



GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

**FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER, 2018**

**Office of the Accountant General,
Ministry of Finance,
Uyo.**

RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Financial Statements presented are prepared in accordance with the provisions of the 1999 Constitution of The Federal Republic of Nigeria, the Finance (Control and Management) Act of 1958 as amended and the Revised Financial Regulations.

The receipts and payments stated therein are in consonance with the warrants issued for the accounting period under review. The Financial Statements comply with the requirements of International Public Sector Accounting Standards (IPSAS) and reflect the financial position of Akwa Ibom State Government as at 31st December, 2018.



Pastor Uwem S. Andrew-Essien, FCA, ACTI
FRC/2017/ICAN/00000016444
Accountant-General
Akwa Ibom State

AUDITOR-GENERAL'S CERTIFICATE

The Accountant-General is responsible for the preparation of the Financial Statements of the State Government for each financial year in compliance with the provisions of the Constitution of the Federal Republic of Nigeria 1999 and the Finance (Control and Management) Act of 1958 as amended.

In preparing the account, the Accountant-General is expected to select suitable accounting policies and apply them consistently. The accounts should be prepared on a going concern basis. The Accountant General is also responsible for ensuring that proper books of accounts are kept and that internal control procedures are maintained in order to safeguard the assets, detect and prevent fraud and other irregularities.

It is my responsibility as the Auditor-General to form and express an independent opinion based on my audit, on the financial statements prepared by the Accountant-General.

BASIS OF OPINION

I conducted my audit in compliance with the relevant laws of the Federal Republic of Nigeria and in accordance with Public Sector Auditing Standards. These standards require that I plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatements. An audit includes examination, on a test basis, of evidence supporting the amounts and disclosures in the Financial Statements. It also includes an assessment of the Accounting Principles used and significant judgments made by the Accountant-General in the preparation of the accounts and an evaluation of the overall adequacy of the presentation of information in the financial statements. I planned and performed such audit procedures so as to obtain all the information and explanations, which I considered necessary for the purpose of my audit. I examined the records kept at the Treasury Headquarters, all Sub-Treasuries, Ministries, and other relevant arms of Government. The audit provided me with a reasonable basis for an independent opinion.

OPINION

In my opinion, the Financial Statements, which are in agreement with the books and returns, give a true and fair view of the financial position of the Government of Akwa Ibom State for the Period ended 31st December 2018 (subject to the observations contained in my report for the period).



MONDAY DANIEL AKPAN, FCA
FRC/2014/ICAN/00000009577
Auditor-General
Akwa Ibom State

STATEMENT OF ACCOUNTING POLICIES

The following represent statement of significant Accounting Policies adopted in the preparation of 2018 Financial Statements of Akwa Ibom State Government.

- (i) **Basis of Accounting:** The Accounts and Financial Statements are prepared based on the principle of Cash Basis in compliance with the requirements of International Public Sector Accounting Standards (IPSAS).
- (ii) **Investments:** Shares and other investments are held under the Ministry of Finance Incorporated (MOFI) and Akwa Ibom Investment Corporation (AKICORP). They are stated at market values and are under the supervision of the Honourable Commissioner for Finance, Akwa Ibom State.
- (iii) **Capital Costs:** The costs incurred in respect of capital expenditure are recognized in the year of occurrence only.
- (iv) **Assets:** The assets as stated in the accounts do not include material assets such as Roads, Airport, Buildings, Plants and Machinery and so on. This is so because under Cash Basis of accounting, assets are regarded as written off in the year of acquisition, irrespective of the useful life of the assets.
- (v) **Liabilities:** The liabilities of the State government to her numerous Suppliers, Contractors and Pensioners in 2018 financial year are recorded in the Treasury Station Deposit Account.
- (vi) **Foreign Currency:** Transactions in foreign currencies are translated at the exchange rate of ₦307.00 to the US Dollar as at 31st December, 2018.
- (vii) **Format of Account:** The format used in the presentation of these financial statements is in line with the recommendations of International Federation of Accountants Committee (IFAC).
- (viii) **Transfer to Capital Development:** In the accounting period ended 31st December, 2018, the sum of **₦115,428,557,325.64** was transferred from Consolidated Revenue Fund to Capital Development Fund.
- (ix) **Pension Fund:** The settlement of retirement benefits to retired workers in Akwa Ibom State Civil Service was sponsored 100% by the State Government in 2018.

TEN YEARS FINANCIAL SUMMARY, 2009 - 2018

S/N	DESCRIPTION	2009	2010	2011	2012	2013
A	OPENING BALANCE	48,646,701,784.48	29,873,478,820.32	24,275,055,184.94	33,892,111,363.47	21,228,893,983.06
1	Internally Generated Revenue	12,113,438,230.16	12,085,763,638.26	16,554,319,166.17	17,059,385,909.17	18,005,802,296.31
2	Statutory Allocation	181,177,600,154.18	222,688,474,940.24	261,964,712,918.10	279,983,863,759.95	316,759,018,790.35
3	Value Added Tax (VAT)	5,777,493,877.00	7,653,394,855.60	8,484,381,085.13	9,133,432,089.32	10,138,052,005.82
4	Reimbursements		696,588.81		0.00	0.00
5	External & Internal Loan	5,360,000,000.00	4,000,000,000.00	17,176,748,945.24	51,027,116,224.56	78,467,940,567.90
6	Ecological Funds				250,000,000.00	5,000,000,000.00
7	Budget Support Facility (BSF)					0.00
8	Returns of Excess Paris Club Loan Deductions					0.00
9	Other Income (Including Aids & Grants)					
	Total	253,075,234,045.82	276,301,808,843.23	328,455,217,299.58	391,325,909,326.47	449,599,707,643.44
B	EXPENDITURE					
1	Personnel Cost	16,144,971,687.80	18,040,860,633.37	21,574,945,821.01	28,575,140,736.94	31,088,882,148.29
2	Overhead Cost	7,230,438,475.13	5,629,520,682.38	7,946,989,611.76	8,708,045,853.52	9,228,833,024.15
3	Consolidated Revenue Fund Charges	8,817,845,572.08	11,014,787,893.82	13,874,763,372.33	34,716,726,960.52	79,910,696,409.48
4	Recurrent Grants and Subventions	4,812,646,545.97	5,771,999,783.73	8,536,275,404.28	16,229,200,531.32	13,570,216,984.63
5	Capital Expenditure	186,195,852,944.52	211,569,584,664.99	242,630,131,726.73	281,887,901,261.11	264,631,713,891.07
	Total	223,201,755,225.50	252,026,753,658.29	294,563,105,936.11	370,097,015,343.41	398,430,342,457.62
C	CLOSING BALANCE (A - B)	29,873,478,820.32	24,275,055,184.94	33,892,111,363.47	21,228,893,983.06	51,169,365,185.82

TEN YEARS FINANCIAL SUMMARY, 2009 - 2018

S/N	DESCRIPTION	2014	2015	2016	2017	2018
A	OPENING BALANCE	51,169,365,185.82	30,572,460,554.29	7,651,250,195.07	7,813,020,167.04	17,179,313,728.48
1	Internally Generated Revenue	18,715,737,159.01	18,730,338,859.70	16,290,953,095.00	19,513,880,604.75	28,213,636,273.00
2	Statutory Allocation	261,498,039,785.40	165,215,202,183.24	131,601,979,581.80	161,915,827,953.21	205,532,817,107.52
3	Value Added Tax (VAT)	8,918,024,187.67	8,886,060,776.84	8,884,876,953.39	10,655,970,518.78	12,262,026,589.84
4	Reimbursements	0.00	0.00	0.00	0.00	
5	External & Internal Loan	11,000,000,000.00	12,983,094,591.80	33,468,783,784.00	220,000,000.00	6,652,000,000.00
6	Ecological Funds	2,000,000,000.00	2,000,000,000.00	0.00	0.00	0.00
7	Budget Support Facility (BSF)	0.00	0.00	0.00	8,955,000,000.00	0.00
8	Refunds of Excess Paris Club Loan Deductions	0.00	0.00	0.00	33,565,322,055.35	30,029,530,929.93
9	Other Income	23,388,070,414.32	5,100,000,000.00	0.00	0.00	5,426,535,672.08
10	Aids & Grants	0.00	0.00	0.00	4,514,384,273.00	9,012,842,801.93
	Total	376,667,236,712.22	243,487,156,965.67	197,897,843,609.26	247,153,385,572.13	314,308,703,102.76
B	EXPENDITURE					
1	Personnel Cost	40,755,430,081.33	35,442,734,704.00	33,055,299,386.00	35,108,393,926.00	41,374,035,463.00
2	Overhead Cost	17,172,409,239.50	15,990,718,401.00	9,226,990,027.00	17,187,538,286.00	13,703,592,010.00
3	Consolidated Revenue Fund Charges	83,535,918,194.42	61,719,629,835.34	46,046,086,264.54	51,824,040,653.07	67,583,075,171.72
4	Recurrent Grants and Subventions	10,058,781,757.70	8,267,600,486.00	10,194,118,798.48	8,764,120,000.00	7,919,220,000.00
5	Capital Expenditure	194,572,236,884.98	114,415,223,344.26	91,562,328,966.20	117,089,978,978.58	168,170,364,014.20
	Total	346,094,776,157.93	235,835,906,770.60	190,084,823,442.22	229,974,071,843.65	298,750,286,658.92
C	CLOSING BALANCE (A - B)	30,572,460,554.29	7,651,250,195.07	7,813,020,167.04	17,179,313,728.48	15,558,416,443.84

STATEMENT NO. 1
AKWA IBOM STATE GOVERNMENT OF NIGERIA
CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST DECEMBER, 2018

BUDGET 2018	DETAILS	NOTES	ACTUAL 2018	ACTUAL 2017
	CASH FLOW FROM OPERATING ACTIVITIES			
	RECEIPTS			
225,800,000,000.00	Statutory Allocation	1	205,532,817,107.52	161,915,827,953.21
12,000,000,000.00	Value Added Tax (VAT)	2	12,262,026,589.84	10,655,970,518.78
237,800,000,000.00	Total Statutory Revenue		217,794,843,697.36	172,571,798,471.99
30,328,928,000.00	Personal Taxes	3	23,385,294,368.00	15,923,430,668.00
600,500,000.00	Licenses - General	3	10,536,225.00	14,619,425.00
2,500,000.00	Royalties	3	43,092.00	0.00
4,340,918,430.00	Fees	3	1,663,795,931.00	2,304,592,170.00
19,100,000.00	Fines	3	8,310,370.00	6,094,600.00
1,132,053,570.00	Sales - General	3	108,550,505.00	231,126,031.00
593,400,000.00	Earning - General	3	191,835,288.00	189,926,331.00
166,200,000.00	Rent on Government Building	3	7,517,696.00	4,432,304.00
463,300,000.00	Rent on Land and Others - General	3	386,757,993.00	524,830,691.00
11,500,000.00	Investment Income	3	2,448,000,000.00	200,000,000.00
338,600,000.00	Interest Earned	3	0.00	113,155,205.75
3,000,000.00	Retained Revenue from Parastatal and Boards	3	2,994,805.00	1,653,179.00
38,000,000,000.00	Total Independent Revenue		28,213,636,273.00	19,513,860,604.75
	Other Revenue of the State Government			
26,500,000,000.00	Ecological Fund		-	-
65,000,000,000.00	Reimbursement on Federal Roads		-	-
35,000,000,000.00	Refunds of Excess Paris Club Loan Deductions	1	30,029,530,929.93	33,565,322,055.35
-	Other Income (Refunds)		5,426,535,672.06	329,646,699.00
126,500,000,000.00	Total Other Receipts		35,456,066,601.99	33,894,968,754.35

STATEMENT NO. 1
AKWA IBOM STATE GOVERNMENT OF NIGERIA
CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST DECEMBER, 2018

BUDGET 2018	DETAILS	NOTES	ACTUAL 2018	ACTUAL 2017
402,300,000,000.00	TOTAL RECEIPTS		281,464,546,572.35	225,980,627,831.09
	LESS: PAYMENTS			
58,629,069,540.00	Personnel Cost (including Salaries on CRF Charges)	7	43,827,604,631.00	37,580,564,289.32
28,447,310,000.00	Overhead Cost	8	13,703,592,010.00	17,187,538,286.00
70,250,000,000.00	Consolidated Revenue Fund Charges (Others)	9	33,490,207,576.74	19,087,493,306.91
11,681,896,730.00	Recurrent Grants and Subventions	17	7,919,220,000.00	8,764,120,000.00
169,008,276,270.00	TOTAL PAYMENTS		98,940,624,217.74	82,619,715,882.23
233,291,723,730.00	NET CASH FLOW FROM OPERATING ACTIVITIES		182,523,922,354.61	143,360,911,948.86
	CASH FLOW FROM INVESTMENT ACTIVITIES			
1,000,000,000.00	Privatization of State Owned Enterprises (Income)			
1,000,000,000.00	Sub-Total Investment Income		-	-
45,595,853,000.00	Capital Expenditure: Administration Sector	15	33,184,271,802.00	31,101,954,710.00
331,639,962,420.00	Capital Expenditure: Economic Sector	15	113,519,157,655.27	73,408,021,798.58
6,472,500,000.00	Capital Expenditure: Law and Justice Sector	15	1,496,288,350.00	1,137,272,090.00
1,529,500,000.00	Capital Expenditure: Regional Sector	15	375,055,439.00	221,988,448.00
36,731,921,000.00	Capital Expenditure: Social Sector	15	10,582,747,966.00	7,036,004,358.00
9,171,500,000.00	Capital Expenditure Funded from Aids & Grant	15	9,012,842,801.93	4,184,737,574.00
431,141,236,420.00	Sub-Total Capital Expenditure		168,170,364,014.20	117,089,978,978.58
(430,141,236,420.00)	NET CASH FLOW FROM INVESTMENT ACTIVITIES		(168,170,364,014.20)	(117,089,978,978.58)
	CASH FLOW FROM FINANCING ACTIVITIES			
120,000,000,000.00	Proceeds from from Aids & Grant	4	9,012,842,801.93	4,184,737,574.00
-	Proceeds from External Loan		-	-
100,149,512,690.00	Proceeds from Internal Loan	5	6,652,000,000.00	220,000,000.00
13,200,000,000.00	Budget Support Facility			8,955,000,000.00
233,349,512,690.00	Sub-Total Financing Income		15,664,842,801.93	13,359,737,574.00
30,000,000,000.00	Loan Repayment (Internal Debt Servicing)	5	17,828,740,263.73	14,641,936,395.56
1,500,000,000.00	Loan Repayment (External Debt Servicing)	10	1,406,898,752.00	1,340,493,882.40
15,000,000,000.00	Internal Bank Loan (Interest)	9	12,403,659,411.25	14,281,946,704.88
46,500,000,000.00	Sub-Total Debt Servicing		31,639,298,426.98	30,264,376,982.84

STATEMENT NO. 1
AKWA IBOM STATE GOVERNMENT OF NIGERIA
CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST DECEMBER, 2018

BUDGET 2018	DETAILS	NOTES	ACTUAL 2018	ACTUAL 2017
186,849,512,690.00	NET CASH FLOW FROM FINANCING ACTIVITIES		(15,974,455,625.05)	(16,904,639,408.84)
(10,000,000,000.00)	NET CASH FLOW FROM ALL ACTIVITIES		(1,620,897,284.64)	9,366,293,561.44
10,000,000,000.00	Cash & Its Equivalent as at 1st January, 2018		17,179,313,728.48	7,813,020,167.04
-	Cash & Its Equivalent as at 31st December, 2018		15,558,416,443.84	17,179,313,728.48
	The Accompanying Notes form part of these Statements			
	Signature:			
	UWEM S. ANDREW-ESSIEN ,FCA , ACTI			
	FRC/2017/ICAN/00000016444			
	Accountant-General			

STATEMENT NO. 2

AKWA IBOM STATE GOVERNMENT OF NIGERIA
STATEMENT OF ASSETS & LIABILITIES AS AT 31ST DECEMBER, 2018

	NOTES	31ST DECEMBER, 2018	31ST DECEMBER, 2017
		₦	₦
ASSETS:			
Cash and Bank Balances	16	15,558,416,443.84	17,179,313,728.48
Imprest & Advances	13	38,071,135,606.20	24,017,770,886.06
Investments	14	10,031,453,375.84	2,829,344,855.84
Intangible Assets		172,961,268,582.17	191,792,047,102.06
TOTAL ASSETS		236,622,274,008.05	235,818,476,572.44
LIABILITIES:			
Capital Development Fund	stmt 4	25,490,355,545.26	27,111,252,829.90
Sundry Deposits	12	103,811,731,692.09	88,767,010,353.83
FGN Bond	5	61,921,219,235.95	62,870,132,697.01
Budget Support Facility (BSF)	5	17,569,000,000.00	17,569,000,000.00
Internal Loan	5	13,813,069,862.77	24,040,896,665.44
External Loan	6	14,016,897,671.98	15,460,184,026.26
TOTAL LIABILITIES		236,622,274,008.05	235,818,476,572.44
<i>The Accompanying Notes form part of these Statements</i>			
<i>Signature:</i>			
UWEM S. ANDREW-ESSIEN, FCA, ACTI			
FRC/2017/ICAN/00000016444			
Accountant-General			
AKWA IBOM STATE			

STATEMENT NO. 3

AKWA IBOM STATE GOVERNMENT OF NIGERIA**STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE PERIOD ENDED 31ST DECEMBER, 2018**

ACTUAL 2017	DESCRIPTION	NOTES	BUDGET 2018	ACTUAL 2018	VARIANCE
	Opening Balance				
	Add: Revenue				
161,915,827,953.21	Statutory Allocation	1	225,800,000,000.00	205,532,817,107.52	(20,267,182,892.48)
10,655,970,518.78	Value Added Tax	2	12,000,000,000.00	12,262,026,589.84	262,026,589.84
172,571,798,471.99	Total Statutory Revenue		237,800,000,000.00	217,794,843,697.36	(20,005,156,302.64)
15,923,430,668.00	Personal Taxes	3	30,328,928,000.00	23,385,294,368.00	(6,943,633,632.00)
14,619,425.00	Licenses - General	3	600,500,000.00	10,536,225.00	(589,963,775.00)
-	Royalties	3	2,500,000.00	43,092.00	(2,456,908.00)
2,304,592,170.00	Fees	3	4,340,918,430.00	1,663,795,931.00	(2,677,122,499.00)
6,094,600.00	Fines	3	19,100,000.00	8,310,370.00	(10,789,630.00)
231,126,031.00	Sales - General	3	1,132,053,570.00	108,550,505.00	(1,023,503,065.00)
189,926,331.00	Earning - General	3	593,400,000.00	191,835,288.00	(401,564,712.00)
4,432,304.00	Rent on Government Building	3	166,200,000.00	7,517,696.00	(158,682,304.00)
524,830,691.00	Rent on Land and Others - General	3	463,300,000.00	386,757,993.00	(76,542,007.00)
200,000,000.00	Investment Income	3	11,500,000.00	2,448,000,000.00	2,436,500,000.00
113,155,205.75	Interest Earned	3	338,600,000.00	0.00	(338,600,000.00)
1,653,179.00	Retained Revenue from Parastatal and Boards	3	3,000,000.00	2,994,805.00	(5,195.00)
19,513,860,604.75	Total Independent Revenue		38,000,000,000.00	28,213,636,273.00	(9,786,363,727.00)
192,085,659,076.74	Total Revenue		275,800,000,000.00	246,008,479,970.36	(29,791,520,029.64)
	Less: Expenditure				

STATEMENT NO. 3

AKWA IBOM STATE GOVERNMENT OF NIGERIA**STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE PERIOD ENDED 31ST DECEMBER, 2018**

ACTUAL 2017	DESCRIPTION	NOTES	BUDGET 2018	ACTUAL 2018	VARIANCE
37,580,564,289.32	Personnel Cost (including Salaries on CRF Charges)	7	58,629,069,540.00	43,827,604,631.00	14,801,464,909.00
17,187,538,286.00	Overhead Cost	8	28,447,310,000.00	13,703,592,010.00	14,743,717,990.00
49,351,870,289.75	Consolidated Revenue Fund Charges (CRFC)	9	116,750,000,000.00	65,129,506,003.72	51,620,493,996.28
8,764,120,000.00	Recurrent Grants and Subventions	17	11,681,896,730.00	7,919,220,000.00	3,762,676,730.00
112,884,092,865.07	Total Recurrent Expenditure		215,508,276,270.00	130,579,922,644.72	84,928,353,625.28
79,201,566,211.67	Operating Balance (A-B)		60,291,723,730.00	115,428,557,325.64	(55,136,833,595.64)
	Appropriation/Transfers				
79,201,566,211.67	Transfer to Capital Development Fund		60,291,723,730.00	115,428,557,325.64	(55,136,833,595.64)
0.00	Closing Balance		0.00	0.00	
	<i>The Accompanying Notes form part of these Statements</i>				
	Signature:				
	UWEM S. ANDREW-ESSIEN, FCA, ACTI				
	FRC/2017/ICAN/00000016444				
	Accountant-General				
	AKWA IBOM STATE				

STATEMENT NO. 4

AKWA IBOM STATE GOVERNMENT OF NIGERIA**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE PERIOD ENDED 31ST DECEMBER, 2018**

ACTUAL 2017	DESCRIPTION	NOTES	BUDGET 2018	ACTUAL 2018	VARIANCE
17,744,959,268.46	Opening Balance		10,000,000,000.00	27,111,252,829.90	17,111,252,829.90
	Add: Revenue				-
79,201,566,211.67	Transfer from Consolidated Revenue Fund	stmt 3	60,291,723,730.00	115,428,557,325.64	55,136,833,595.64
4,184,737,574.00	Aid & Grants	4	120,000,000,000.00	9,012,842,801.93	(110,987,157,198.07)
	Ecological Fund		26,500,000,000.00		(26,500,000,000.00)
	Reimbursement on Federal Roads		65,000,000,000.00		(65,000,000,000.00)
	Privatization of State Owned Enterprises/ Income		1,000,000,000.00		(1,000,000,000.00)
8,955,000,000.00	Budget Support Facility (BSF)	1	13,200,000,000.00		(13,200,000,000.00)
33,565,322,055.35	Refunds of Excess Paris Club Loan Deductions	1	35,000,000,000.00	30,029,530,929.93	(4,970,469,070.07)
329,646,699.00	Other Income (Refunds)			5,426,535,672.06	5,426,535,672.06
220,000,000.00	Internal Loan	5	100,149,512,690.00	6,652,000,000.00	(93,497,512,690.00)
	External Loans	6	0.00		-
126,456,272,540.02	Total Capital Receipts		421,141,236,420.00	166,549,466,729.56	(254,591,769,690.44)
144,201,231,808.48	Total Revenue Available		431,141,236,420.00	193,660,719,559.46	(237,480,516,860.54)

	Less: Capital Expenditure				
31,101,954,710.00	Capital Expenditure: Administration Sector	15	45,595,853,000.00	33,184,271,802.00	12,411,581,198.00
73,408,021,798.58	Capital Expenditure: Economic Sector	15	331,639,962,420.00	113,519,157,655.27	218,120,804,764.73
1,137,272,090.00	Capital Expenditure: Law and Justice Sector	15	6,472,500,000.00	1,496,288,350.00	4,976,211,650.00
221,988,448.00	Capital Expenditure: Regional Sector	15	1,529,500,000.00	375,055,439.00	1,154,444,561.00
7,036,004,358.00	Capital Expenditure: Social Sector	15	36,731,921,000.00	10,582,747,966.00	26,149,173,034.00
4,184,737,574.00	Capital Expenditure Funded from Aids & Grant	15	9,171,500,000.00	9,012,842,801.93	158,657,198.07
117,089,978,978.58	Total Capital Expenditure		431,141,236,420.00	168,170,364,014.20	262,970,872,405.80
27,111,252,829.90	Closing Balance		0.00	25,490,355,545.26	
	The Accompanying Notes form part of these Statements				
	Signature:				
	UWEM S. ANDREW-ESSIEN, FCA, ACTI				
	FRC/2017/ICAN/00000016444				
	Accountant-General				
	Akwa Ibom State				