

OFFICE OF THE STATE AUDITOR GENERAL


State Audit Headquarters, P.M.B. 53554, New Secretariat, Ado-Ekiti, Nigeria.
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AUDIT CERTIFICATE

I have examined the Financial Statements of Ekiti State Government as at 31st December, 2017 in accordance with section 125 (2) of the Constitution of the Federal Republic of Nigeria, 1999 (as amended). I have obtained information and explanations that I required for my audit.

Ekiti State Government initiated accrual basis IPSAS on 1st January, 2017 and elected to adopt transitional exemptions in IPSAS 33 that allows it to apply deemed cost and a transitional period of up to three years. As a result of adopting these transitional exemptions and provisions, the Ekiti State Government is not able to make an explicit and unreserved statement about its full compliance with accrual basis IPSASs. These financial statements are therefore referred to as the first transitional IPSAS financial statements of Ekiti State Government.

In my opinion, the Financial Statements and the supporting Accounts give a true and fair view of the State of affairs of Ekiti State Government as at 31st December, 2017 subject to further observations in my Reports.


D. A. Kayode (FCNA, FCRIP, ACTI)
FRC/2014/ANA/00000010277
Auditor-General, Ekiti State.

REPORT OF THE ACCOUNTANT-GENERAL

I am delighted to present the first transitional Accrual IPSAS Financial Statements of the Ekiti State Government (EKSG) for the Year Ended 31st December, 2017 together with the Auditor's Report on the Financial Statements which include:

- i. Statement of Financial Performance;
- ii. Statement of Financial Position;
- iii. Statement of Change in Net Assets/Equity;
- iv. Statement of Cash Flow; and
- v. Statement of Comparison of Budget and Actual Amount.

The Financial Statements of EKSG for the year ended 31st December, 2017 have been prepared on an IPSAS Accrual Basis in compliance with International Public Sector Accounting Standards 33 (IPSAS 33). The Financial Statements equally complied with Generally Accepted Accounting Principles and Practice (GAAPP) and other Financial Regulations.

The implementation of Accrual Accounting by EKSG will facilitate easy assessment of the financial performance of the State. The Financial Statements depict all expenses whether paid for or not and all revenue whether received or outstanding. Furthermore, it provides useful information on the ability of income streams to adequately cover short and long term liabilities as well as better information on government spending which in turn drives better utilization of government resources.

The Financial Statements fairly reflect the financial position of EKSG as at 31st December, 2017 and its financial performance for financial year under review.

I wish to acknowledge the loyalty and dedication of members of staff of Main Accounts Department and entire staff of Office of the Accountant-General towards the success of this work. I appreciate all Accountants in the Ministries, Departments and Agencies (MDAs) who supplied and defended the data. The support of the State Government for the kind consideration of our request is equally and highly appreciated.


O. O. OWOLABI (MRS) FCNA, FCE, FIICA
FRC/2016/ANAN/00000015218
ACCOUNTANT-GENERAL/PERMANENT SECRETARY
EKITI STATE



EKITI STATE OF NIGERIA
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER, 2017



	NOTES	31/12/2017	31/12/2017	01/01/2017	01/01/2017
		N	N	N	N
CURRENT ASSETS					
Current Assets					
Cash and Cash Equivalent	31	11,384,068,689.98		13,578,026,761.94	
Inventories	32	-		-	
Receivables	33	4,027,411,377.47		4,698,421,378.84	
Prepayments/Arrears of Revenue	34	-		-	
TOTAL CURRENT ASSETS (A)			15,411,480,067.45		18,276,448,140.78
NON-CURRENT ASSETS					
Investment (Bond Sinking Fund Account Balance)	37	2,561,428,000.00		2,268,494,000.00	
Property Plant and Equipment	38	3,061,103,388.43		-	
Work in Progress (PPE)	43	6,702,443,938.85		-	
TOTAL NON-CURRENT ASSETS (B)			12,324,975,327.28		2,268,494,000.00
TOTAL ASSETS (C=A+B)			27,736,455,394.73		20,544,942,140.78
LIABILITIES					
Current Liabilities:					
Deposits			-	-	
Loans & Debt (Short-term)			-	-	
Unremitted Deductions	39	1,265,750,692.70		465,203,370.72	

	NOTES	31/12/2017	31/12/2017	01/01/2017	01/01/2017
		N	N	N	N
Payables	40	17,836,923,855.69		16,163,007,474.23	
Accrued Expenses	41	4,542,696,411.36		4,132,340,194.15	
TOTAL CURRENT LIABILITIES (D)			23,645,370,959.75		20,760,551,039.10
Non-Current Liabilities					
Long Term Borrowings: Foreign Loan	30A	20,748,175,056.79		17,347,555,400.10	
Long Term Borrowings: Domestic Loan	30B	66,957,961,273.07		63,147,410,163.60	
TOTAL NON-CURRENT LIABILITIES (E)			87,706,136,329.86		80,494,965,563.70
TOTAL LIABILITIES (F=D+E)			111,351,507,289.61		101,255,516,602.80
NET ASSETS (G=C-F)			<u>(83,615,051,894.88)</u>		<u>(80,710,574,462.02)</u>
NET ASSETS/EQUITY					
Reserves		(81,088,650,463.39)		(80,710,574,462.02)	
Accumulated Surplus/(Deficit)		(2,526,401,431.49)		-	
Minority Interest		-		-	
TOTAL NET ASSETS/EQUITY			<u>(83,615,051,894.88)</u>		<u>(80,710,574,462.02)</u>

The accounting policies and notes to the accounts form an integral part of these Financial Statements.



EKITI STATE OF NIGERIA
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER, 2017



ACTUAL (2016)		NOTES	ACTUAL 2017	FINAL BUDGET 2017	VARIANCE ON FINAL BUDGET
N			N	N	N
	REVENUE				
18,227,173,258.56	Government Share of FAAC	1	25,352,826,448.06	31,000,000,000.00	5,647,173,551.94
7,582,364,595.41	Government Share of VAT	2	9,059,086,275.64	10,000,000,000.00	940,913,724.36
10,199,775,479.72	Other Statutory Revenue	2	9,260,419,701.61	26,375,642,475.60	17,115,222,773.99
3,542,040,960.50	Tax Revenue	3	4,323,198,137.91	4,477,072,715.77	153,874,577.86
5,927,071,264.27	Non-Tax Revenue	3	7,578,655,906.40	6,639,618,087.47	(939,037,818.93)
	Investment Income	4	-	-	-
	Interest Earned	4	-	-	-
107,931.18	Other Revenue	4	841,325,223.37	-	(841,325,223.37)
-	Aids & Grants	5	75,676,283.55	3,334,319,788.97	3,258,643,505.42
325,000,000.00	Transfer from Local Governments	6	300,000,000.00	-	(300,000,000.00)
45,803,533,489.64	TOTAL REVENUE (A)		56,791,187,976.54	81,826,653,067.81	25,035,465,091.27
	EXPENDITURES				
16,887,131,884.33	Salaries and Wages	8	17,871,353,573.49	16,586,992,378.03	(1,284,361,195.46)
	Allowances (Non Regular)	8B	672,043,094.25	682,613,876.80	10,570,782.55
5,647,950,845.89	Social Benefits	9	6,258,211,906.92	4,800,048,060.09	(1,458,163,846.83)

ACTUAL (2016)		NOTES	ACTUAL 2017	FINAL BUDGET 2017	VARIANCE ON FINAL BUDGET
N			N	N	N
1,766,646,799.40	Overhead Cost	11	2,324,706,322.61	2,994,892,881.73	670,186,559.12
4,711,529,770.14	Transfer to Other Government Entities (ToF)	12	7,106,107,722.90	10,719,337,062.76	3,613,229,339.86
8,673,016,465.96	Subvention/Grants	13	14,330,750,804.76	14,957,593,431.05	626,842,626.29
554,753,902.33	Depreciation Charges	14	309,457,192.65	-	(309,457,192.65)
-	Amortisation Charges	15	-	-	-
-	Transfer to Local Governments	7	-	362,493,516.38	362,493,516.38
-	Project Finance by Aids & Grants	5	75,676,283.55	-	(75,676,283.55)
38,241,029,668.05	TOTAL EXPENDITUR (B)		48,948,306,901.13	51,103,971,206.84	2,155,664,305.71
7,562,503,821.59	Surplus/(Deficit) from Operating Activities C=(A-B)		7,842,881,075.41	30,722,681,860.97	22,879,800,785.56
4,916,114,180.25	Capital Expenditure	16	3,280,302,211.51	8,033,751,532.75	4,753,449,321.24
-	Gain/(Loss) on Disposal of Assets	19	-	-	-
3,947,303,368.46	Public Debt Charges	10	7,088,980,295.39	12,622,863,958.40	5,533,883,663.01
8,863,417,548.71	Total Non-Operating Revenue/(Expenses) (D)		10,369,282,506.90	20,656,615,491.15	10,287,332,984.25
(1,300,913,727.12)	NET SURPLUS/(DEFICIT) FOR THE PERIOD (C-D)		(2,526,401,431.49)	10,066,066,369.82	12,592,467,801.31

The accounting policies and notes to the accounts form an integral part of these Financial Statements.



EKITI STATE OF NIGERIA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL CASH
FOR THE YEAR ENDED 31ST DECEMBER, 2017



	NOTES	FINAL BUDGET	ACTUAL AMOUNT	VARIANCE	PERFORMANCE
		N	N	N	%
		A	B	C=A-B	B/A%
OPENING BALANCE (A)		6,000,000,000.00	13,578,026,761.94	(7,578,026,761.94)	226.30
RECEIPTS					
Government Share of FAAC	1	31,000,000,000.00	25,352,826,448.06	5,647,173,551.94	81.78
Other Statutory Revenue	2	26,375,642,475.60	9,260,419,701.61	17,115,222,773.99	35.11
Government Share of VAT	2	10,000,000,000.00	9,059,086,275.64	940,913,724.36	90.59
Tax Revenue	18	4,477,072,715.77	4,323,198,137.91	153,874,577.86	96.56
Non-Tax Revenue	19	6,639,618,087.47	7,578,655,906.40	(939,037,818.93)	114.14
Other Revenue	4	-	841,325,223.37	(841,325,223.37)	-
AID & Grants	5	3,334,319,788.97	75,676,283.55	3,258,643,505.42	2.27
Transfer from other Government Entities	6	-	300,000,000.00	(300,000,000.00)	-
Proceeds from Foreign Loans	28	8,231,168,206.94	4,008,926,117.57	4,222,242,089.37	48.70
Proceeds from Domestic Loans	29	4,000,000,000.00	8,495,000,000.00	(4,495,000,000.00)	212.38
Other Capital Receipts		1,000,000,000.00	-	1,000,000,000.00	-
TOTAL RECEIPTS (B)		95,057,821,274.75	69,295,114,094.11	25,762,707,180.64	72.90
TOTAL FUND AVAILABLE C=(A+B)		101,057,821,274.75	82,873,140,856.05	18,184,680,418.70	82.01

	NOTES	FINAL BUDGET	ACTUAL AMOUNT	VARIANCE	PERFORMANCE
		N	N	N	%
		A	B	C=A-B	B/A%
<u>PAYMENTS</u>					
Salaries and Wages	21	16,586,992,378.03	16,869,696,754.65	(282,704,376.62)	101.70
Allowance	21	682,613,876.80	672,043,094.25	10,570,782.55	98.45
Social Benefits	22	4,800,048,060.09	4,785,405,022.31	14,643,037.78	99.69
Public Debt Charges	23	12,622,863,958.40	7,088,980,295.39	5,533,883,663.01	56.16
Overhead Cost	24	2,994,892,881.73	2,229,855,803.23	765,037,078.50	74.46
Transfer to Other Fund	25	10,719,337,062.76	6,992,510,072.90	3,726,826,989.86	65.23
Subvention/Grants	26	14,957,593,431.05	14,128,842,756.93	828,750,674.12	94.46
Expenditure Financed by Aids & Grants	5	-	75,676,283.55	(75,676,283.55)	-
Transfer to Other Governmnet Entities	7	362,493,516.38	-	362,493,516.38	-
Purchase/Construction of Assets	27	29,365,020,869.00	13,353,306,731.45	16,011,714,137.55	45.47
Foreign Loan Repayments	2B	-	608,306,460.88	(608,306,460.88)	-
Domestic Loan Repayments	30B	-	4,684,448,890.53	(4,684,448,890.53)	-
TOTAL PAYMENTS		93,091,856,034.24	71,489,072,166.07	21,602,783,868.17	76.79
NET RECEIPTS		7,965,965,240.51	11,384,068,689.98	(3,418,103,449.47)	142.91

NOTE: The Statement of Comparison of Budget and Actual Amount above is prepared on Cash Basis same as Budget.