

# KW-iRS

KWARA STATE INTERNAL REVENUE SERVICE

*Mobilizing Revenue for the Strategic Development of Kwara State*



<https://www.youtube.com/channel/UC0Pw8RIqtTp9AIaZRcNk2CA>



<https://www.facebook.com/KwaraIRS/>



<https://www.twitter.com/KwaraIRS/>



<https://www.instagram.com/kwirs/>



<https://www.linkedin.com/company/kwara-state-internal-revenue-service>



07006959477



**KW-iRS**

**KWARA STATE INTERNAL REVENUE SERVICE**

# vision

*To Mobilize Revenue for the Strategic Development of Kwara State.*

# mission

*To serve the residents of Kwara State using the most convenient strategies that will add value and integrity to the revenue mobilization process and actualize the developmental objectives of the Government*

# core values

**S**

SERVICE

**H**

HONESTY

**I**

INTEGRITY

**R**

RESPONSIBILITY

**T**

TRUST

# **KWARA STATE INTERNAL REVENUE SERVICE**

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

## **STATUTORY INFORMATION – LEGAL EXISTENCE**

Kwara State Board of Internal Revenue (BIR) was restructured to be known as Kwara State Internal Revenue Service (herein referred to as the Service) on 22nd June 2015 through Kwara State Revenue Administration Law No. 6 of 2015 (as amended).

This law may be cited as the Kwara State Revenue Administration (Amendment) Law 2017. The Service commenced on 1st October, 2015.

The Board shall be responsible for:

- (a) Providing general policy guidelines regarding the functions of the Internal Revenue Service and supervising the implementation of such policies
- (b) ensuring assessment, the effective and optimum collection of all revenue, including taxes, levies and penalties due to the State Government under the relevant federal and state laws.
- (c) doing all such things that may deemed necessary and expedient for the assessment and collection of revenue.

- (d) accounting for all amounts so collected.
- (e) making recommendations, where appropriate to the Joint Tax Board on tax policy, tax reform and tax legislation.
- (f) tax treaties and exemptions as may be required from time to time.
- (g) appointing, promoting, transferring and imposing discipline on employees of Internal Revenue Service.
- (h) making recommendations to the Governor regarding the terms and conditions of employment and the remuneration of staff of the Internal Revenue Service;
- (i) controlling the management of internal Revenue Service on matters of policy, subject to provisions of any regulations setting up the Internal Revenue Service; and
- (j) doing such other things as are in the opinion of the Board necessary to ensure the efficient performance of the functions of the Internal Revenue Service under this law.

# KWARA STATE

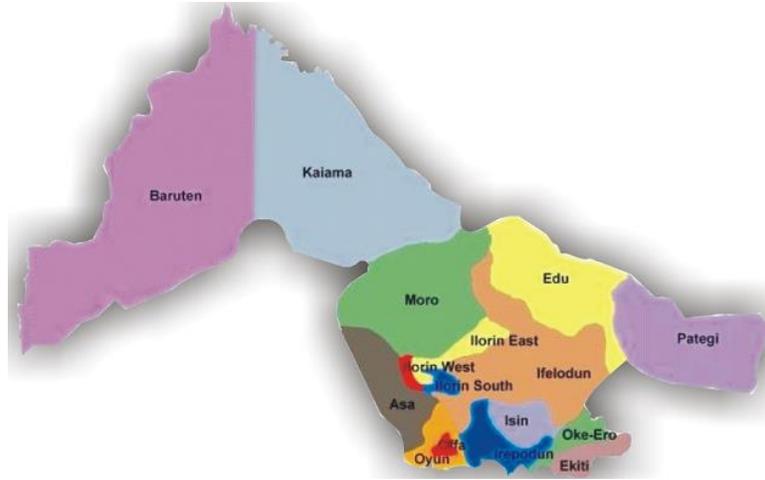
## BRIEF HISTORY

Kwara State is one of the 36 states that make up the Federal Republic of Nigeria, Africa’s most populous country. Kwara shares boundaries with the Republic of Benin to the West and the River Niger to the North, Ekiti and Kogi States to the East, and Oyo and Osun States to the South.

The capital city, Ilorin, is situated 306km inland from the coastal city of Lagos and 500km from the federal capital, Abuja. Major towns include Offa, Ajase-Ipo and Jebba. Other towns include Patigi, Erin-Ile, Ilofa, Osi, Lafiagi, Afon, Kaiama, Isanlu-Isin, Omu-Aran, Share, Shonga, Ilesha Baruba and Igbaja.

Kwara was created in May 1967, as one of the first 12 States to replace the nation’s four regions. Originally, the State was known as West Central State, but the name was later changed to Kwara, a local name for the Niger River. The size of the State has been reduced over the years, as new States have been created within the Federation. The total landmass of Kwara State today is 32,500 square kilometers.

Kwara State is known as the State of Harmony on account of the peaceful relations that exist among its multicultural and diverse population of its estimates 3.5m million people. Followers of the



three great religious faiths to be found in Nigeria, Islam, Christianity and traditional, coexist within the State.

States in Nigeria enjoy a high degree of autonomy. Each State, for example, can set industrial policy, and independently seeks to attract investment. This is normally located within a broader national policy and must naturally comply with federal rules (with regard to import duties, for example). Foreign, Defense and Energy Policies are the sole pressure of the Federal Government, although the latter is changing, as the option of using Independent Power Producers (IPP) becomes more attractive. Each State is divided into Local Government Areas (LGAs) and in the case of Kwara, there are 16 such LGAs, namely: Asa, Baruten, Edu, Ekiti, Ifelodun, Irepodun, Isin, Ilorin East, Ilorin South, Ilorin West, Kaiama, Moro, Patigi, Offa, Oke-Ero and Oyun.

### Geography

Kwara State comprises rainforest in the southern parts with wooded savannah covering the larger part of the State. The

soil is fertile and the State is well watered by the various tributaries of the Niger River which run through hills and valleys, none of which rise to any great height. The western section of the State is at a slightly higher altitude than the eastern.

Kwara is a summer rainfall area, with an annual rainfall range of 1,000mm to 1,500mm. The month of December and January coincide with the cold and dry harmattan period. Average maximum temperatures vary between 300°C and 350°C.

### Unique Selling Point

Kwara State is known for its peaceful character, its tourist sites such as the great Owu Water Fall, its innovation, its rich farmlands, and its strong educational sector which has been reinforced with recent heavy investments in the basic education sector. New investments in technology, hospitality and tourism projects like the Dolby Studio-enabled Visual Arts Centre, Film Factory, Ilorin International Conference Centre, Garment Factory, Ilorin Aviation College, and the proposed multimillion dollar Agro-processing zone are projecting Kwara for a new future shaped by these new initiatives.

Added to the above, Kwara’s modest commitments to small scale businesses and support for smallholder farmers is fast changing its public perception from a mere ‘civil service’ State to a new hub of tourism, agribusiness, entertainment, innovation and enterprise — amid renewed efforts to retool the civil service to meet new expectations in a digital age.

# KWARA STATE INTERNAL REVENUE SERVICE

## CORPORATE INFORMATION

### Board

The Service did not constitute the board for the financial year ending 31<sup>st</sup> December, 2021

### Management Staff

		<b>No of months served</b>
Shade Omoniyi, B.Eng., MBA, HCIB, ACTI	Executive Chairman	12
Omolara M. Ojulari, B.Sc., M.Sc., MBA, ACA, ACTI	Director, Accounts & Finance/ Ag. Director, Income Tax	12
Olatunji A. Balogun, B.Sc., MBA, MSc, ACI, ACTI, FCA	Director, Admin and Operations / Ag. Director, MDAs	12
Shehu Mogaji Abdullahi Esq, LLB, BL, LLM	Director, Legal & Compliance	11
Mohammed Shehu Usman, B.Sc., M.Sc., ACIB, FICA	Director, Income Tax	6

**Registered Office:**

27, Ahmadu Bello Way,  
GRA, Ilorin.  
Kwara State.

**Auditors:**

Messrs A.F. Dawodu & Co.  
(Chartered Accountants)  
8, Mabinuori Dawodu Street  
Gbagada Phase 1,  
Somolu, Lagos.

**Principal Bankers:**

Guaranty Trust Bank Plc  
First City Monument Bank Plc  
First Bank Plc

# **KWARA STATE INTERNAL REVENUE SERVICE**



**Mallam AbdulRahman AbdulRazaq**  
Executive Governor, Kwara State

# **KWARA STATE INTERNAL REVENUE SERVICE**



**Kayode Alabi**  
Deputy Governor, Kwara State

# **KWARA STATE INTERNAL REVENUE SERVICE**



**Shade Omoniyi**  
Executive Chairman, KW-IRS

# KWARA STATE INTERNAL REVENUE SERVICE

## THE MANAGEMENT



**Shade Omoniyi**  
Executive Chairman



**Omolara Ojulari**  
Director, Accounts & Finance/ Ag.  
Director, Income Tax



**Olatunji Balogun**  
Director, Admin and Operations  
/ Ag. Director, MDAs



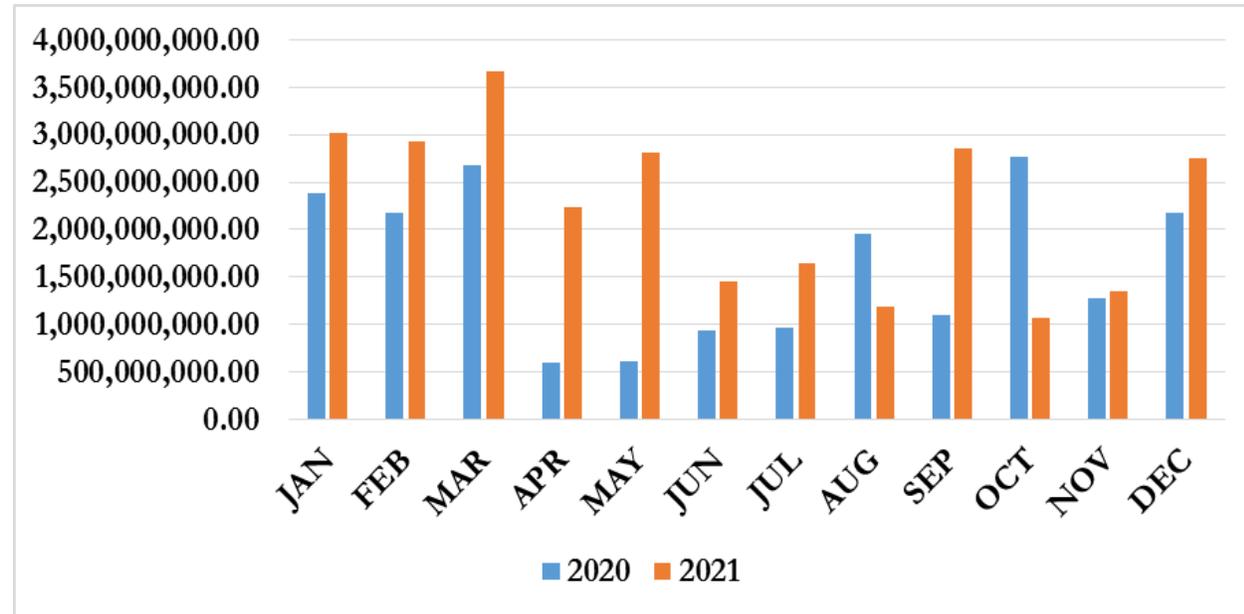
**Shehu Mogaji Abdullahi**  
Director, Legal & Compliance



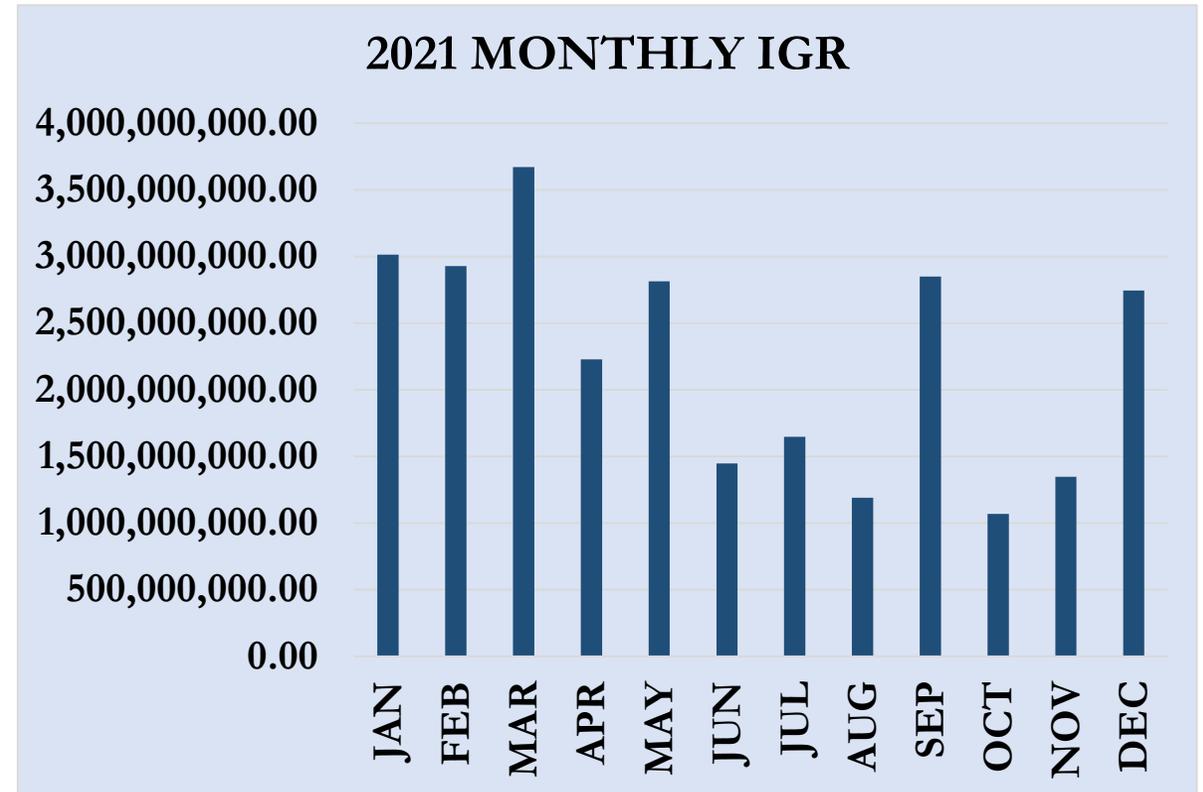
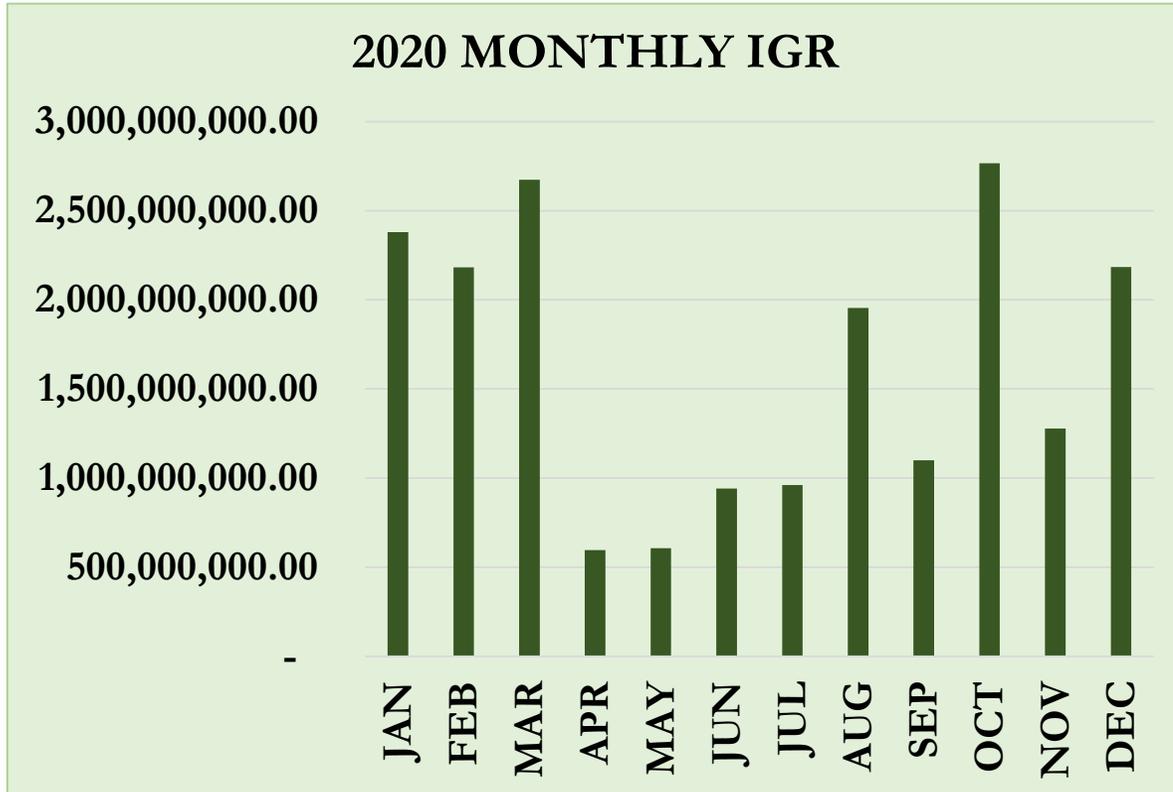
**Mohammed Shehu Usman**  
Director, Income Tax

# 2020/2021 IGR REPORT

	2020	2021
JAN	2,379,265,250.94	3,014,928,421.60
FEB	2,182,973,047.95	2,929,052,246.34
MAR	2,673,916,546.57	3,672,090,265.23
APR	596,804,460.02	2,228,729,849.90
MAY	607,021,512.97	2,815,367,422.54
JUN	941,732,269.21	1,447,597,676.46
JUL	961,003,235.92	1,647,767,305.14
AUG	1,954,501,513.87	1,190,318,692.82
SEP	1,099,674,222.76	2,850,544,718.36
OCT	2,765,485,579.54	1,070,069,758.10
NOV	1,278,202,252.78	1,348,396,349.92
DEC	2,183,412,141.10	2,746,151,779.35
<b>TOTAL</b>	<b>19,623,992,033.62</b>	<b>26,961,014,485.76</b>



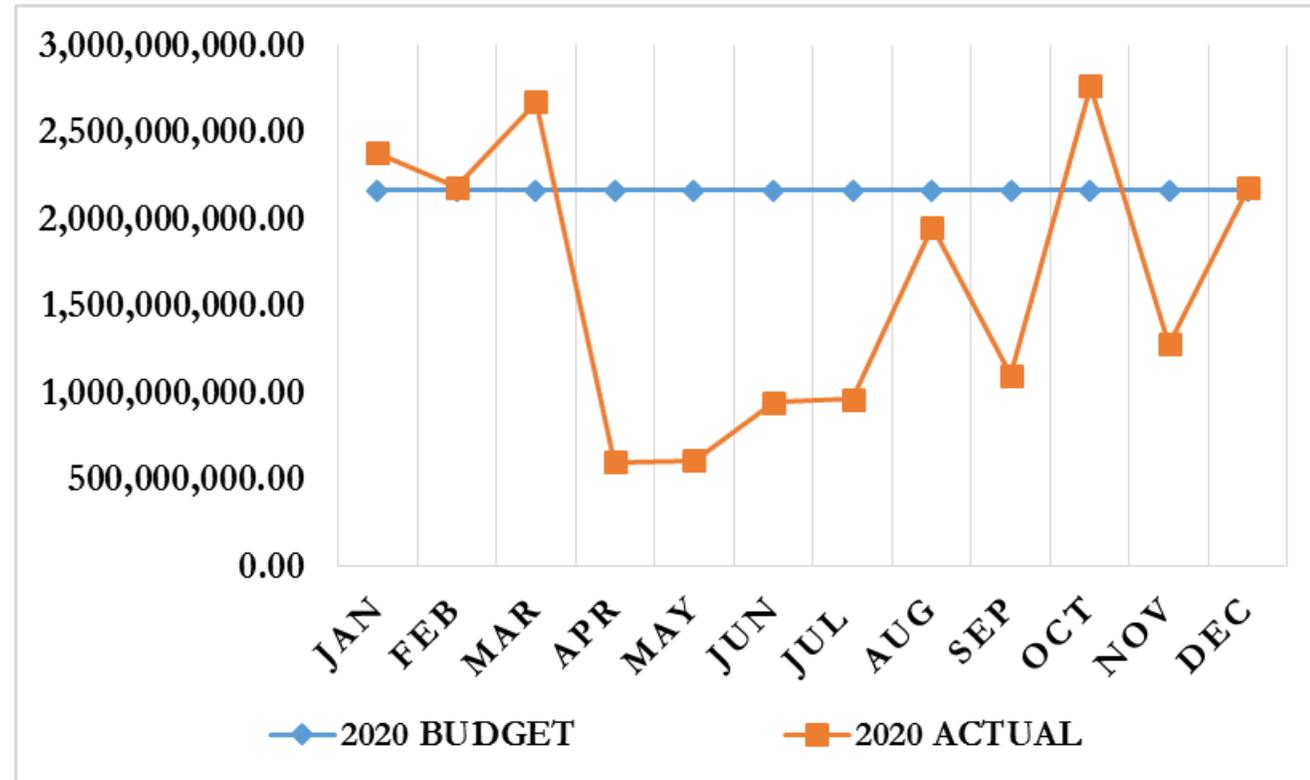
# 2020/2021 IGR REPORT



# 2020 IGR REPORT

## BUDGET AND ACTUAL PERFORMANCE

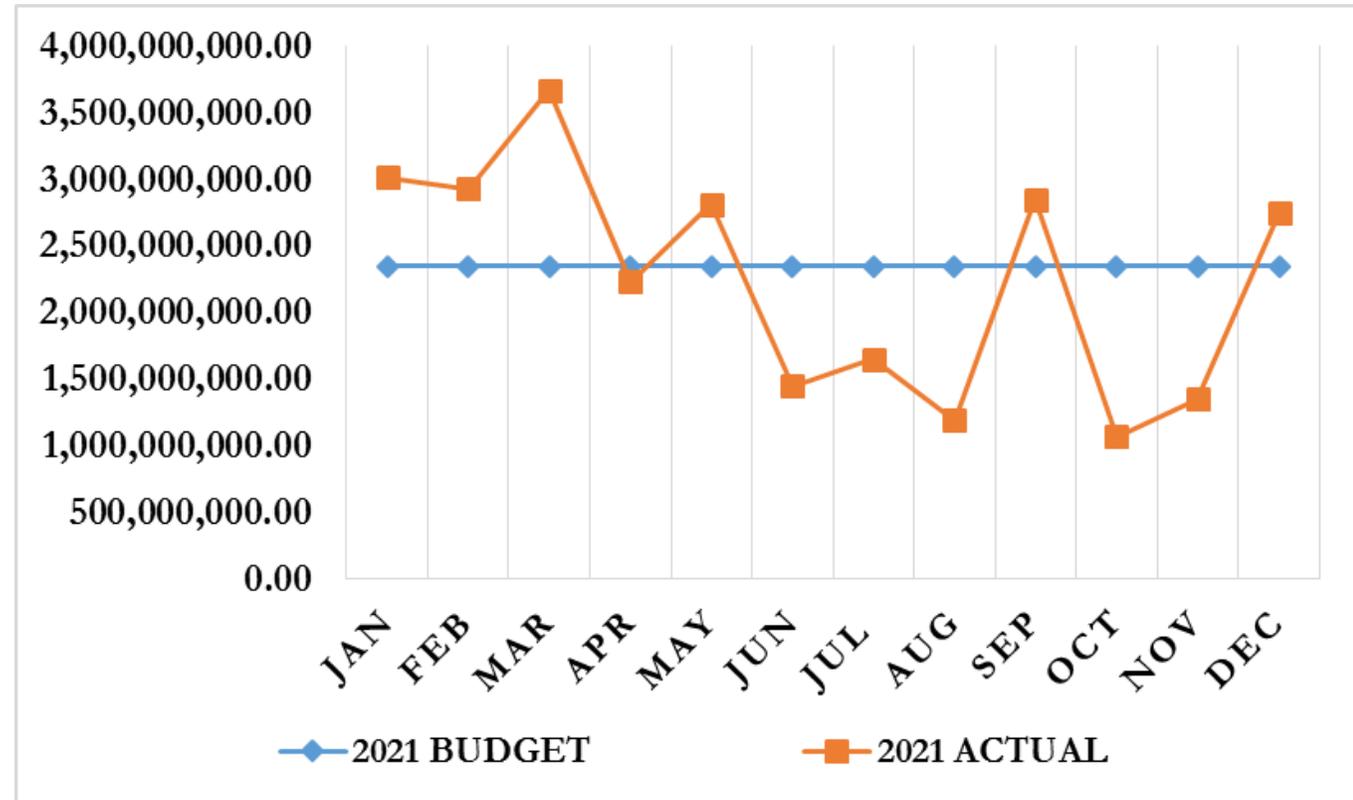
	2020 BUDGET	2020 ACTUAL
JAN	2,166,464,441.33	2,379,265,250.94
FEB	2,166,464,441.33	2,182,973,047.95
MAR	2,166,464,441.33	2,673,916,546.57
APR	2,166,464,441.33	596,804,460.02
MAY	2,166,464,441.33	607,021,512.97
JUN	2,166,464,441.33	941,732,269.21
JUL	2,166,464,441.33	961,003,235.92
AUG	2,166,464,441.33	1,954,501,513.87
SEP	2,166,464,441.33	1,099,674,222.76
OCT	2,166,464,441.33	2,765,485,579.54
NOV	2,166,464,441.33	1,278,202,252.78
DEC	2,166,464,441.33	2,183,412,141.10
<b>TOTAL</b>	<b>25,997,573,296.00</b>	<b>19,623,992,033.62</b>



# 2021 IGR REPORT

## BUDGET AND ACTUAL PERFORMANCE

	2021 BUDGET	2021 ACTUAL
JAN	2,349,992,516.67	3,014,928,421.60
FEB	2,349,992,516.67	2,929,052,246.34
MAR	2,349,992,516.67	3,672,090,265.23
APR	2,349,992,516.67	2,228,729,849.90
MAY	2,349,992,516.67	2,815,367,422.54
JUN	2,349,992,516.67	1,447,597,676.46
JUL	2,349,992,516.67	1,647,767,305.14
AUG	2,349,992,516.67	1,190,318,692.82
SEP	2,349,992,516.67	2,850,544,718.36
OCT	2,349,992,516.67	1,070,069,758.10
NOV	2,349,992,516.67	1,348,396,349.92
DEC	2,349,992,516.67	2,746,151,779.35
<b>TOTAL</b>	<b>28,199,910,200.00</b>	<b>26,961,014,485.76</b>



# **KWARA STATE INTERNAL REVENUE SERVICE**

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

---

---

## **LIST OF AREA OFFICES**

**Abuja Liaison Office**

**Isin Area Office**

**Asa Area Office**

**Kaiama Area Office**

**Baruten Area Office**

**Moro Area Office**

**Edu Area Office**

**Offa Area Office**

**Ekiti Area Office**

**Oke-Ero Area Office**

**Ifelodun Area Office**

**Oyun Area Office**

**Irepodun Area Office**

**Patigi Area Office**

# **KWARA STATE INTERNAL REVENUE SERVICE**

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

## **REPORT OF THE MANAGEMENT**

### **Management Report**

The Management is pleased to submit its report together with the audited financial statements for the year ended 31 December, 2021.

### **Events after the Reporting year**

In the opinion of the Directors, the state of the Service`s affairs continues to be satisfactory and no events have occurred to date which would affect the financial statements presented.

### **Principal Activities**

The Service`s principal activities are collection of tax revenue, levies and penalties due to Kwara State Government

### **Result for the year (Income & Expenditure) (N,000)**

Revenue	5,216,102
Expenses	<u>3,962,345</u>
Surplus/(Deficit) for the Year	<u>1,253,757</u>

### **Internally Generated Revenue Performance**

The Service generated a total sum of ₦26,961,014,486 during the year ended 31 December, 2021. Details of the statement of Internally Generated Revenue and disbursements for the year ended 31 December, 2021 are shown on page 26 of this Financial Statements.

### **Independent Auditor**

In accordance with Section 401(c) of the Companies and Allied Matters Act 2020, Messrs A.F. Dawodu & Co. have indicated their willingness to continue in office as Independent Auditor to the Service. A resolution will be proposed at the Meeting authorizing the Directors to fix their remuneration.

**By Order of the Management**

  
**Shehu Mogaji Abdullahi Esq.**  
Company Secretary/Legal Adviser  
Ilorin, Nigeria  
NBA/SCN/028154

..... 23<sup>rd</sup> May ..... 2022

# KWARA STATE INTERNAL REVENUE SERVICE

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

## STATEMENTS OF RESPONSIBILITY OF THE MANAGEMENT

The Companies and Allied Matters Act, 2020 by virtue of Section 374 and 375 requires the Management to prepare financial statements for each financial year that give a true and fair view of the financial affairs of the organization at the end of the year and of its surplus or deficit. The responsibilities include ensuring that the organization:

- (a) Keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the organization with the requirements of the companies and Allied Matters Act, 2020.
- (b) Establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and
- (c) Prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates, and are consistently applied.

The Management accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with Standards issued by the Financial Reporting Council of Nigeria and the requirements of the Companies and Allied Matters Act, 2020.

The Management is of the opinion that the financial statements give a true and fair view of the state of financial affairs of the organization and its Surplus or Deficits. The Management further accepts responsibility for the maintenance of the accounting records that may be relied upon in the preparation of Financial Statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Management to indicate that the Organisation will not remain a going concern for at least twelve months from the date of this statement.

.....  
 Mrs Shade Omoniyi  
 Executive Chairman  
 FRC/2016/IMN/00000014515

.....  
 Mrs. Omolara Ojulari  
 Director (Accounts & Finance)  
 FRC/2022/PRO/ICAN/001/528955

# **KWARA STATE INTERNAL REVENUE SERVICE**

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

## **REPORT OF THE INDEPENDENT AUDITORS**

To the Management of Kwara State Internal Revenue Service

### **Opinion**

We have audited the accompanying financial statements of Kwara State Internal Revenue Service (KWIRS), which comprise the statement of financial position as at 31 December 2021, and the statement of financial performance, changes in net assets, cash flows and comparison between budget and actual amounts for the year ended, and a summary of significant accounting policies and other explanatory information.

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Management in accordance with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We are independent of the Management in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation of the financial statements in accordance with International Public Sector Accounting Standards and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the

financial statements, Management is responsible for assessing the Service's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Service or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

We also obtain an understanding of internal control relevant to the audit 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 Board's internal control, and evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

# KWARA STATE INTERNAL REVENUE SERVICE

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

## REPORT OF THE INDEPENDENT AUDITORS

We conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Board's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Board to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities to express an opinion on the board financial statements. We are responsible for the direction, supervision and performance of the board audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public

disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on other legal and regulatory requirements

The Companies and Allied Matters Act requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) the Board has kept proper books of account, so far as appears from our examination of those books and returns adequate for our audit have been received from branches not visited by us;
- iii) the Board's statement of financial position and statement of comprehensive income are in agreement with the books of account.

  
**A.F. Dawodu & Co.**  
 (Chartered Accountants)  
 FRC/2016/ICAN/00000015420



Date: 5<sup>th</sup> May 2022

# **KWARA STATE INTERNAL REVENUE SERVICE**

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

## **EXECUTIVE CHAIRMAN'S STATEMENT FOR 2021**

The year 2021, just like other past years, witnessed its achievements and challenges in our collection activities across board.

We set our 2021 goals to achieving far better than 2020 and can boldly say, we recorded tremendous successes in the areas of:

- i. Landmark achievement in the 1st Quarter of the year 2021, with an outstanding collection of N9.6billion; a feat that remains the highest in the history of KW-IRS, without any extraordinary item or increment in any tax rate across all revenue legs accruable to the Kwara State Government. This was also made possible due to the backlog of collections from 2020 which were outstanding as at end of the year.
- ii. Total Internally Generated Revenue (IGR) recorded for the year 2021 stood at N26, 961,014,485.76 (Twenty Six Billion, Nine Hundred and Sixty One Million, Fourteen Thousand, Four Hundred and Eighty Five Naira, Seventy Six Kobo), a figure which represents 95.61% achievement of its annual budgetary target of N28, 199,910,200.00 (Twenty Eight Billion, One Hundred and Nine Million, Nine Hundred and Ten Thousand, Two Hundred Naira Only); a feat that is the highest target hit since the agency was founded in 2016.
- iii. Consolidation of Platforms and other Automation opportunities, leveraging on ICT to automate all our business processes.
- iv. Sustained cordial relationship with MDAs to create a conducive

environment in the State and participating in the reforms and Ease of Doing Business agenda of the Governor AbdulRahman AbdulRazaq led Administration.

- v. Improved Tax Compliance by formulating and prioritizing initiatives and programmes that will improve tax compliance.
- vi. Expansion of operation models with regards to correct deductions and remittances of all taxes as and when due.
- vii. Making Staff welfare paramount through activation of more welfare plans such as enrolment of staff into the National Housing Fund (NHF) Scheme, sponsoring of the Kwara Health Insurance (KW-HIA) Scheme for staff, adequate recognition and compensation of hard work, among several others.
- viii. We have reviewed and improved on our major internal processes to boost staff morale, promote collective work ethics and unity of purpose amongst staff at various work levels. These initiatives birthed integration of departments and directorates with similar job functions to improve productivity of staff and prevent working in silos despite parallel goals.
- ix. Self-Service Portal creation, where taxpayers could request for
  - Kwara Residence Identification Number (KRIN) to create personal profile for use on the platform,

# **KWARA STATE INTERNAL REVENUE SERVICE**

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

## **EXECUTIVE CHAIRMAN'S STATEMENT FOR 2021**

- make all forms of revenue payment,
  - upload PAYE Schedule,
  - view Payment History,
  - generate Tax Assessment,
  - file in Tax Returns,
  - request and print Tax Clearance Certificate,
  - request Indigene-ship Certificate and make payment for Hajj & Pilgrimage,
  - get Notification of Assessment and carry out other tax related activities.
- x. Functional e-TCC application and issuance to reduce processing time.
- xi. Appointment of a Director for Legal and Compliance Directorate and another Director for Income Tax Directorate of the Service. Similarly, the recruitment, redeployment and integration of 100 more staff to Area offices to join others in offering seamless tax related services to taxpayers across the State, without the need to travel to the Head Office in Ilorin.
- xii. Cleaned up well over 100,000 Individual and Corporate Taxpayers data and continue to gather credible data for government decision making.
- xiii. Re-profiling of HNIs through conference assessment for fair and justifiable tax regime.
- xiv. Several quick interventions to cushion the effects of covid-19 pandemic on taxpayers and business community in the State and its staff.
- xv. Implementation of symbiotic approach to Community Impact Programmes through continuous delivery of several interventions, and reliefs to help taxpayers and various business owners to operate in conducive environment.
- xvi. The Service delivered several impactful Community Impact Project (CIP) to various needing communities in the State concerning 6Es policy ranging from drilling and installation of a motorized borehole in selected LGAs of the State, payment of backlogs of 2018 edition of the tax club quiz competition for secondary schools in Kwara State and staging/sponsoring of 2021 edition with rewards given to participating schools, teachers and students, building and equipping of language and science laboratories for schools, construction of 24 units of toilet building and culverts at Mandate and Oja-Tuntun Markets, Ilorin West LGA, installation of solar-powered street light at Owode Market and procurement of medical & laboratory equipment for General Hospital in Offa LGA, provision of education & learning materials to schools, distribution of jumbo size umbrellas to marketers and artisans in the State, reconstruction & furnishing of Secondary School library in

# **KWARA STATE INTERNAL REVENUE SERVICE**

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

---

---

## **EXECUTIVE CHAIRMAN'S STATEMENT FOR 2021**

Ifelodun LGA, sponsoring of Artisans on vocational training at IVTEC, among many others.

xvii. KW-IRS since the inception of the AbdulRahman AbdulRazaq led administration has not introduced any new tax for taxpayers or business owners in the State and has not expressed any intention to do so. Rather, available resources are being deployed to the payment and recovery of all existing revenue lines in the State while also blocking leakages and expanding the tax net.

xviii. Successful completion of the recertification audit examination for the two ISO certifications of the Service; Quality Management System (QMS 9001:2015) and Business Continuity Management System (BCMS 22301:2019). The Service is now certified till 2024.

xix. Continuous recognition and appreciation of hardworking work force, as well as ever supportive stakeholders, operation of an open door policy and welcoming ideas capable of improving tax administration in the State and use of expertise, refined processes, and modern-day technology, to outclass its peers in the country.

xx. Development of a road map to grow Kwara State's IGR, systematically and strategically; at a growth rate of 25% per year, using the average of 2019 and 2020 as the base year for 2021.

### **The Reforms:**

i. We have successfully streamlined processes to eliminate duplicate processes in all our deliverables by merging all related revenue generating units to reduce multiple human interface with taxpayers in particular.

ii. Sustained Harmonized Bill System to ensure legitimate taxes are levied on taxpayers and collected into the coffers of the State Government.

iii. Maintenance of the use of online payment platforms- Quickteller, Remita, Etransact and PayArena where Taxpayers could make payments from the comfort of their homes or offices.

iv. Functional 13 Area Offices outside the State capital (Asa, Oke-Ero, Kaiama, Offa, Ekiti, Ifeoldun, Baruten, Moro, Edu, Isin, Patigi, Oyun, and Irepodun Local Government Areas).

v. Continuous integration of all existing sub-systems to our platforms such as (Vehicle Inspection Services (KWAVIS), Motor Licensing System and Kwara State Geographic Information System (KW-GIS) for property related matters and Tertiary Institutions payment platforms in the State, among others.

vi. Implementation of the Ticketing model for collection for the Informal Sector across the State.

# **KWARA STATE INTERNAL REVENUE SERVICE**

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

## **EXECUTIVE CHAIRMAN’S STATEMENT FOR 2021**

vii. Sustenance of robust tax advocacy and sensitization campaigns through all communication media (Print, Broadcast and new media platforms).

viii. Continuous engagement of critical stakeholders in the State for feedback and review of various helpful policies to expand the tax net and improve the revenue of the State.

ix. Continuous improvement on strategies to improving revenue for the State, Prudency and cost cutting initiatives in line with present day realities.

### **CHALLENGES:**

Our challenges over the years remain issues bothering on:

i. Low tax compliance and non-compliance to payment of taxes, particularly among the High-net-worth individuals in the State.

ii. Revenue leakages.

iii. Low reception of the automation systems put in place to block revenue leakages.

iv. Lack of adequate collaboration among MDAs in building reliable taxpayer database for the State. Need for all stakeholders in revenue drive in the State to ensure priority is given to data gathering for developmental decision making.

v. Misconception from both Internal and External stakeholders on what KW-IRS stands for.

### **KW-IRS 3-YEAR STRATEGIC PLAN**

In a bid to finding ways of surmounting issues around revenue generation for the strategic development of the State, as the only established agency of government saddled with the responsibility of mobilizing revenue for the strategic development of the State, the Kwara State Internal Revenue Service (KW-IRS) is set to act the talk. In the beginning of the year 2021 by hosting a strategic retreat with staff and stakeholders on what can be done to move the Service forward, leaving behind all baggage of politics, religion or hierarchy to arrive at a common goal.

i. We believe that for us to move and grow Kwara State's IGR, we have to move systematically and strategically; hence, the need to develop a road map.

ii. The road map commences from 2021 through 2023 at a growth rate of 25% year in year out using the average of 2019 and 2020 as the base year for 2021.

iii. In spite of the unfavorable events in 2020, we were able to implement cost-cutting initiatives and shore up the State's IGR.

# **KWARA STATE INTERNAL REVENUE SERVICE**

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

---

---

## **EXECUTIVE CHAIRMAN'S STATEMENT FOR 2021**

iv. Though the 2021 revenue budget for the state was ₦29,376,709,204, (reviewed to ₦28,199,910,200) on our part in KW-IRS, we gave ourselves a stretched target of ₦31,250,000,000 representing 25% growth rate.

The 3-year strategic plan for KW-IRS is not only protecting the revenues, but also projecting the human capital growth within the same time span. Thus, staff are advised to use their skill sets and knowledge on the job. The Service would in turn ensure that it makes available relevant courses, training and retraining that would help in staff development. An important aspect of such development is staff attitude which affects whatever efforts people put in positively or negatively.

### **10-YEAR SUSTAINABLE DEVELOPMENT PLAN OF KWARA STATE**

Further ahead in the drive of improving IGR, the 10-year Sustainable Development Plan (SDP) was launched for Kwara State, in the year 2021 as part of the Kwara State Governor AbdulRahman AbdulRazaq's efforts to improve the socio economic development of the State.

One of the notable objectives of the plan is to ease the business climate and attract more investments to the State. According to His Excellency, to make the State the top five in the next few years is the top priority of his government. By so doing, revenue will be shored up and development of the State assured.

A provision of the Executive order 001 assented to during the SDP launch requires all MDAs to have Service Level Agreements that clearly explain their processes and state the binding timelines for service delivery to the customers. Every MDA shall publish a complete list of all requirements or conditions for obtaining products and services within the MDA's scope of responsibility, including permits, licenses, waivers, tax related processes, filings and approvals.

Kwara, known as a civil service State, needs to change to a more productive State with array of businesses and innovations through the Ease of Doing Business strategy and investments in critical infrastructure and human capital development.

### **OUR PROJECTION FOR 2022**

The Kwara State Internal Revenue Service (KW-IRS) will continue to improve on efforts towards revenue generation for the State and hinge its performance on expertise, refined processes, and modern-day technology in line with our cashless policy with vision to outclass its peers in the country.

We will continue to improve on various sensitization and campaign programs using the traditional medium, both print, broadcast, and news media to promote tax compliance and correct lingering misconception attached to the establishment of KW-IRS and revenue activities.

# KWARA STATE INTERNAL REVENUE SERVICE

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

## EXECUTIVE CHAIRMAN'S STATEMENT FOR 2021

As the ONLY IRS in the country that is ISO certified, we are resolved to maintaining and sustaining the requirements of the two ISO certifications of the Service: Quality Management System (QMS 9001:2015) and Business Continuity Management System (BCMS 22301: 2019) by ensuring customer satisfaction and business continuity.

### OUR EXPECTATIONS FROM TAXPAYERS

Let us join hands to continue to appeal to every business and taxable individuals in the State to:

- Register with KW-IRS.
- Ensures correct tax returns are done within the time allowable by law.
- Declare all sources of income for appropriate assessment.
- Pay all due on income as tax within the time allowable by law

We cannot but state that our strength as an agency remains in our Human Capital and we intend to continue to prioritize staff welfare and develop an extensive training plan for all which will focus on relevant areas that affect our operations. We shall also continue to support a work life balance and set the ground for a well thought out leave plan so that there are opportunities to relax, rejuvenate and re-energize without affecting the output of the Service.

We remain a performance driven organization and all efforts will be geared towards rewarding excellence and dedication to the best of our

ability. We run an open door policy for constructive ideas that will improve revenue administration and activities of the Service.

In conclusion, I want to emphasize, we hold the Core Values of KW-IRS so importantly and every word in the "SHIRT" should remain our watchword. We dedicate ourselves to Service in Honesty, Integrity, Responsibly and in Trust of ourselves and all.

I encourage and charge both staff and stakeholders, that as we proceed into the 2022, let us remain committed and focused on our goals of revenue mobilization for the strategic development of Kwara State and continue to work collectively and diligently. Each staff must be a good ambassador of his or herself, family, workplace, the State and execute all duties as assigned with all sense of professionalism and dedication.

Thank you.

Shade Omoniyi  
Executive Chairman

# KWARA STATE INTERNAL REVENUE SERVICE

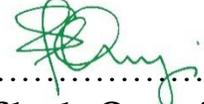
Financial Statement for the Year Ended 31<sup>st</sup> December, 2021

## STATEMENT OF FINANCIAL POSITION

	Note	2021 N'000	2020 N'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash	3	981,764	1,003,917
IGR Collection Accounts Balances	5	868,670	853,716
Receivable and prepayment	7	861,133	862,524
Inventories	4	127,966	134,874
		<b>2,839,533</b>	<b>2,855,031</b>
<b>Non Current Assets</b>			
Investment	5	1,500,000	-
Property, plant and equipment	21	1,176,676	1,078,427
		<b>2,676,676</b>	<b>1,078,427</b>
		<b>5,516,210</b>	<b>3,933,458</b>
<b>Current liabilities</b>			
Payable & Other accrued	8	2,460,795	2,404,172
Employee benefits	9	-	6,031
		<b>2,460,795</b>	<b>2,410,203</b>

Funds		2021 N'000	2020 N'000
State government fund	10	2,080,194	1,827,450
Accumulated fund	11	106,551	(1,157,912)
IGR fund	6	868,670	853,716
		<b>3,055,415</b>	<b>1,523,254</b>
		<b>5,516,210</b>	<b>3,933,458</b>

The Financial Statements on pages 4 to 46 were approved by the Management on 23<sup>rd</sup> May, 2022 and signed on its behalf by:

  
 .....  
**Mrs Shade Omoniye**  
 Executive Chairman  
 FRC/2016/IMN/00000014515

  
 .....  
**Mrs. Omolara Ojulari**  
 Director, Accounts and Finance  
 FRC/2022/PRO/ICAN/001/528955

The accompanying notes form an integral part of these financial statements.

# KWARA STATE INTERNAL REVENUE SERVICE

Financial Statement for the Year Ended 31<sup>st</sup> December, 2021

## STATEMENT OF FINANCIAL PERFORMANCE

	Note	2021 N'000	2020 N'000			2021 N'000	2020 N'000
Total IGR generated for the year	19	26,961,014	19,701,578	Surplus/(deficit) for the period		1,253,757	815,299
						-	-
				<b>Surplus/(deficit) for the period</b>		<b>1,253,757</b>	<b>815,299</b>
Subvention from state government	12	5,216,102	3,710,154	Total Disbursement to State Ministry of Finance	19	26,946,061	20,219,494
<b>Expenses</b>				Net IGR Payables/(Receivables) for the year		14,954	(517,917)
Consultants' commission	14	1,945,051	1,064,285	Percentage of Net IGR to operational income		19	19
Salaries, wages and benefits	13	1,286,436	1,206,368				
Depreciation and amortisation	15	143,989	175,729				
Supplies and consumables used	16	139,980	77,818				
Other operating expenses	17	446,888	370,654				
		<b>3,962,345</b>	<b>2,894,855</b>				

The accompanying notes form an integral part of these financial statements.

# KWARA STATE INTERNAL REVENUE SERVICE

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

## STATEMENT OF CHANGES NET FUND

	Note	State Govt Fund N'000	Accumulated Fund N'000	IGR fund	Total N'000
Bal as at January 2021		1,733,055	(1,935,984)	1,371,633	1,168,704
Capital grant fund	10	94,395	-	-	94,395
Reserve	11	-	(37,227)	-	(37,227)
Surplus/(Deficit) for the period	11	-	815,299	-	815,299
Impairment of receivables	25	-	-	-	-
IGR fund	26	-	-	(517,917)	(517,917)
Surplus for the year		94,395	778,072	(517,917)	354,550
Balance as at December 2020		<b>1,827,450</b>	<b>(1,157,912)</b>	<b>853,716</b>	<b>1,523,254</b>
Bal as at January 2021		1,827,450	(1,157,912)	853,716	1,523,254
Additional Capital Fund from Ministry of Finance	9	252,993	-	-	252,993
Prior year adjustment	9	(249)	-	-	(249)
Reserve	10	-	10,705	-	10,705
Surplus/(Deficit) for the period	10	-	1,253,757	-	1,253,757
Impairment of receivables	25	-	-	-	-
IGR fund	19	-	-	14,954	14,954
Balance as at December 2021		<b>2,080,194</b>	<b>106,550</b>	<b>868,670</b>	<b>3,055,415</b>

The accounting policies and notes to the accounts on pages 29 to 44 form an integral part of these reports and accounts.

# KWARA STATE INTERNAL REVENUE SERVICE

Financial Statement for the Year Ended 31<sup>st</sup> December, 2021

## CASHFLOW STATEMENT

	2021 N'000	2020 N'000			
Surplus/(Deficit) for the year	1,253,757	815,299	<b>Cash Flow from Financing Activities:</b>		
<b>Adjustment for Items not involving Movement of Fund</b>			Grant from state government	252,744	94,395
Depreciation and amortisations	143,725	175,729	IGR fund	14,954	(517,917)
Prior year adjustment	10,705	(37,227)	<b>Net cash used in Financing Activities</b>	<b>267,698</b>	<b>(423,522)</b>
Impairment of receivables	-	-	Net increase/(decrease) in cash and cash equivalents	(7,199)	355,403
Gain/loss on disposal of asset	-	-	Cash and cash equivalent as at January 1, 2021	1,857,632	1,502,229
	<b>1,408,187</b>	<b>953,802</b>	Cash and cash equivalent as at December 31, 2021	<b>1,850,434</b>	<b>1,857,632</b>
<b>Changes in Working Capital</b>			Bank balances from grant account	981,764	1,003,917
(Increase)/Decrease in inventory	6,908	15,687	Bank balances from IGR Collection accounts	868,670	853,716
(Increase)/Decrease in Debtors and Prepayments	1,391	11,530		<b>1,850,434</b>	<b>1,857,633</b>
Increase/(Decrease) in Creditors and Accrued Expenses	56,623	(89,823)			
Increase/(Decrease) in employee benefits	(6,031)	(1,072)			
Net cashflow from operating activities	<b>1,467,078</b>	<b>890,124</b>			
<b>Cashflow from investment activities</b>					
Acquisition of property, plant and equipment	(241,975)	(111,199)			
Deposit for investment	(1,500,000)	-			
Proceed from sales of investing activities					
	<b>(1,741,975)</b>	<b>(111,199)</b>			

The accounting policies and notes to the accounts on pages 34 to 38 form an integral part of these reports and accounts.

# KWARA STATE INTERNAL REVENUE SERVICE

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

## STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT

	Final (Revised) budget N'000	Actual on comparable basis N'000	Performance differences N'000	%
Total IGR generated for the year	28,199,910	26,961,014	(1,238,896)	-4%
10% Operational income from retention	2,819,991	5,216,102	(2,396,111)	-46%
15% Consultant's commission	4,500,000	1,945,051	2,554,949	131%
<b>Expenses</b>	7,319,991	7,161,153	158,838	
Consultants' commission	4,500,000	1,945,051	2,554,949	131%
Salaries, wages and benefits	1,365,480	1,286,436	79,044	6%
Supplies and consumables used	131,616	139,980	(8,364)	-6%
Other operating expenses	707,347	446,888	260,459	58%
	<b>6,704,444</b>	<b>3,818,356</b>	<b>2,886,088</b>	76%
<b>Surplus/(deficit) for the period</b>	<b>(3,884,453)</b>	1,397,746	(331,139)	

# KWARA STATE INTERNAL REVENUE SERVICE

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

## NOTE TO FINANCIAL STATEMENTS & SIGNIFICANT ACCOUNTING POLICIES

### 1 General Information

#### 1.1 Legal Form

Kwara State Board of Internal Revenue (BIR) was restructured to be known as Kwara State Internal Revenue (herein referred to as the Service) on 22nd June, 2015 through Kwara State Revenue Administration Law No 6 of 2015 (as amended) by the Executive Governor of Kwara State. The Service commenced operations on 1st October, 2015. The Service office address is at 27, Ahmadu Bello Way, Kwara State.

#### 1.2 Principal Activities

The Service's principal activities are collection of tax revenue, levies and penalties due to Kwara State Government.

#### 1.3 Financial period

This set of financial statements covers the financial year from 1<sup>st</sup> January, 2021 to 31<sup>st</sup> December, 2021.

#### 1.4 Basis of Measurement

The financial statements have been prepared under the historical cost basis, except as otherwise stated.

### 2 Basis of Preparation– IPSAS 1

#### 2.1 Statement of Compliance– IPSAS 1

The Service's financial statements have been prepared in accordance with

and complied with International Public Sector Accounting Standards (IPSAS).

The financial statements are presented in Naira, which is the functional and reporting currency of the Service. The accounting policies have been consistently applied to all the years presented.

#### 2.2 Basis of Preparation– IPSAS 1

The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the indirect method. The financial statements are prepared on accrual basis

#### 2.3 Functional and Presentation Currency

These financial statements are presented in Naira (₦), which is the Company's functional currency. All financial information presented in Naira has been rounded to the nearest thousand, except where otherwise stated.

#### 2.4a Significant judgments and sources of estimation uncertainty

The preparation of the Service'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.

# **KWARA STATE INTERNAL REVENUE SERVICE**

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

## **NOTE TO FINANCIAL STATEMENTS & SIGNIFICANT ACCOUNTING POLICIES**

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.

### **2.4b Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation 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.

The Service based its assumptions and estimates on parameters available when the 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 Service. Such changes are reflected in the assumptions when they occur. IPSAS1.140.

### **2.4c Revenue from non-exchange transaction –IPSAS 23**

#### **i Transfer from other government entities**

Revenue from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the assets (Cash, goods, services and property) if the transfer is free from conditions

and it is possible that the economic benefits or service potential related to the asset will flow to the Service and can be measured reliably.

#### **ii Revenue from exchange transactions-IPSAS 9**

##### **Rendering of services**

The Service recognizes revenue from rendering of services by reference to the total amount of taxes and other revenue collected on behalf of Kwara State Government when the monthly outcome of the transactions/ revenue generated can be estimated reliably. The statutory retention as operational revenue is usually 10% of the monthly reconciled value of all the Internally Generated Revenue (IGR) collected by the Service.

#### **iii Interest Income**

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

#### **iv Rental Income**

Rental income arising from operating leases on investment properties is accounted on a straight-line basis over the lease terms and included in the revenue. The Service does not currently earn Interest Income and Rental Income during the reporting year.

# KWARA STATE INTERNAL REVENUE SERVICE

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

## NOTES TO FINANCIAL STATEMENT AND SIGNIFICANT ACCOUNTING POLICIES

### 2.5 Budget Information- IPSAS 24

The annual budget is prepared on the cash basis that is all planned costs and income are presented in a single statement to determine the needs of the Service. As a result of the adoption of the accrual basis for budgeting purposes there is a need to 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.

### 2.6 Investment Property-IPSAS 16

Investment properties are measured initially at cost, including transaction cost. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the cost of day-to-day maintenance of an investment property.

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 its estimated useful life period.

Investment properties are derecognized either when they have been disposed off 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 of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made from investment property only when there is change in use.

### 2.7 Property, Plant and Equipment- IPSAS- 17

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 item. When significant parts of property, plant and equipment are required to be replaced at intervals the Service recognize 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 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. When an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

# KWARA STATE INTERNAL REVENUE SERVICE

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

---

## NOTES TO FINANCIAL STATEMENT AND SIGNIFICANT ACCOUNTING POLICIES

Deprecation on other assets is calculated using the straight-line method to allocate their cost to their residual values on a systematic basis over their estimated useful lives. The average useful lives are as follows:

Land	-
Building	5%
Furniture & Fittings	20%
Computer Equipment	20%
Motor Vehicle	25%
Plant & Machinery	10%

The asset`s residual values, useful lives and depreciation method are reviewed on an annual basis and are adjusted if appropriate. An asset`s carrying amount is written down to its recoverable amount if the asset`s carrying is greater than its estimated recoverable amount.

Each part of an item of office equipment, furniture and other tangible assets with a cost that is significant in relation to the total cost of the item is depreciated separately.

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These are included in the surplus or deficit under other operating expenses.

### 2.8 Intangible Assets- IPSAS-31

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

### 2.9 Research and development cost

The Service expends research cost as incurred. Development costs on an individual project are recognized as intangible assets when the Service can demonstrate.

- i. The technical feasibility of completing the asset will be available for use or sale.
- ii. Its intention to complete and its ability to use or sell the asset.
- iii. The availability of resource to complete the asset.
- iv. The ability to measure reliably the expenditure during development.

# KWARA STATE INTERNAL REVENUE SERVICE

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

## NOTES TO FINANCIAL STATEMENT AND SIGNIFICANT ACCOUNTING POLICIES

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 benefits. During the period of development the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

### 2.10 Financial instruments- IPSAS 29

#### a Financial assets

Financial assets within the scope of IPSAS 29 Financial Instrument 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 Service determines the classification of its financial assets at initial recognition.

#### b Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted as 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 cost that are an integral part of the effective rate. Losses arising from impairment are recognized in the surplus or deficit.

#### c Held-to-Maturity

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to maturity when the Service 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 less or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit.

#### d Impairment of Financial Assets

The Service assesses at each reporting date whether there is objective evidence that financial asset or a service of financial assets is impaired. A financial asset or a service is deemed to be impaired if, and only if there is

# **KWARA STATE INTERNAL REVENUE SERVICE**

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

## **NOTES TO FINANCIAL STATEMENT AND SIGNIFICANT ACCOUNTING POLICIES**

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 assets or the service of financial asset that can be reliably estimated.

Evidence of impairment may include the following indications:

- i. The debtors or a service of debtors are expecting significant financial difficulty
- ii. Default or delinquency in interest or principal payments
- iii. The probability that debtors will enter bankruptcy or other financial reorganization
- iv. Observable data indicates a measurable decrease in estimated future cash flows (e.g. changes in arrears or economic condition that correlate with default).

### **2.11 Financial Liabilities**

#### **a 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 Service 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.

#### **b Loan 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 IPSAS 29. 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.

### **2.12 Inventories- IPSAS 12**

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

# KWARA STATE INTERNAL REVENUE SERVICE

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

## NOTES TO FINANCIAL STATEMENT AND SIGNIFICANT ACCOUNTING POLICIES

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 current replacement cost.

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 at an expense when deployed for utilization or consumption in the ordinary course of operations of the Service.

### 2.13 Provision- IPSAS 19

Provisions are recognized when the Service has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resource 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 Service 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 expenses relating to any provision is presented in the statement of financial performance net of any reimbursable.

### 2.14 Contingent liabilities

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

### 2.15 Contingent assets

The Service does not recognize contingent asset, but discloses details of a possible 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 Service in the notes to the financial statements. Contingent assets are assessed continually to ensure that development are appropriately reflected in the financial statements.

If it has become virtually certain that an inflow of economic or service potential will arise and the asset's value can be measured reliably, the asset and related revenue are recognized in the financial statements of the period in which the change occurs.

### Nature and purpose of reserves

The Service creates and maintains reserves in terms of specific requirements. The Service states reserves maintained and appropriate policies adopted.

# **KWARA STATE INTERNAL REVENUE SERVICE**

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

## **NOTES TO FINANCIAL STATEMENT AND SIGNIFICANT ACCOUNTING POLICIES**

### **Changes in accounting policies and estimates- IPSAS 3**

The Service recognizes the effects of change in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively is retrospective as prospective application is impractical.

### **2.16 Employee benefits-IPSAS- 25**

#### **Retirement benefit plans**

The Service provides retirement benefits for its employees and Directors. Defined contributory plans are post-employment benefit plans under which Service pays fixed contributions into a separate Service (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 employment benefits relating to employee service in the current and prior periods. The contribution to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

### **2.17 Foreign currency transactions – IPSAS 4**

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Payables or 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

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.

### **2.18 Related parties – IPSAS 20**

The Service regards a related party as a person or a Service with the ability to exert control individually or jointly, or to exercise significant influence over the Service, or vice versa. Members of key management are regarded as related parties and comprise the Board of Directors and senior management staff.

### **2.19 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term 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. Bank account balances include amounts held at various commercial banks at the end of the financial year.

# KWARA STATE INTERNAL REVENUE SERVICE

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

## NOTES TO FINANCIAL STATEMENT AND SIGNIFICANT ACCOUNTING POLICIES

**Note** For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorized persons which were not surrendered or accounted for at the end of the financial year.

	2021	2020
	N'000	N'000
<b>3 Cash and Cash Equivalents</b>		
Guaranty Trust Bank Plc	37,432	8,346
First Bank Plc	943,340	995,317
FCMB Plc	76	76
Office Cash Account - Imprest	916	177
POS Imprest	-	-
	<b>981,764</b>	<b>1,003,917</b>

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

	2021	2020
	N'000	N'000
<b>4 Inventories</b>		
Stock - Security Store Items	99,164	4,610
Stock - Non Security Store Items	21,333	114,619
Stock –Stationery	7,469	15,645
	<b>127,966</b>	<b>134,874</b>

	2021	2020
	N'000	N'000
<b>5 Investments</b>		
Investment - Ilorin International Conference Centre (IICC)	1,500,000	-
	<b>1,500,000</b>	<b>-</b>

# KWARA STATE INTERNAL REVENUE SERVICE

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

## NOTES TO FINANCIAL STATEMENTS

Note		2021	2020		2021	2020
		N'000	N'000		N'000	N'000
<b>6</b>	<b>IGR Collection Accounts Balances</b>			IGR Collection Accounts Balances represents cash balances maintained by State Ministry of Finance which is not under the control and supervision of Kwara State Internal Revenue Services but serves as collecting agent		
	Access bank	63,282	30,547			
	Diamond bank	-	-			
	Eco bank	39,858	152,519			
	FCMB	103,712	97,002			
	Fidelity bank	(11,553)	(26,842)			
	First bank	235,734	110,462			
	GTB	154,753	112,250			
	Heritage bank	1,309	54,254			
	Jaiz bank	7,344	6,734			
	Keystone bank	13,195	(637)			
	Skye bank	117,422	252,269			
	Stanbic IBTC	17,724	22,502			
	Sterling bank	24,816	2,651			
	UBA	29,987	50,941			
	Union bank	(5,475)	(9,583)			
	Unity bank	62,526	6,150			
	Wema bank	22,322	854			
	Zenith bank	(8,284)	(8,355)			
		<b>868,670</b>	<b>853,716</b>			
<b>7</b>	<b>Receivables and Prepayments</b>					
	Staff Car Loans					
	Loan to government owned companies - KP3	13,419	13,419			
	Staff Training Loan	-	5			
	Advances to Local Governments	2,250	6,056			
	Release to KWSG - Donation of transformer - MOF	279,500	279,500			
	KWSG (mass titling committee)	12,764	12,764			
	Receivables - Kwara State Government (CAPEX)	436,920	436,920			
	KWSG (Advance to Kwara State Auditor General)	3,213	3,213			
	Receivables - Ministry of Finance (Note 17)	110,646	110,646			
	Kwara Health Insurance fund	2,421	-			
		<b>861,133</b>	<b>862,524</b>			

# KWARA STATE INTERNAL REVENUE SERVICE

Financial Statement for the Year Ended 31<sup>st</sup> December, 2021

## NOTES TO FINANCIAL STATEMENTS

Note		2021 N'000	2020 N'000					
8	<b>Payables &amp; Other Accounts</b>			9	<b>Employee Benefits</b>			
	Staff Claims (Operational Expenses)	130	762		Contributory pension	0	6,031	
	Other Consultant Payables	13,770	6,591			<b>0</b>	<b>6,031</b>	
	Contractors	75,096	3,959			Defined Contribution Plan - The balance on the pension payable accounts represents the amount due to Pension Fund Administrators which are yet to be remitted at year end.		
	Other payables	13,338	401		10	<b>Fund Capital</b>		
	Velox Enterprise Payable	1,799,353	1,799,353			At January 1st	1,827,450	1,733,055
	CSCD payables	370,232	370,232			Prior Year Adjustment Note 19	(249)	-
	Mazars Consulting paybles	130,520	130,520			Additional Capital Fund from Ministry Of Finance	252,993	94,395
	Superflux International- Contractors of Security documents	13,340	13,340				<b>2,080,194</b>	<b>1,827,450</b>
	Federal Road Safety Commission	2,488	30,325		11	<b>Accumulated Fund</b>		
	Consultant - TAMA	115	-			At January 1st	(1,157,912)	(1,935,984)
	KWIRS IGR - (PAYE)	(0)	3			Reserve	10,705	(37,227)
	KWIRS IGR - (WHT)	3,593	143			Surplus of Income Over Expenditure	1,253,757	815,299
	FIRS - (VAT)	9,977	25,824				<b>106,551</b>	<b>(1,157,911)</b>
	FIRS - (WHT)	3,950	22,147		12	<b>Income</b>		
	KWIRS IGR - (DEV. LEVY)	5,055	569			Operational Income	5,182,988	3,629,370
	KWIRS IGR - (Pay As You Drink)	-	3			IGR REFUND - From Expenditure Account	-	(761)
	FIRS - STAMP DUTY	644	-				5,182,988	3,628,609
	KWIRS - STAMP DUTY	719	-			Other Income	33,114	81,545
	Union Dues	(0)	-				<b>5,216,102</b>	<b>3,710,154</b>
Personal Emoluments	47	-		The total amount of N761,205 deducted from operational Income represents tax refund to tax payers which Ministry of Finance mandated the KW-IRS to take away from their subvention known as operational income for the year.				
Compumetrics Solutions Limited	(28)	-						
Payable - Procurement/Facility Officer	2,807	-						
SUBEB FUND	14,310	-						
MIN of FIN - TRANSIT (SUBEB/TENDER)	1,340	-						
	<b>2,460,795</b>	<b>2,404,172</b>						

Consultants' Commission - This represent the unpaid balances in respect of the Revenue. Collection Consultants engaged by the Service on behalf of the State Government. The Consultants' Commission is 15% of the revenue collected.

# KWARA STATE INTERNAL REVENUE SERVICE

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

## NOTES TO FINANCIAL STATEMENTS

Note		2021 N'000	2020 N'000				
<b>13</b>	<b>Salaries wages and employee benefits</b>			<b>17</b>	<b>Other Operational Expenses</b>		
	Salaries and Allowances	970,184	936,015		Transport & Travel 16.1	33,384	22,874
	Performance Bonus	196,240	153,186		Utilities – General 16.2	40,692	20,273
	Responsibility Allowance	35,285	33,938		Maintenance service – General 16.3	38,678	50,981
	Contributory Pension	84,727	83,229		Training – General 16.4	34,412	53,312
		<b>1,286,436</b>	<b>1,206,368</b>	Other Services – General 16.5	35,554	27,928	
<b>14</b>	<b>Consultants' Commission</b>			Fuel & Lubricant – General 16.6	58,156	43,036	
	Financial Consulting	1,945,051	1,064,285	Financial Charges – General 16.7	16,748	28,611	
		<b>1,945,051</b>	<b>1,064,285</b>	Miscellaneous Expenses – General 16.8	189,262	123,639	
<b>15</b>	<b>Depreciation and Amortization</b>				<b>446,888</b>	<b>370,654</b>	
	Depreciation Charges	143,989	175,729	<b>17.1</b>	<b>Transport &amp; Travel</b>		
	<b>143,989</b>	<b>175,729</b>	Local Transport & Travel		27,063	22,874	
<b>16</b>	<b>Supplies and Consumables used</b>			International Transport & Travel (Training)	-	-	
	Office Stationeries/Computer Consumable	13,101	13,784		<b>27,063</b>	<b>22,874</b>	
	Books and Journal	318	-	<b>17.2</b>	<b>Utilities – General</b>		
	Magazines & Periodicals	85	594		Electricity Charges	15,746	8,772
	Printing of Non Security Documents	35,450	13,978		Internet Access Charges	18,582	11,501
Printing of Security Documents	91,027	49,463	Software Charges/Licence Renewal		6,365	-	
		<b>139,980</b>	<b>77,818</b>		<b>40,692</b>	<b>20,273</b>	

# KWARA STATE INTERNAL REVENUE SERVICE

Financial Statement for the Year Ended 31<sup>st</sup> December, 2021

## NOTES TO FINANCIAL STATEMENTS

Note		2021	2020
17.3	Maintenance service – General	N'000	N'000
	Maintenance of Motor Vehicle/Transport Equipment	22,875	34,982
	Maintenance of Building & Residential QTRS	10,007	8,089
	Maintenance of Office/IT Equipments	3,985	5,786
	Maintenance of Plant/Generators	1,812	2,124
		<b>38,678</b>	<b>50,981</b>
17.4	<b>Training – General</b>		
	Local Training	34,412	19,413
	Foreign Training	-	9,878
	Seminar, Workshops and Conferences	-	24,021
		<b>34,412</b>	<b>53,312</b>
17.5	<b>Other Services – General</b>		
	Security Expenses	15,605	14,937
	Cleaning & Fumigation Services	19,949	12,990
		<b>35,554</b>	<b>27,928</b>
17.6	<b>Fuel &amp; Lubricant – General</b>		
	Motor Vehicle Fuel Cost	28,294	17,942
	Plant/Generator Fuel Cost	29,862	25,094
		<b>58,156</b>	<b>43,036</b>

17.7	<b>Financial Charges – General</b>		
	Audit Fee	-	9,400
	Bank Charges (Others than Interest)	2,869	3,254
	Insurance Premium	9,079	15,956
		<b>11,948</b>	<b>28,611</b>
17.8	<b>Miscellaneous Expenses – General</b>		
	Refreshment & Meals	2,082	1,920
	Loss on inventory-expired	524	-
	Publicity & Advertisements	36,108	34,700
	Postages & Courier Services	1,082	1,230
	Welfare Package	9,611	9,880
	Subscription to Professional Bodies	2,792	2,816
	Annual Budget Expenses & Administration	333	100
	Operational Expenses	27,429	9,994
	Monitoring & Evaluation (Community Impact)	103,369	59,928
	Meeting/Visitation Expenses	5,933	3,072
		<b>189,262</b>	<b>123,639</b>

# KWARA STATE INTERNAL REVENUE SERVICE

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

## INTERNALLY GENERATED REVENUE PERFORMANCE

Note		2021	2020		2021	2020
		N'000	N'000			
18	<b>Receivables – Ministry of Finance</b>			<b>Disbursement</b>		
	Balance brought forward	110,646	110,646	Sweeping to TSA Account	14,750,549	12,427,733
	Total	110,646	110,646	Retained Collections	11,146,310	5,986,687
	Less: Refund during the year	-	-	Ministerial Retained Collection	344,060	235,926
		<b>110,646</b>	<b>110,646</b>	Bank Charges	15,310	9,792
19	<b>Current year IGR</b>			Hajj/Christian Pilgrims Accounts	689,831	1,559,357
	Directorate of Corporate	10,691,814	8,691,628	Total Fund Disbursed	<b>26,946,061</b>	<b>20,219,494</b>
	Directorate of Informal Sector	229,441	114,815	<b>Net IGR Payables/(Receivables) for the year</b>	14,954	(517,917)
	Directorate of MDAs (MLA)	733,847	429,734	IGR Fund brought forward	853,716	1,371,633
	IGR Collection - Ministries	2,663,584	3,647,372	<b>IGR Fund carried forward</b>	<b>868,670</b>	<b>853,716</b>
	Parastatals	1,370,093	753,756			
	Local Governments IGR	490,849	77,586			
	Tertiary Institutions	10,781,386	5,986,687			
	Total Internally Generated Revenue	<b>26,961,014</b>	<b>19,701,578</b>			

# KWARA STATE INTERNAL REVENUE SERVICE

Financial Statement for the Year Ended 31<sup>st</sup> December, 2021

## NOTES TO FINANCIAL STATEMENTS

Note	Land	Building	Furniture's & Fittings	Plant & Machinery	Office Equipment	Motor Vehicle	Total
20	N'000	N'000	N'000	N'000	N'000	N'000	N'000
<b>Cost</b>							
As at January 31, 2021	200,000	867,518	75,316	19,487	156,005	391,392	1,709,718
Additions for the year	-	60,818	14,539	173	97,034	69,410	241,975
Adjustment on prior year accumulated depr.	-	-	-	-	-	-	-
As at 31 December, 2021	<b>200,000</b>	<b>928,336</b>	<b>89,855</b>	<b>19,659</b>	<b>253,039</b>	<b>460,802</b>	<b>1,951,692</b>
<b>Cost</b>							
As at January 31, 2020	200,000	849,631	55,820	15,565	139,718	337,785	1,598,519
Additions for the year	-	17,887	19,496	3,922	16,287	53,607	111,199
Adjustment on prior year accumulated depr.	-	-	-	-	-	-	-
As at 31 December, 2020	<b>200,000</b>	<b>867,518</b>	<b>75,316</b>	<b>19,487</b>	<b>156,005</b>	<b>391,392</b>	<b>1,709,718</b>
<b>Depreciation</b>							
As at 1st January, 2021	-	138,479	48,851	6,507	105,926	331,528	631,291
Charge for the year	-	46,417	17,971	1,966	50,608	26,763	143,725
Adjustment on prior year accumulated depr.	-	-	-	-	-	-	-
At December 31, 2021	-	<b>184,896</b>	<b>66,822</b>	<b>8,473</b>	<b>156,534</b>	<b>358,291</b>	<b>775,016</b>
<b>Depreciation</b>							
As at 1st January, 2020	-	95,897	36,532	4,913	76,289	241,931	455,561
Charge for the year	-	42,582	12,319	1,595	29,637	89,597	175,729
As at December 31, 2020	-	<b>138,479</b>	<b>48,851</b>	<b>6,507</b>	<b>105,926</b>	<b>331,528</b>	<b>631,291</b>
<b>Carrying Amount</b>							
At December 31, 2021	<b>200,000</b>	<b>743,441</b>	<b>23,033</b>	<b>11,186</b>	<b>96,505</b>	<b>102,511</b>	<b>1,176,676</b>
<b>Carrying Amount</b>							
At December 31, 2020	<b>200,000</b>	<b>729,039</b>	<b>26,465</b>	<b>12,979</b>	<b>50,079</b>	<b>59,864</b>	<b>1,078,427</b>

# KWARA STATE INTERNAL REVENUE SERVICE

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

## NOTES TO FINANCIAL STATEMENTS

Note		2021 N'000	2020 N'000
<b>21</b>	<b>Information Regarding Directors and Employees</b>		
<b>21.1</b>	<b>Director</b>		
	The Aggregate Emolument of the Director was:		
	Remuneration		
	Highest paid Director	13,501	13,501
		13,501	13,501
	The number of Director with gross emolument within the stated bands was:		
	N5,000,000 - N7,000,000	Nil	7
	Above N7,000,000	5	1
		5	8
<b>21.2</b>	<b>Employees</b>		
	The average number of employees engaged in the year were as follows:		
	Managerial	8	6
	Senior	56	59
	Junior	788	865
		<b>852</b>	<b>930</b>
	The costs relating to the above were:		
	Salaries and allowances	970,184	936,015
	Other Costs	316,253	270,353
		<b>1,286,436</b>	<b>1,206,368</b>
	Below shows the salary bands and number of employees of the year:	Number	Number
	N300,000 - 1,000,000	594	672
	N1,000,001 - 2,000,000	193	193
	N2,000,001 - 3,000,000	41	41
	Above N3,000,000	24	24
		<b>852</b>	<b>930</b>

**22 Financial Commitments**

The Directors are of the opinion that all known commitments which are relevant in assessing the state of affairs of the Service have been taken into consideration in the preparation of these financial statements.

**23 Contingent Liabilities**

As at December 31, 2021, there were 2 pending legal proceedings, including CSCD of ₦370 million, still under investigation by the EFCC, and N130.5 million by Mazars Consulting, instituted against the Kwara State Internal Revenue Service. The directors and solicitors acting on behalf of the company do believe that ₦130.5 million by Mazars Consulting will have a material effect and the provision has been made in the financial statements. The directors do not believe that the proceedings on ₦370 million of CSCD will have a material effects on the results, hence no provision has been made in the financial statements.

**24 Events after Reporting Period**

There is no any post-reporting date event that can have material effect on the state of affairs of the Service as at 31 December, 2021.

**25 Approval of Financial Statements**

The Financial Statements were approved by the Management on 16<sup>th</sup> Aug., 2022

# KWARA STATE INTERNAL REVENUE SERVICE

Financial Statement for the Year Ended 31<sup>st</sup> December, 2021

## STATEMENT OF VALUE ADDED

Particulars	2021	%	2020	%
	N'000 =N=		N'000 =N=	
Generation of Value Added:				
Subvention from Government	5,216,102		3,710,154	
<b>Total Subvention from Governments</b>	<b>5,216,102</b>		<b>3,710,154</b>	
Less Bought in Material and Services Cost				
Supplies and consumables used	139,980		77,818	
Other operating expenses	446,888		370,654	
Consultants' commission	1,945,051		1,064,285	
<b>Total Bought in Material and Services Cost</b>	<b>2,531,919</b>		<b>1,512,757</b>	
<b>Gross Value Added (GVA)</b>	<b>2,684,183</b>	<b>100</b>	<b>2,197,397</b>	<b>100</b>
<b>Statement Showing Application of Value Added:</b>				
		% of GVA		
<b>Payment to Employees</b>				
Receipt by Workers/Employees	1,286,436	45	1,206,368	55
<b>Future</b>				
Depreciation	143,989	5	175,729	8
Surplus/(Deficit) for the year	1,253,757	47	815,299	37
	<b>2,684,183</b>	<b>97</b>	<b>2,197,397</b>	<b>100</b>

# KWARA STATE INTERNAL REVENUE SERVICE

*Financial Statement for the Year Ended 31<sup>st</sup> December, 2021*

## FIVE YEARS FINANCIAL SUMMARY

	2021 N'000	2020 N'000	2019 N'000	2018 N'000	2017 N'000
<b>STATEMENT OF FINANCIAL POSITION</b>					
Non-current asset	2,676,676	1,078,427	1,142,957	988,907	752,140
Current asset	2,839,533	2,855,031	2,526,845	4,763,092	2,832,863
Current liabilities	(2,460,795)	(2,410,203)	(2,501,098)	(2,482,022)	(1,703,133)
Net assets	<b>3,055,415</b>	<b>1,523,255</b>	<b>1,168,704</b>	<b>3,269,977</b>	<b>1,881,870</b>
Capital and reserves					
Fund Capital	2,080,194	1,827,450	1,733,055	1,533,055	1,107,790
Accumulated Fund	106,551	(1,157,911)	(1,935,984)	1,316,267	774,080
IGR Fund	868,670	853,716	1,371,633	-	-
	<b>3,055,415</b>	<b>1,523,255</b>	<b>1,168,704</b>	<b>2,849,322</b>	<b>1,881,870</b>
<b>COMPREHENSIVE INCOME STATEMENT</b>					
Subvention	5,216,102	3,710,154	4,005,673	5,842,379	4,940,088
Expenses	3,962,345	2,894,855	4,226,816	5,328,598	5,271,953
Surplus for the year	1,253,757	815,299	(221,143)	513,781	(331,866)



**KW-IRS wins the 2021 Independence Cup in Soccer and Table Tennis**



**Official Presentation of the three awards of Over-All Best Student in CITN October 2021 Examination**



**Winners of 2021 KW-IRS Tax Club Competition**



**Harnessing Revenue Potentials in Kwara: KW-IRS continues its working visit to MDAs**



**ICAN Principal Officers visit KW-IRS**



**KW-iRS**  
KWARA STATE INTERNAL REVENUE SERVICE