000	0
Construction/Provision of Fixed Assets	0	0
Rehabilitation/Repairs of fixed assets	0	0
Acquisition of Non Tangible Assets	0	0
Net Cash Flow from Investing Activities	<u><u>9,007,000</u></u>	<u><u>0</u></u>
Cash Flow from Financing Activities		
Proceeds from Aids & Grants	0	0
Proceeds from loans	0	0
Proceeds from internal loans	0	0
Proceeds from other capital Revenue	0	0
Repayment of loans	0	0
Net Cash Flow from Financing Activities	<u><u>0</u></u>	<u><u>0</u></u>
Net (Increase)/Decrease in Other Cash Equiva	<u><u>(242,474,828)</u></u>	<u><u>303,500,858</u></u>
Balance at the beginning of the year	<u>303,500,857</u>	<u>0</u>
Balance at the end of the year	<u><u>61,026,029</u></u>	<u><u>303,500,858</u></u>

YOBE STATE INTERNAL REVENUE SERVICE

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31ST DECEMBER, 2021

	2021	2020
	₦	₦
GRANT	273,172,490	96,691,322
TAX REVENUE	6,095,865,382	5,090,607,182
NON-TAX REVENUE:		
License	100,316,290	82,936,304
Fees	1,179,383,604	599,519,972
Fines	22,865,398	2,622,441
Sales	226,394,852	710,299,489
Earnings	334,598,533	24,298,951
Rent on Government buildings	5,210,000	91,721,535
Sales/Rent on Land & Others	131,467,017	1,287,789
Repayments	364,546,904	207,621,965
Total Non-Tax Revenue	<u>2,364,782,598</u>	<u>1,720,308,446</u>
TOTAL REVENUE	<u>8,733,820,470</u>	<u>6,907,606,950</u>
EXPENDITURE		
Personnel Cost	111,966,683	96,691,322
Overhead Cost	260,219,954	153,757,219
Remittance to A.Gs office	8,591,448,896	6,810,915,629
Allowances & Social Contribution	3,652,765	0
Depreciation	13,927,448	13,026,748
Total Expenditure	<u>8,981,215,746</u>	<u>7,074,390,918</u>
SURPLUS/(DEFICIT) FOR THE YEAR	<u>(247,395,276)</u>	<u>(166,783,968)</u>

YOBE STATE INTERNAL REVENUE SERVICE

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER, 2021**

COST	BUILDING	MOTOR VEHICLE	OFFICE EQUIPMT	FURNITURE & FITTINGS	PLANT & MACHINERY	TOTAL
	₱	₱	₱	₱	₱	₱
As at 1/1/2021	467,253,764	34,849,000	36,816,729	24,376,987	1,905,000	565,201,480
Addition	0	0	3,562,500	5,164,500	280,000	9,007,000
As at 31/12/2021	467,253,764	34,849,000	40,379,229	29,541,487	2,185,000	574,208,480
ACCUMULATED DEPRECIATION						
As at 1/1/2021	64,953,084	34,749,000	31,708,611	24,376,987	1,905,000	157,692,682
Provision for the year	9,345,075	0	4,037,923	516,450	28,000	13,927,448
As at 31/12/2021	74,298,159	34,749,000	35,746,534	24,893,437	1,933,000	171,620,130
NET BOOK VALUE						
As at 31/12/2021	392,955,605	100,000	4,632,695	4,648,050	252,000	402,588,350
As at 31/12/2020	402,300,680	100,000	0	5,108,118	0	407,508,798

YOBE STATE INTERNAL REVENUE SERVICE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2021

	2021 N	2020 N
2. INVENTORY		
Crash Helmets	0	0
Security Books	0	0
Plate Numbers	0	0
	<u>0</u>	<u>0</u>
3. BANK BALANCES		
Zenith Bank - 3% Incentive (44612)	6,407,582	3,059,382
Zenith Bank - Collection (87086)	0	78,818,720
Polaris Bank- lead A/C (13201)	0	4,007,880
Union Bank Plc (NVIS)	39,151,472	0
Polaris Bank Collection A/C	15,653,420	118,126,106
UBA- overhead A/C (74876)	481,891	481,891
UBA- Remittance A/C (12651)	(1,328,520)	816,399
UBA - IGR	0	0
Unity Bank - NVIS A/C (23522)	0	0
Unity Bank - NVIS A/C 90894)	0	9,988,189
Polaris Bank Remittance A/C	0	88,201,058
Access Bank- (86142)	0	0
First Bank of Nig Plc (IGR Acct)	53,120	0
Keystone Bank of Nig. Ltd.	607,064	1,234
First Bank YPD-REMITT (35140)	0	0
	<u>61,026,029</u>	<u>303,500,858</u>
4. CAPITAL GRANTS		
Balance as at 1/1/2020	898,036,032	898,036,032
Grants received during the year	0	0
	<u>898,036,032</u>	<u>898,036,032</u>
5. GRANT REVENUE		
Overhead Grant - Yobe State Government	260,219,954	1,750,000
Salary Grant - Direct payment to personal	111,966,683	96,691,322
special Grant- Yobe State Govt	0	0
	<u>372,186,637</u>	<u>98,441,322</u>

YOBE STATE INTERNAL REVENUE SERVICE

NOTES TO THE ACCOUNTS (CONT'D) FOR THE YEAR ENDED 31ST DECEMBER, 2021

	2021	2020
	N	N
6. OVERHEAD EXPENDITURE		
Printing of security document	1,047,000	0
Staff Training, Workshop & Seminars	9,513,500	0
Printing non security document	2,433,250	0
Consulting & Professional Services	27,794,224	8,206,288
Fuel and lubricant	2,471,000	0
Financial Charges	27,187,674	0
Uniforms & Other clothings	367,000	0
Maint of office Equip/Computers	1,440,700	0
Transport and Travelling	8,279,391	0
Maintenance of building	1,190,426	0
Miscellaneous Expenses	171,482,089	0
Sanitary Materials	49,500	0
Sanitation and Fumigation	334,700	0
Office Rent	350,000	0
Office Material & Supplies	4,598,500	0
Maintenance of motor vehicle	391,000	0
Maintenance of plants & Gen.set	36,000	0
Internet access charges	1,254,000	0
	<u>260,219,954</u>	<u>8,206,288</u>
7. STAFF SALARY AND ALLOWANCE		
Payment from A/C Gen. office	<u>111,966,683</u>	<u>78,874,547</u>
8. TRANSFER TO MINISTRY OF FINANCE		
Transfer to Ministry of Finance	<u>8,591,448,896</u>	<u>8,298,224,547</u>
9. DEPRECIATION CHARGES		
Land & Building	9,345,075	9,345,075
Plant & Machinery	28,000	0
Motor Vehicle	0	0
Furniture & Fittings	516,450	5,674,603
Office Equipment	4,037,922	1,200,000
	<u>13,927,447</u>	<u>16,219,678</u>

The following notes were present in a non comparative form due to the change in format of presentation.

YOBE STATE INTERNAL REVENUE SERVICE

NOTES TO THE ACCOUNTS (CONT'D)

FOR THE YEAR ENDED 31ST DECEMBER, 2021

	2021	2020
	N	N
1 TAX REVENUE		
22000800100 Board of Internal Revenue	6,095,550,382	5,090,592,182
51300100100 Ministry of Youth & Social Development	315,000	15,000
Total Tax Revenue	<u>6,095,865,382</u>	<u>5,090,607,182</u>
2 NON-TAX REVENUE:		
LICENCES		
21500100100 Ministry of Agriculture & Natural Resources	15,977,480	78,231,154
21500100100 Agricultural Development Programme	545,000	0
22000100100 Board of Internal Revenue	74,062,790	0
22900100100 Ministry of Transport & Energy	8,586,800	0
33400100100 Ministry of Works	1,135,200	4,705,150
52100100100 Ministry of Health	9,020	0
Total Licences	<u>100,316,290</u>	<u>82,936,304</u>
FEES		
11101000100 Public Procurement Bureau	52,605,000	66,472,000
11200400100 House of Assembly Service Commission	0	0
12300100100 Ministry of Information	0	881,060
12300300100 Yobe Television	460,000	400,000
12300300100 Printing Corporation	332,820	30,000
12500100100 Head of service	104,000	644,000
14000100100 Office of the State Auditor general	0	1,987,500
14000200100 Office of the Auditor general Local Govt.	200,000	757,000
21500100100 Ministry of Agriculture & Natural Resources	4,160	6,229,000
21500100200 Modern Abattoir	444,750	555,000
22000800100 Board of Internal revenue	24,319,479	547,250
22200100100 Ministry of Commerce	6,269,690	17,189,000
22400700100 Fire Service	89,000	410,000
23400100100 Ministry of Works	0	0
25210200100 Water Corporation	11,618,800	9,000,000
25300100100 Ministry of Housing & Urban Development	500	0
25300100100 Housing & Property Development	0	468,000
26000100100 Ministry of Land & Survey	6,493,704	11,400,900
31801100100 Judicial Service Commission	10,000	0
32601100100 Ministry of Justice	402,019,048	471,605,774
32605100100 High Court	3,954,807	1,895,055
32605200100 Sharia Court Division	1,876,795	168,450
32605300100 Sharia Court of Appeal	58,600	94,900
51300100200 Sport Council	0	9,000
51300100300 Yobe State Desert Star	500,000	0
Balance c/d	<u>511,361,153</u>	<u>590,743,889</u>

YOBE STATE INTERNAL REVENUE SERVICE

NOTES TO THE ACCOUNTS (CONT'D) FOR THE YEAR ENDED 31ST DECEMBER, 2021

	2021	2020
	₦	₦
Balance b/d	511,361,153	590,743,889
52110200100 Hospital Management Board	3,045,756	1,158,883
52110600100 School of Health technology Nguru	18,676,000	0
53500100100 Ministry of Environment	25,000	7,617,200
56301800100 State Poly Geidam	37,790,000	0
56302100100 Yobe State University	436,672,946	0
56306500100 College of Education Gashua	148,600,000	0
56306600100 Cabs Potiskum	9,812,749	0
56306700100 College of Agric Gujba	8,400,000	0
56306800100 College of Legal & Islamic Studies	5,000,000	0
Total Fees	1,179,383,604	599,519,972
FINES		
22000800100 Board of Internal revenue	600	16,400
23400100100 Ministry of Works	0	0
32600100100 Ministry of Justice	0	33,591
32605100100 High Court	368,500	2,234,250
32605200100 Sharia Court of Appeal	0	309,500
32605300100 Road Traffic Management Agency	21,683,100	4,400
52110200100 Hospital Management Board	579,948	0
53500100100 Ministry of Environment	203,250	24,300
53501600100 Environment Protection Agency	30,000	0
Total Fines	22,865,398	2,622,441
SALES		
21500100100 Ministry of Agriculture & Natural Resources	1,038,350	652,420,000
51705600100 Scholarship Board	0	2,000,000
22000100100 Ministry of Finance	114,541,000	0
52110200200 Yobe State University Teaching Hospital	211,537	5,196,791
52110400100 School of Nursing Damaturu	1,600,000	0
52110600100 School of Health Technology Nguru	0	0
12500100100 Head of Service	468,005	0
32605100100 High Court	0	11,000
52111200100 Civil Service Commission	2,318,320	691,000
14700200100 Local Government Service Commission	25,800	194,800
25210200100 Water Corporation	1,500	0
25300100100 Ministry of Housing & Urban Development	54,566,990	46,479,898
52111600100 Housing & Property Development	5,333,750	3,306,000
56302100100 Yobe State University	42,985,300	0

56306800100 College of Legal & Islamic Studies	3,304,300	0
Total Sales	226,394,852	710,299,489

YOBE STATE INTERNAL REVENUE SERVICE

NOTES TO THE ACCOUNTS (CONT'D)

FOR THE YEAR ENDED 31ST DECEMBER, 2021

	2021	2020
	N	N
EARNINGS		
12300100100 Ministry of Information	0	21,000
12300300100 Yobe Television	0	0
12300400100 Yobe Broadcasting Corporation	11,067,000	9,573,113
12500100100 Head of Service	290,000	0
21510200100 Agricultural Dev. Programme	455,000	510,000
22200100100 Ministry of Commerce	0	0
22205200100 State Hotels	0	5,310,400
23400100100 Ministry of Works	4,094,700	6,123,500
23400100300 Yobe Line	4,387,200	2,110,000
25200100100 Ministry of Water Resources	0	0
52110200100 Hospital Management Board	4,415,534	650,938
52110200200 Yobe State University Teaching Hospital	309,889,099	0
Total Earnings	334,598,533	24,298,951
RENT ON GOVERNMENT BUILDINGS		
22000100100 Ministry of Finance	5,000,000	319,500
22201800100 Yobe Investment Company	0	91,342,035
52305700100 Council for Arts & Culture	210,000	60,000
Total Rent on Government Buildings	5,210,000	91,721,535
SALES/RENT ON LAND & OTHERS		
22000100100 Ministry of Finance	0	0
22200100100 Ministry of Commerce	97,900	0
22201800100 Yobe Investment Company	130,715,017	0
25301000100 Housing & Property Development	800	0
26000100100 Ministry of Land & Survey	653,300	1,287,789
Total Sales/Rent on Land & Others	131,467,017	1,287,789
REPAYMENTS		
21500100100 Ministry of Agriculture & Natural resources	351,000	0
22200100100 Ministry of Finance	361,566,911	207,621,965
26000100100 Ministry of Land & Survey	2,628,993	0
Total Repayments	364,546,904	207,621,965
TOTAL NON-TAX REVENUE	2,364,782,598	1,720,308,446
TOTAL REVENUE GENERATED	8,460,647,980	6,810,915,628

