



Kano State Government of Nigeria

Office Of The Auditor-General, Kano State

PERFORMANCE REPORT ON:

**PRIMARY HEALTH CARE MANAGEMENT BOARD
FOR THE YEAR ENDED**

31ST DECEMBER 2025.

Submitted to the Honorable House of Assembly

JUNE 2026

**AUDITOR-GENERAL'S REPORT ON THE FINANCIAL
PERFORMANCE OF THE PRIMARY HEALTH CARE
MANAGEMENT BOARD (PHCMB) FOR THE 2025 ZERO-YEAR
HOPE HEALTH BASELINE ASSESSMENT**

1.0 EXECUTIVE SUMMARY

In accordance with the Constitutional mandate of the Office of the Auditor-General and the requirements of the HOPE-PHC Programme, an audit review was conducted on the financial activities of the Primary Health Care Management Board (PHCMB) for the 2025 fiscal year.

The report represents the Zero-Year Financial Statements for the HOPE-PHC Programme and provides baseline information for future comparative reporting.

The audit exercise examined accuracy, budgetary allocations, expenditure performance, financial management practices, compliance with approved appropriations, and utilization of public resources.

PHCMB has opening balance of N1.426 billion and total receipts of N9.333, while total expenditure was to the tune of N8.929 billion against a final approved budget of N11.051 billion, representing a budget implementation rate of 80.87% during the year under review.

STATEMENT OF SOURCES AND USES OF FUNDS

Receipts Statement

Description	2025 N'000	2024 N'000
Opening Balances Cash Balance Unicef	85,458	85,595
Opening Balance Routine Immunization	2,021	2,021
Opening Balance HMOU	2,572	10,158
Opening BHNPF (NPHCDA)	1,331,158	1,362,186
Opening Balance Covid 19	4,864	4,864
Sub-Total (A)	1,426,073	1,464,824
Add: Receipts During the year:		
Unicef	663,167	978,587
Routine Immunization Activities	825,464	88,002
HMOU	611,775	98,417
Basic Health Care Fund Development(BHNPF) National Primary Healthcare Development Agency (NPHCDA)	1,488,929	918,552
Covid 19	-	-
Counterpart Funding:		
Government Subvention	5,743,969	

Sub-Total (Receipts) (B)	9,333,304	2,083,558
Total Sources of Funds C= (A+B)	10,759,377	3,548,382
Payments Statement:		
Capital Expenditure	7,214,169	855,630
Overhead Cost	1,322,854	921,455
Personnel Cost	391,693	345,224
Total Payments (D)	8,928,716	2,122,309
Closing Balance	1,830,661	1,426,073

3.0 Expenditure by Classification:

Administrative Classification

Description	Final Budget (N'000)	Actual Expenditure (N'000)	Variance (N'000)	Performance
Social Services Sector	11,040,608.99	8,928,716.17	2,111,892.82	80.87%
Ministry of Health	11,040,608.99	8,928,716.17	2,111,892.82	80.87%
PHC Management Board	11,040,608.99	8,928,716.17	2,111,892.82	80.87%

4.0 Functional Classification

Function	Final Budget N'000	Actual N'000	Performance
General Public Services	2,882,785	2,456,412	85.21%
Health	1,780,212	1,049,892	58.98%
Education/Training Related Functions	6,388,363	5,422,412	84.88%
Total	11,051,360	8,928,716	80.79%

Total Functional Expenditure:

Final Budget: N11.041 billion

Actual Expenditure: N8.929 billion Budget Utilization

Rate: 80.79

PROGRAMME CLASSIFICATION

Description	Approved Budget N000	Actual Expenditure N000	Variance N000	Performance %
Governance of Health System	4,681,211	3,526,013	1,155,198	53.96%
Community Engagement	521,731	443,471	78,260	85.00%
EPHS Delivery	2,482,470	1,959,888	522,582	78.95%
Health Infrastructure	2,569,226	2,326,358	242,868	90.55%
Medicines and Commodities	775,259	658,970	116,289	85.00%
Institution and maintenance of a responsive public health emergency preparedness system	15,852	13,474	2,378	85.00%
Health Sector Expenditures Not Elsewhere classified	5,611	542,000	5,070	10.00%
Total	11,051,360	8,928,716	3,115,197	81%

COMPARATIVE EXPENDITURE ANALYSIS

Programme	2025 Actual (N)	2024 Actual (N)	Increase/ (Decrease)
Capital	7,214,169	855,630	6,358,539
Overhead Cost	1,322,854	921,455	1,319,654
Personnel Cost	391,693	345,224	46,469
	8,928,716	2,122,309	7,724,663

STATEMENT OF DEBT STOCK

	Amount (N)'000
Domestic Loans	23,439,514
Foreign Loans	200,638,076
Total Debt Stock	224,077,590

DEBT SERVICE STATEMENT

Description	Amount (N)
Principal Repayment	13,760,228
Interest Charges	4,948,731
Total Debt Service	18,708,959

NOTES

Kano State Government Consolidated Financial Statements for the year ended 31 December, 2025

Notes to the Financial Statements

Notes	Codes	Description	31 st Dec, 2025 N'000
28	4102	Total Debt Stock	31 Dec, 2025 N'000
	410201	Internal Debts	23,439,514
	410202	External Debts	200,638,076
		Total	224,077,590
28i	4203	Long Term Public Debt (Borrowing)	
		Internal Public Debt (Borrowing)	14,463,198
		External Public Debt (Borrowing)	190,905,433
		Sub-Total	205,368,631
28iii	2206	Repayment of Loan (Total Debt Service)	31 Dec, 2025 N'000
	220303	Principal Amount	13,760,228
	220601 & 220602	Public Debt Charges	4,948,731
			18,708,959
		Note*	
		Loan Repayment for the year ended 2024	
		less: Repayments for Dec 2023 Paid in Jan 2024	
		Eleven months Loan Repayments (FAAC Deduction)	
		Add: Repayments for Dec 2024 Paid in Jan 2025	
		Adjusted Loan Repayments for the year 2024	
		Loan Repayment for the year ended 2025	18,708,959
		less: Repayments for Dec 2024 Paid in Jan 2025	(963,905)
		Eleven months Loan Repayments (FAAC Deduction)	17,745,055
		Add: Repayments for Dec 2025 Paid in Jan 2026	1,758,566

		Adjusted Loan Repayments for the year 2025	19,503,621
29		Proceeds from Borrowing	31 Dec, 2025 N'000
		External Loan	
		Kano State Agro Climatic Resilience in Semi-arid Landscape (ACReSAL) Project	18,414,255
		Rural Access Agricultural Marketing Project	4,421,894
		Kano State Agro Pastoral Development Project	854,557
		Kano State- Accelerated Nutrition Results -IDA	-
		Total	23,690,705
		*Details of Debt Stock (See, Schedule 10 and 11)	
		Note	
		State Domestic Debt Profile	
		Power Intervention Fund: This is a Loan from the Federal Government of Nigeria to the Kano State Government through Fidelity Bank. The loan Principal amount was 10 billion at 7% interest rate with estimated life-span of 10 years for the execution of Independent Power Supply Project (IPP) in the State.	

5.0 AUDIT OBSERVATIONS

5.1 Budget Execution

The Board achieved an overall budget implementation rate of approximately 81%, indicating satisfactory utilization of appropriated funds.

5.2 Unutilized Budget

A total budget variance of ₦2.122 billion was observed, representing resources not expended during the fiscal year.

5.3 Public Health Expenditure

Public Health Services recorded expenditure of ₦1.049 billion against a budget of ₦1.775 billion, indicating implementation challenges in core health service delivery activities.

5.4 Financial Controls

No evidence of expenditure beyond approved appropriations was identified from the records reviewed.

6.0 CONCLUSION

The financial statements and expenditure schedules reviewed indicate that the Primary Health Care Management Board substantially complied with approved budgetary provisions. Financial performance was generally satisfactory, with an overall implementation rate exceeding 80%.

However, significant unutilized balances within public health service programmes require management attention to improve service delivery outcomes.

7.0 RECOMMENDATIONS

- I. Strengthen budget implementation mechanisms to achieve not less than 90% execution.
- II. Improve procurement and project execution planning.
- III. Enhance monitoring of programme expenditure.
- IV. iv. Strengthen quarterly financial performance reviews.
- V. v. Ensure all future expenditures are linked to measurable health outcomes under the HOPE Health framework.
- VI. Improve budget utilization and programme implementation.
- VII. Strengthen commitment accounting.
- VIII. Maintain comprehensive fixed asset registers.
- IX. Conduct annual stock verification.
- X. Strengthen debt reporting and disclosures.

- XI. Improve quarterly financial reporting.
- XII. Ensure full IPSAS compliance for future reporting periods.

SUBSEQUENT EVENTS

Management shall disclose all material events occurring between the reporting date and the date of approval of the Financial Statements.



Rabiu Yusuf, cna
Auditor-General
Kano State

FRC/2026/PRO/ANAN/004/514307

Date: June 2026