

EKITI STATE GOVERNMENT



REPORT OF THE ACCOUNTANT-GENERAL WITH FINANCIAL STATEMENTS

FOR THE MID-YEAR ENDED 30TH JUNE 2020

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REPORT OF THE ACCOUNTANT-GENERAL

In line with this administration's policies of transparency, accountability and probity, I have the great honour to present the Accrual IPSAS Financial Statements of the Ekiti State Government (EKSG) for the Mid- Year ended 30th June, 2020 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 mid- Year ended 30th June, 2020 have been prepared on International Public Sector Accounting Standards (IPSAS) Accrual Basis. The Financial Statements equally complied with Generally Accepted Accounting Principles and Practice (GAAPP) and other Financial Regulations.

The implementation of Accrual Accounting by EKSG had facilitated 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 30th June, 2020 and its financial performance for period under review.

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



OLARIKE. T. OLAYINKA (MRS) FCA.
ACCOUNTANT-GENERAL/PERMANENT SECRETARY
EKITI STATE

FINANCIAL HIGHLIGHTS

Operating Deficit for the mid-year was **(N1,273,755,047.83)** while the State made a Net Deficit of **(N3,827,351,946.11)** after adjustment for capital expenditure not recognized in Property, Plant and Equipment (PPE) and Public Debt Charges.

Reviewing the current mid-year performance as compared to that of 2019, Recurrent Revenue decreased by 7% from **N31,952,968,068.80** in 2019 to **N29,823,799,504.93** in 2020 while Capital Receipts decreased by 87% from **N18,107,698,096.63** in 2019 to **N2,389,763,549.18** in 2020. The State Recurrent Expenditure decreased by 16% from **N34,203,749,827.73** in 2019 to **N28,678,739,598.22** in 2020 while 45% decrease from **N10,760,966,565.49** in 2019 Mid-Year to **N5,865,753,621.58** in 2020 was noted in Capital Expenditure.

During the period, EKSG budgeted **N35,593,387,774.68** for Recurrent Expenditure and **N26,769,046,903.30** for Capital Expenditure. The Actual Recurrent Expenditure was **N28,678,739,598.22** while Capital Expenditure was **N5,865,753,621.58** representing **81%** and **22%** performance respectively.

In addition, EKSG budgeted **N41,792,725,609.75** for Recurrent Revenue and **N20,569,709,068.23** for Capital Receipts. The Actual Recurrent Revenue was **N29,823,799,504.93** while actual Capital Receipt was **N2,389,763,549.98** representing **71%** and **12%** performance respectively for the period under review.

Details as contained in Annexure III.



OLARIKE. T. OLAYINKA (MRS) FCA.
ACCOUNTANT-GENERAL/PERMANENT SECRETARY
EKITI STATE

RESPONSIBILITY OF THE ACCOUNTANT-GENERAL

The Financial Statements have been prepared by the Accountant-General of Ekiti State in accordance with the provision of the Finance (Control and Management) Act 1958 and Cap 144 LFN and PFM Law 2011 as amended. The Financial Statements complied with Generally Accepted Accounting Practice (GAAP) and was prepared on International Public Sector Accounting Standards (IPSAS) Accrual Basis.

The Financial Statements were prepared using the General Purpose Financial Statement (GPFS) reporting format approved by the Federal Executive Council of Nigeria (FEC) in 2012.

The Accountant-General of the State is responsible for establishing and maintaining an adequate system of internal control to provide adequate and reasonable assurance that the transaction reported are recorded accurately and are within statutory authority.

The Accountant-General ensures the integrity and objectivity of the Financial Statements to fairly reflect the financial position and performance of Ekiti State Government and apply suitable accounting policies, prudent judgments and estimate consistently for the preparation of its financial statements.

The Accountant-General further accepts responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements as well as adequate system of internal financial control.



**OLARIKE. T. OLAYINKA (MRS) FCA.
ACCOUNTANT-GENERAL/PERMENENT SECRETARY
EKITI STATE**

STATEMENT OF ACCOUNTING POLICIES

BASIS OF PREPARATION:

The GPFS are prepared under IPSAS Accrual Basis of Accounting that recognizes transactions and events occurred whether expenses are paid for or not and revenue received or outstanding.

BASIS OF MEASUREMENT:

The Financial statements have been prepared on historical cost unless stated otherwise.

REPORTING CURRENCY:

The Financial Statements are presented in Nigerian Naira, which is the functional currency of Ekiti State Government.

GOING CONCERN:

The Financial Statements have been prepared on a going concern basis.

ACCOUNTING PERIODS:

The Accounting period is from 1st January to 30th June, 2020.

ANNUAL DEPRECIATION:

The depreciation charge for the period under review is charged on a straight-line basis over the useful life of the asset. It covered the period of six (6) months (January-June 2020). It is computed by dividing the annual depreciation by two (2). The Properties Plants and Equipments were depreciated using the following rates:

Investment Property	5%
Land and Building	5%
Infrastructure	5%
Plant and Machinery	10%
Transportation Equipment	20%
Furniture & Fittings	20%



OFFICE OF THE STATE AUDITOR GENERAL

State Audit Headquarters, P.M.B. 53554, New Secretariat, Ado-Ekiti, Nigeria.
Tel: 08033784866 E-mail: ekitistateauditorgeneral@gmail.com.


AUDIT CERTIFICATE

I have examined the Financial Statements of Ekiti State Government of Nigeria as at 30th June, 2020 in accordance with Section 125 (2) of the Constitution of the Federal Republic of Nigeria, 1999 (as amended) and section 26(2) of Ekiti State Audit Law (No 11) of 2014.

The audit was conducted according to INTOSAI Standard and I obtained appropriate information and evidences as I required for the audit.

The Financial Statements were prepared in line with Accrual IPSAS.

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 30th June, 2020 subject to further comments in my Reports.


D. A. Kayode (FCNA, FCFIP, FCTI)
FRC/2014/ANAN/00000010277
Auditor-General, Ekiti State.