

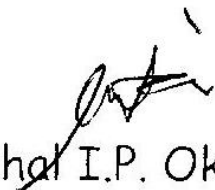


ENUGU STATE GOVERNMENT OF NIGERIA
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2017
RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

These Financial Statements have been prepared in accordance with the provisions of the Finance (Control and Management) Act 1958 as amended. The Financial Statements comply with Generally Accepted Accounting Practice (GAAP). Furthermore, the financial statements were prepared in line with International Public Sector Accounting Standards - IPSAS (Cash Basis).

To fulfill accounting and reporting responsibilities, the Accountant General is responsible for establishing and maintaining adequate system of internal controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and also, properly record the use of all Public Financial Resources by the government. Consequently, the financial statements were verified and validated by the State Auditor General in line with extant laws.

Efforts were made to ensure that these financial statements reflect the financial position of Enugu State Government as at 31st December, 2017 and its operations for the year ended on that date.


Paschal I.P. Okolie (JP), FCNA, FCTI, D.IPFM (London)
(FRC/2013/ANAN/00000001536)
Permanent Secretary/Accountant General
Office of the Accountant General
State Treasury House Enugu State

AUDIT CERTIFICATE

GOVERNMENT OF ENUGU STATE OF NIGERIA **OFFICE OF THE AUDITOR-GENERAL**

Telephone: (042-258864
256212



HEADQUARTERS
2 Garden Avenue
P. O. Box 400
Enugu.

Your Ref: _____

Our Ref: **ENS/AUD/S.901/11/54**

(Please address all letters to the Auditor-General)

6th April, 2018

AUDIT CERTIFICATE

I have audited the Accounts of the Government of Enugu State of Nigeria as at 31st December, 2017 as set out in Annexure (ii) containing Enugu State Government Financial Statements in accordance with Section 125 (2) of the Federal Republic of Nigeria, 1999 (as amended) and Audit Law, 2004 of Enugu State of Nigeria as applicable.

BASIS OF OPINION

The Audit was conducted in accordance with International Standard on Auditing and generally accepted public sector and INTOSAI auditing standards. These standards required that I comply with ethical requirements, plan and perform the audit to obtain reasonable assurance that the Financial Statements are free from material misstatements whether due to fraud or error. I also evaluated the overall adequacy of the presentation of information in the General Purpose Financial Statements (GPFS) which was

prepared in accordance with IPSAS (International Public Sector Accounting Standards).

In the course of the Audit, I have obtained all information and explanation that to the best of my knowledge and belief were necessary for the purpose of the audit and I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my independent opinion.

OPINION

In my opinion, subject to the observations/comments as contained in this report, the Financial Statements together with the supporting Notes give a true and fair view of the financial transactions of Enugu State Government for the year ended 31st December, 2017.


OKORO LIVINUS U., FCNA,
AUDITOR-GENERAL

STATEMENT NO. 1
CASH FLOW STATEMENT

	Note	2017	2016
		Actual	Actual
		₦	₦
Cash Flow From Operating Activities			
Statutory Allocation		53,604,914,859.14	44,824,908,655.09
Independent Revenue	1	22,039,060,902.95	14,235,512,226.09
Total Receipts		75,643,975,762.09	59,060,420,881.18
Payments			
Compensation of Employees	2	20,335,737,166.89	23,796,926,469.54
Social Benefits	3	5,074,894,389.89	5,844,786,783.79
Overhead Costs	4	16,152,890,328.10	13,500,693,810.29
Local Grants and Contributions			
Service Wide Vote		7,724,764,957.08	2,244,958,985.35
Transfers to Sinking Fund Investment		1,765,230,779.88	592,366,877.99
Total Payments		51,053,517,621.84	45,979,732,926.96
Net Cash Flow from Operating Activities		24,590,458,140.25	13,080,687,954.22
Cash Flow From Investment Activities			
Economic Empowerment Through Agriculture		1,384,264,125.99	577,868,079.00
Societal Re-Orientation		19,745,000.00	
Improvement to Human Health		1,158,934,349.78	518,136,261.07
Enhancing Skills and Knowledge		7,331,399,185.26	8,412,801,217.38
Housing and Urban Development		103,974,954.00	4,333,500.00
Environmental Improvement		1,541,779,068.49	458,315,204.52
Water Resources and Rural Development		106,855,362.50	
Information and Communication Technology		38,905,650.00	20,216,800.00
Growing the Private Sector		55,000.00	144,673,416.65
Reform of Government and Governance		10,297,826,020.29	6,190,719,728.26
Power		1,132,917,661.59	116,857,860.00
Road		10,227,451,072.42	9,539,630,555.97
Net Cash Flow from Investment Activities	5	33,344,107,450.32	25,983,552,622.85
Cash Flow from Financing Activities			
Proceeds from Aids and Grants		2,200,000.00	381,000,000.00
Proceeds from External Loans		9,204,458,159.40	1,898,041,114.17
Proceeds from Internal Loans		9,366,000,000.00	8,614,000,000.00
Proceeds from Other Capital Receipts			663,960,000.00
Repayment of External Loans		480,965,897.45	451,287,827.34
Repayment of Internal Loans		372,022,494.36	308,767,133.36
Net Cash Flow From Financing Activities		17,719,669,767.59	10,796,946,153.47
Movement in Other Cash Equivalents			
BTL Receipts	6	34,438,178,605.18	28,892,249,555.83
BTL Payments	7	35,517,675,603.69	22,425,021,945.42
Total		1,079,496,998.51	6,467,227,610.41
Net Surplus/(Deficit) for the Year		7,886,523,459.01	4,361,309,095.25
Opening Cash Balance		18,213,002,442.38	13,851,693,347.13
Closing Cash Balance	8	26,099,525,901.39	18,213,002,442.38

STATEMENT NO. 2
STATEMENT OF ASSETS AND LIABILITIES

	Note	Actual	Actual
		2017	2016
Liquid Assets		₱	₱
Treasuries and Banks	8	26,099,525,901.39	18,213,002,442.38
Sub Total		26,099,525,901.39	18,213,002,442.38
Investments and Other Assets			
Investments	9	794,407,966.73	739,111,840.70
Sinking Fund Investments		2,357,597,621.87	592,366,877.99
Liability Over Assets	10	85,394,020,127.33	62,275,584,433.76
Sub Total		88,546,025,715.93	63,607,063,152.45
Total Assets		114,645,551,617.32	81,820,065,594.83
Public Funds			
Consolidated Revenue Fund	11	24,655,615,704.56	17,729,401,454.79
Capital Development Fund	12	1,443,910,196.83	483,600,987.59
Sub Total - Public Funds		26,099,525,901.39	18,213,002,442.38
Liabilities			
Internal Loans	13	37,410,783,255.91	28,416,805,750.45
External Loans	14	36,023,275,771.45	22,371,035,942.08
Contractual Obligation			17,146,500.00
Pension & Gratuities		15,111,966,688.57	12,802,074,959.92
Sub Total: Liabilities		88,546,025,715.93	63,607,063,152.45
Public Fund + Liabilities		114,645,551,617.32	81,820,065,594.83

STATEMENT NO. 3
STATEMENT OF CONSOLIDATED REVENUE FUND

	Note	Actual	Actual	Budget	Revised	Variance	Approved	Proposed	Proposed
		2016	2017	2017	Budget2017	2017	Budget 2018	Budget 2019	Budget 2020
		₦	₦	₦	₦		₦	₦	₦
Opening Balance		3,164,460,802.86	17,729,401,454.79	17,729,401,455.00	17,729,401,455.00	0.21-	24,655,615,704.00	17,655,615,705.00	10,096,353,866.00
Add: Revenue									
Statutory Allocation		44,824,908,655.09	53,604,914,859.14	55,105,266,000.00	55,105,266,000.00	1,500,351,140.86-	59,063,500,000.00	51,895,791,320.00	53,159,000,000.00
Sub Total: Statutory Allocation		44,824,908,655.09	53,604,914,859.14	55,105,266,000.00	55,105,266,000.00	1,500,351,140.86-	59,063,500,000.00	51,895,791,320.00	53,159,000,000.00
Direct Taxes	16	5,394,966,260.37	8,026,860,658.53	10,142,130,000.00	10,142,130,000.00	2,115,269,341.47-	14,410,279,650.00	17,177,076,700.00	19,062,791,980.00
Licenses	17	151,355,930.40	152,599,257.00	271,370,000.00	271,370,000.00	118,770,743.00-	428,546,570.00	291,763,120.00	610,365,580.00
Fees	20	6,331,157,635.22	7,971,572,693.66	9,782,246,700.00	9,782,246,700.00	1,810,674,006.34-	10,129,210,100.00	11,223,309,430.00	12,212,643,729.00
Fines	21	10,836,912.00	10,600,720.00	49,300,000.00	49,300,000.00	38,699,280.00-	58,622,000.00	189,010,740.00	70,189,000.00
Sales	22	397,471,251.81	1,212,842,969.62	678,674,260.00	678,674,260.00	534,168,709.62+	2,210,365,180.00	2,261,419,800.00	2,546,312,720.00
Earnings	23	283,839,386.82	63,127,590.95	3,155,753,000.00	3,155,753,000.00	3,092,625,409.05-	206,410,500.00	268,972,700.00	232,105,170.00
Rent of Government Building	24	19,100,066.77	21,049,050.00	201,690,000.00	201,690,000.00	180,640,950.00-	27,074,000.00	28,841,000.00	30,742,000.00
Rent on Government Lands	25	289,412,931.97	555,018,936.63	763,100,000.00	763,100,000.00	208,081,063.37-	642,027,000.00	706,580,000.00	760,738,000.00
Repayments	26		2,296,998,957.00			2,296,998,957.00+	400,000.00	440,000.00	450,000.00
Interest Earned	28	130,995,059.29	579,438,823.61	298,000,000.00	298,000,000.00	281,438,823.61+	304,052,000.00	305,423,100.00	307,778,110.00
Re-Imbursement	29		0.98	322,546,000.00	322,546,000.00	322,545,999.02-			
Miscellaneous	30	1,226,376,791.44	1,148,951,244.97	322,900,000.00	322,900,000.00	826,051,244.97+	1,583,013,000.00	1,674,915,000.00	1,557,216,000.00
Sub Total: Independent Revenue		14,235,512,226.09	22,039,060,902.95	25,987,709,960.00	25,987,709,960.00	3,948,649,057.05-	30,000,000,000.00	34,127,751,590.00	37,391,332,289.00
Total Revenue		62,224,881,684.04	93,373,377,216.88	98,822,377,415.00	98,822,377,415.00	5,449,000,198.12-	113,719,115,704.00	103,679,158,615.00	100,646,686,155.00
Less: Expenditure									
Personnel Cost	31	23,796,926,469.54	20,335,737,166.89	22,060,153,505.00	22,060,153,505.00	1,724,416,338.11+	26,089,788,846.00	26,625,313,918.00	27,067,581,488.00
Government Contribution to Pension	32								
Overhead Charges	33	13,500,693,810.29	16,152,890,328.10	12,751,532,041.00	17,574,668,718.00	1,421,778,389.90+	18,826,010,000.00	19,176,553,100.00	19,382,778,967.00
Consolidated Revenue Fund Charges	34	8,849,800,729.84	13,652,647,738.78	20,386,253,454.00	15,563,116,777.00	1,910,469,038.22+	15,801,225,154.00	17,780,937,731.00	18,295,937,731.00
Sub Total: Recurrent Expenditure		46,147,421,009.67	50,141,275,233.77	55,197,939,000.00	55,197,939,000.00	5,056,663,766.23+	60,717,024,000.00	63,582,804,749.00	64,746,298,186.00
Total Expenditure		46,147,421,009.67	50,141,275,233.77	55,197,939,000.00	55,197,939,000.00	5,056,663,766.23+	60,717,024,000.00	63,582,804,749.00	64,746,298,186.00
Operating Balance		16,077,460,674.37	43,232,101,983.11	43,624,438,415.00	43,624,438,415.00	392,336,431.89-	53,002,091,704.00	40,096,353,866.00	35,900,387,969.00
Appropriation and Transfers									
Transfer to Capital Development Fund		4,222,919,952.00	15,731,758,500.16	33,100,000,000.00	33,100,000,000.00	17,368,241,499.84+	35,346,476,000.00	30,000,000,000.00	25,000,000,000.00
Transfer to Sinking Fund		592,366,877.99	1,765,230,779.88			1,765,230,779.88-			
Sub Total: Transfers		4,815,286,829.99	17,496,989,280.04	33,100,000,000.00	33,100,000,000.00	15,603,010,719.96+	35,346,476,000.00	30,000,000,000.00	25,000,000,000.00
Movement in Other Cash Equivalents:									
Below the Line Receipts	35	28,892,249,555.83	34,438,178,605.18			34,438,178,605.18+			
Below the Line Payments	36	22,425,021,945.42	35,517,675,603.69			35,517,675,603.69-			
Sub-Total: Movement in Other Cash Equivalents		6,467,227,610.41	1,079,496,998.51			1,079,496,998.51-			
Closing Balance		17,729,401,454.79	24,655,615,704.56	10,524,438,415.00	10,524,438,415.00	14,131,177,289.56+	17,655,615,704.00	10,096,353,866.00	10,900,387,969.00

STATEMENT NO. 4
STATEMENT OF CAPITAL DEVELOPMENT FUND

	Note	Actual	Actual	Budget	Revised	Variance	Approved	Proposed	Proposed
		2016	2017	2017	Budget 2017	2017	Budget 2018	Budget 2019	Budget 2020
		₦	₦	₦	₦		₦	₦	₦
Opening Balance		10,687,232,544.27	483,600,987.59	16,003,350,563.00	16,003,350,563.00	15,519,749,575.41-	1,443,910,197.00	443,910,197.00	3,578,689,804.00
Add Revenue:									
Transfer from Consolidated Revenue Fund		4,222,919,952.00	15,731,758,500.16	33,100,000,000.00	33,100,000,000.00	17,368,241,499.84-	35,346,476,000.00	30,000,000,000.00	25,000,000,000.00
Aids and Grants		381,000,000.00	2,200,000.00	3,990,000,000.00	3,990,000,000.00	3,987,800,000.00-	2,000,000,000.00	3,186,352,670.00	4,142,258,471.00
External Loans		1,898,041,114.17	9,204,458,159.40			9,204,458,159.40+	2,000,000,000.00	4,500,000,000.00	5,850,000,000.00
Internal Loans		8,614,000,000.00	9,366,000,000.00	12,000,000,000.00	12,000,000,000.00	2,634,000,000.00-	2,000,000,000.00	5,400,000,000.00	7,020,000,000.00
Other Capital Receipts		663,960,000.00		1,000,000,000.00	1,000,000,000.00	1,000,000,000.00-	500,000,000.00	650,000,000.00	845,000,000.00
Sub Total: Capital Receipts		15,779,921,066.17	34,304,416,659.56	50,090,000,000.00	50,090,000,000.00	15,785,583,340.44-	41,846,476,000.00	43,736,352,670.00	42,857,258,471.00
Total Capital Revenue Available		26,467,153,610.44	34,788,017,647.15	66,093,350,563.00	66,093,350,563.00	31,305,332,915.85-	43,290,386,197.00	44,180,262,867.00	46,435,948,275.00
Less: Capital Expenditure									
General Public Services	37	6,275,668,675.85	10,286,982,208.22	5,335,117,617.00	13,731,535,917.00	3,444,553,708.78+	6,297,518,000.00	3,923,156,500.00	3,488,218,000.00
Public Order and Safety	39	29,096,998.95	75,763,496.00	954,707,200.00	909,707,200.00	833,943,704.00+	850,700,000.00	373,840,000.00	292,190,000.00
Economic Affairs	40	9,058,079,765.59	10,504,930,573.02	28,182,974,860.00	14,986,958,187.00	4,482,027,613.98+	20,131,562,584.00	22,666,068,500.00	24,657,342,000.00
Environmental Protection	41	458,315,204.52	1,541,779,068.49	1,576,694,000.00	2,885,600,402.00	1,343,821,333.51+	2,963,002,416.00	4,668,000,000.00	4,240,620,000.00
Housing and Community Amenities	42	1,068,845,430.49	2,218,422,447.75	5,149,915,815.00	4,545,426,306.00	2,327,003,858.25+	2,392,450,000.00	1,719,950,000.00	1,355,000,000.00
Health	43	507,219,261.07	1,158,934,349.78	2,560,500,000.00	2,535,700,000.00	1,376,765,650.22+	3,761,800,000.00	1,727,100,000.00	1,337,400,000.00
Recreation Culture and Religion	44	102,000,000.00		313,137,789.00	313,137,789.00	313,137,789.00+	170,120,000.00	172,800,000.00	182,000,000.00
Education	45	8,484,327,286.38	7,557,295,307.06	6,266,484,719.00	10,431,466,199.00	2,874,170,891.94+	6,163,323,000.00	5,245,658,063.00	4,464,743,285.00
Social Protection	46			182,000,000.00	182,000,000.00	182,000,000.00+	106,000,000.00	90,000,000.00	74,000,000.00
Total Capital Expenditure by Main Functions		25,983,552,622.85	33,344,107,450.32	50,521,532,000.00	50,521,532,000.00	17,177,424,549.68+	42,836,476,000.00	40,586,573,063.00	40,091,513,285.00
Closing Balance		483,600,987.59	1,443,910,196.83	15,571,818,563.00	15,571,818,563.00	14,127,908,366.17-	453,910,197.00	3,593,689,804.00	6,344,434,990.00