

# IMO STATE WATER AND SEWERAGE CORPORATION

## ANNUAL REPORT AND FINANCIAL STATEMENTS

2024

UGO

UGOCHUKWU UKAH & CO

*Chartered Accountants*

Nigeria

Ugochukwu Ukah & Co

*Chartered Accountants*

# IMO STATE WATER AND SEWERRAGE CORPORATION

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# IMO STATE WATER AND SEWERAGE CORPORATION

## Corporate Information

### MANAGING DIRECTOR/CEO

Engr. Peter Chukwuma

### MANAGEMENT TEAM

Engr. Boniface Onyeji	-	Head, Engineering Services Department
Engr. Henry Adiruo	-	Head, Water Services Department
Miss Elizabeth Egbukichi	-	Head, Commercial Services Department
TPL Mary-Teddy Ononogbo	-	Head, Planning Services Department
Mrs. Obiageri Ogbonna	-	Head, Accounts Department
Mr. Bright Uzoukwu	-	Head, Administration Department
Miss Lilian Oledinma	-	Head, Sanitation Department

### OPERATION TEAM

Miss Euphemia Azuoma	-	Head, Communication Unit
Mrs. Okwuchi Adiah	-	Internal Auditor
Mrs. Okpom Uloma	-	Head, Procurement Unit
Mr. Chris Anyanwu	-	Head, ICT Unit
Engr. Nwabueze Dennis	-	Resident Engineer, Otamiri
Emenike Obiukwu	-	Geologist, RRER Unit
Mrs. Blessing Stephen	-	Head, Quality Control Unit
Mr. Eustace Onyealisi	-	Head, M&E Unit

### AG SECRETARY TO THE BOARD

Mr. Bright Uzoukwu

### REGISTERED OFFICE:

Ugwu Orji, Olagwe Road,  
Owerri, Imo State.

### AUDITORS/TAX CONSULTANTS:

Ugochukwu Ukah & Co.  
Chartered Accountant  
28/30 Orlu Road, Owerri,  
Imo State, Nigeria  
Tel 08101839665  
[Uncle4ji@yahoo.com](mailto:Uncle4ji@yahoo.com)

### BANKERS:

Access Bank Plc  
UBA Plc  
First Bank Plc  
Zenith Bank Plc



# UGOCHUKWU UKAH & CO.

[Chartered Accountants]

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Suite B3, Abuja Shopping Mall  
Wuse Zone 3, P.O. Box 7080  
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Owerri, Imo State.  
0803-275-6642, 0809-513-5272  
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## IMO STATE WATER AND SEWERAGE CORPORATION

### AUDITOR'S REPORT

We have the financial statement set out on page 4 to 12. The financial statement is in agreement with the books which in our opinion have been properly kept. We obtained all the necessary information and explanation we required during the course of our audit.

#### Respective Responsibilities of Directors and Auditors

The Directors are responsible for the preparation of the financial statement. It is our responsibility to form an independent opinion base on our audit.

#### Basis of Opinion

We conducted our audit in accordance with auditing standards. An audit includes examination on a test basis of evidence relevant to the amounts and disclosures in financial statement. It also includes, assessment of the significant estimates and judgment, made by the Directors in the preparation of the financial statement, whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

#### Opinion

In our opinion, the Financial Statement give a true and fair view of the Financial Position of IMO STATE WATER AND SEWARAGE CORPORATION as at 31st December, 2024, and of the Corporation financial performance and Cash Flows for the period under review in accordance with the Company and Allied Matters Act. 2004, and all relevant statement of International Financial Reporting Standards.

UGOCHUKWU UKAH & CO  
Chartered Accountants  
FRC/2013/ICAN/00000004755



OWERRI, NIGERIA

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**IMO STATE WATER AND SEWERAGE CORPORATION**  
**Statement of Accounting Policies**  
**for the Year Ended 31<sup>st</sup> December, 2024**

The following are the significant accounting policies adopted in the preparation of its financial statement.

**1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS;**

*The financial statements are prepared under the Historical Cost Convention.*

**2. FIXED ASSETS;**

*Fixed assets are stated at cost less accumulated depreciation.*

**3. DEPRECIATION;**

*Depreciation is calculated to write off the cost of fixed assets on a straight line basis over the estimated useful lives of the assets concerned. The principal annual rates for this purpose which are consistent with those of the previous years are;*

Boreholes & Accessories	10%
Plants and Machinery (Pumping Stations, booster State, Pipe etc)	10%
Motor vehicles	15%
Office Furniture and Equipment	10%
Household Furniture & Equipment	10%
Tools & Equipment	10%

**4. STOCKS;**

*The stocks are valued at lower of the cost and net realizable value.*

**5. DEBTORS;**

*Debtors are stated after making specific provision for debts considered doubtful of collection. A provision of 25% has been made.*

**6. TURNOVER;**

*This represents receipt from water sales, subventions and grants from Imo State Government and other Agencies. Any payments to creditors or third parties made on behalf of the corporation by Government or other agencies are considered as receipt in the year of payments.*

**IMO STATE WATER AND SEWERAGE CORPORATION**  
**Statement of Financial Position**  
**For The Year Ended 31<sup>st</sup> December, 2024**

	NOTES	2024 N	2023 N
<b>Capital Employed</b>			
<i>Fixed Assets</i>			
<i>Less: Depreciation</i>	(1)	29,976,427	32,404.600
<b>Current Assets</b>			
<i>Water Rate Debtors</i>	(2)	4,130,700	3,509,475
<i>Stock</i>	(3)	6,350,910	4,515,132
<i>Cash and Bank Balances</i>	(4)	16,666,472	12,303,896
<b>Total Assets</b>		<b><u>27,148,082</u></b>	<b><u>20,328,503</u></b>
<b>Less: Current Liabilities</b>			
<i>Creditors</i>	(5)	352,500	232,500
<i>Other Creditors and Accruals</i>	(6)	1,850,000	800.000
<b>Total liabilities</b>		<b><u>2,202,500</u></b>	<b><u>1,032,500</u></b>
<b>Net current assets</b>		<b><u>24,945,582</u></b>	<b><u>19,296,003</u></b>
<b>Net Assets</b>		<b><u>54,922,009</u></b>	<b><u>51,700,603</u></b>
<b>Capital and Reserves:</b>			
<i>Imo State Government Fund</i>	(7)	120,075,123	120,075,123
<i>Accumulated Fund</i>	(8)	(65,153,114)	(68,374,520)
<b>Shareholders Fund</b>		<b><u>54,922,009</u></b>	<b><u>51,700,603</u></b>

*These Financial Statement were approved by the Board of Directors*

*on \_\_\_\_\_, 2025 and signed on its behalf by:*

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

**IMO STATE WATER AND SEWERAGE CORPORATION**

**Statement of Income and Expenditure  
For the Year Ended 31<sup>st</sup> December, 2024**

	NOTES	2024 N	2023 N
Water Sales Charges	(9)	3,897,700	2,968,997
Government Subventions	(10)	421,528,500	136,500,000
Other Income (Receipts)	(11)	6,738,697	8,072,000
		<b><u>432,164,897</u></b>	<b><u>147,540,997</u></b>
Direct Operating Expenses	(12)	33,262,200	98,776,515
Personal Costs	(13)	9,476,322	101,101,587
Administrative/General Exp.	(14)	101,339,782	77,203,060
Project Transfers	(15)	286,839,830	0
		<b><u>430,918,134</u></b>	<b><u>277,081,162</u></b>
Surplus (Deficit) of Income over Expenditures Transferred to Accumulated Fund		<b><u>1,246,763</u></b>	<b><u>(129,540,165)</u></b>

**IMO STATE WATER AND SEWERAGE CORPORATION**

**Statement of Cash Flow**

**For The Year Ended 31<sup>st</sup> December, 2024**

	<b>2024</b>	<b>2023</b>
	<b>N</b>	<b>N</b>
<b><i>Cash from Operating Activities:</i></b>		
<i>Returns on Investment and Servicing</i>	4,172,189	(923,053)
<i>Of Finance</i>		
<i>Taxation</i>	0	0
<b><i>Net Cash inflow from Operating activities:</i></b>	<b><u>4,172,189</u></b>	<b><u>(923,053)</u></b>
<b><i>Cash Flow from Investing Activities:</i></b>		
<i>Purchase of fixed Assets</i>	303,426,000	301,516,387
<i>Net Cash flow before financing Activities</i>	(303,235,613)	(299,196,484)
<i>Financing Activities</i>	<u>0</u>	<u>0</u>
<b><i>Net Increase in Cash and cash Equivalent</i></b>	<b>4,362,576</b>	<b>(1,396,850)</b>
<i>Cash and Cash Equivalent 1/1/2022</i>	12,303,896	13,700,946
<b><i>Cash and Cash Equivalent 31/12/2022</i></b>	<b><u>16,666,472</u></b>	<b><u>12,303,896</u></b>

# IMO STATE WATER AND SEWERAGE CORPORATION

## Notes to the Financial Statement For the year ended December 31<sup>st</sup>, 2024

### NOTE 1: FIXED ASSETS AND DEPRECIATION SCHEDULE

ASSETS	Boreholes & Accessories ₦	Plants & Machinery ₦	Motor Vehicle ₦	Office Furn. & Equipments ₦	House-Hold Furn. & Equip. ₦	Tools & Equipment ₦	Total ₦
Cost/Valuation	66,303,720	171,576,450	20,471,350	32,255,844	2,000,000	8,909,023	301,516,387
Additions	0	0	0	2,213,000	0	0	2,213,000
As at 31/12/2024	<u>66,303,720</u>	<u>171,576,450</u>	<u>20,471,350</u>	<u>34,468,844</u>	<u>2,000,000</u>	<u>8,909,023</u>	<u>303,729,387</u>
<b>Depreciation</b>							
As at 01/01/2024	60,825,776	164,639,385	18,424,213	17,558,878	2,000,000	5,663,535	269,111,787
Current Charge	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,446,884</u>	<u>0</u>	<u>890,902</u>	<u>4,337,786</u>
As at 31/12/2024	<u>60,825,776</u>	<u>164,639,385</u>	<u>18,424,213</u>	<u>21,005,762</u>	<u>2,000,000</u>	<u>6,554,437</u>	<u>273,449,573</u>
<b>Net Book Value</b>							
As at 31/12/2024	<u>5,477,944</u>	<u>6,937,065</u>	<u>2,047,137</u>	<u>13,463,082</u>	<u>0</u>	<u>2,354,586</u>	<u>29,976,427</u>
As at 31/12/2023	<u>5,477,944</u>	<u>6,937,065</u>	<u>2,047,137</u>	<u>14,696,966</u>	<u>0</u>	<u>3,245,488</u>	<u>32,404,600</u>

# IMO STATE WATER AND SEWERAGE CORPORATION

## Statement of Income and Expenditure For The Year Ended 31<sup>st</sup> December, 2024

	2024	2023
	N	N
<b>2. Water Debtors</b>		
<i>Owerri Urban &amp; Others</i>	5,507,600	4,679,300
<i>25% Provision for Doubtful Collection</i>	1,376,900	1,169,825
	<b><u>4,130,700</u></b>	<b><u>3,509,475</u></b>
<b>3. Stocks</b>		
<i>Mechanical/Electrical/Chemicals Stores</i>	6,129,200	4,399,522
<i>Loose tools (Mowers)</i>	221,710	115,610
	<b><u>6,350,910</u></b>	<b><u>4,515,132</u></b>
<b>4. Cash and bank Balances</b>		
<i>Cash in hand</i>	71,563	12,063
<i>FBN Plc A/C 100xxxx136</i>	5,286	287,312
<i>Access Bank</i>	183,102	1,692,002
<i>Zenith Bank Plc</i>	6,290,951	50,003
<i>UBA Plc A/C 102xxxx919</i>	10,115,569	10,262,516
	<b><u>16,666,472</u></b>	<b><u>12,303,896</u></b>
<b>5. Sundry Creditors:</b>		
<i>Balance at 01/01/2023</i>	232,500	117,500
<i>Addition during the year</i>	120,000	115,000
	<b><u>352,500</u></b>	<b><u>232,500</u></b>

# IMO STATE WATER AND SEWERAGE CORPORATION

## Notes to Financial Statement (Cont'd)

	2024 N	2023 N
<b>6. Other Creditors and Accrued Charges</b>		
<i>Ugochukwu Ukah &amp; Co</i>	1,850,000	800,000
	<b><u>1,850,000</u></b>	<b><u>800,000</u></b>
<b>7. Imo State Government Fund</b>		
<i>Balance as at 1<sup>st</sup> January</i>	<b><u>120,075,123</u></b>	<b><u>120,075,123</u></b>
<b>8. Accumulated Fund</b>		
<i>Balances at 1<sup>st</sup> January</i>	(68,374,520)	(25,572,997)
<i>Surplus (Deficit) Transferred from Revenue Account</i>	1,246,763	(129,540,165)
<i>Prior year adjustment</i>	1,974,643	86,738,642
<i>Balance as at 31<sup>st</sup> December</i>	<b><u>(65,153,114)</u></b>	<b><u>68,374,529</u></b>
<b>9. Water Sales (Charges) Owerri Urban:</b>		
<i>Head Office</i>	25,000	95,997
<i>Balance as at 31<sup>st</sup> December</i>	<b><u>25,000</u></b>	<b><u>95,997</u></b>
<b>Zones</b>		
<i>Orlu</i>	2,594,700	1,593,000
<i>Orji</i>	637,500	201,400
<i>Eke Nguru</i>	183,000	388,500
<i>Egbeada</i>	457,500	690,100
<i>Total Water Sales from Zones</i>	<b><u>3,872,700</u></b>	<b><u>2,873,000</u></b>
<i>Grand Total</i>	<b><u>3,897,700</u></b>	<b><u>2,968,997</u></b>

# IMO STATE WATER AND SEWERAGE CORPORATION

## Notes to Financial Statement (Cont'd)

	2024 N	2023 N
<b><u>10. Government Subvention/Grants:</u></b>		
<i>Special Grants</i>	421,528,500	136,500,000
	<b><u>421,528,500</u></b>	<b><u>136,500,000</u></b>
<b><u>11. Other Income (Receipts)</u></b>		
<i>Hire of Equipment</i>	100,000	600,000
<i>Contract registration and tender Fees</i>	725,000	1,965,000
<i>Rent (Orji)</i>	104,000	36,000
<i>Private Borehole Permit/Analysis</i>	3,790,000	3,624,000
<i>Over payment refunds</i>	1,042,960	0
<i>Tenement rate</i>	0	1,200,000
<i>Miscellaneous</i>	976,736	647,000
	<b><u>6,738,696</u></b>	<b><u>8,072,000</u></b>
<b><u>12. Direct Operating Expenses</u></b>		
<i>Depreciation Plant &amp; Machinery</i>	0	17,157,645
<i>Depreciation of Boreholes/Accessories</i>	0	6,630,372
<i>Redevelopment of Boreholes</i>	0	14,210,656
<i>Maintenance Expenses Pipelines</i>	8,691,000	15,393,665
<i>Maintenance Expenses Water Scheme</i>	4,998,900	5,605,100
<i>Maintenance Expenses Plant &amp; Equipment</i>	2,878,500	404,625
<i>Maintenance Expenses Motor Vehicles</i>	4,170,500	1,334,100
<i>Rehabilitation of Otamiri H/Works</i>	11,376,300	20,179,152
<i>Maintenances Expenses Laboratory/Water Treatment</i>	170,000	15,928,000
<i>Maintenance Expenses Generator</i>	977,000	1,928,000
	<b><u>33,262,200</u></b>	<b><u>98,776,515</u></b>
<b><u>13. Personal Costs</u></b>		
<i>Staff Salaries</i>	6,043,822	99,056,587
<i>Wages of Casual and Project Staff</i>	3,432,500	2,045,000
	<b><u>9,476,322</u></b>	<b><u>101,101,587</u></b>

# IMO STATE WATER AND SEWERAGE CORPORATION

## Notes to Financial Statement (Cont'd)

	2024 N	2023 N
<b>14. Administration and General Expenses</b>		
Depreciation Other Assets	4,337,786	4,116,486
Transport and Travelling	4,002,700	4,967,945
Telephone and Postages/Communication	813,462	2,198,878
Security Allowances	3,552,500	2,973,000
Printing and Stationery	2,992,000	1,737,309
Entertainment and Hospitality	1,667,000	1,024,400
Audit Fees	1,850,000	800,000
Professional Fees	976,350	1,040,000
Maintenance of Office Building	2,166,000	2,447,150
Water Treatment Expenses	10,226,000	0
Office and General	18,419,720	15,157,945
Water Analysis Costs	490,000	616,000
Bank Charges	64,311	30,714
Employee Pensions and Death Benefits	484,000	182,100
Power and Light	5,067,000	5,346,533
Headquarters Maintenance	8,866,000	0
Oil and Gas Expenses	13,277,000	10,104,200
Miscellaneous Expenses (Surwash Projects)	0	5,719,677
SWS (Deductions)	0	182,100
Vehicle Running Costs	3,818,000	1,956,532
World Water/Rivers Day	660,000	0
IIRS (PAYE)	0	3,995,220
VAT	4,691,363	2,460,948
Union Dues	0	786,267
IMF (1%)	0	189,962
TSA	9,165,500	7,008,600
Stamp Duty	625,515	195,886
WHT	3,127,575	1,965,208
	<b><u>101,339,782</u></b>	<b><u>77,203,060</u></b>

IMO STATE WATER AND SEWERAGE CORPORATION

Notes to Financial Statement (Cont'd)

	2024 N	2023 N
<b>15. Project Transfer</b>		
Surwash Program/Training	154,848,900	0
ISSTOWA	131,990,920	0
	<u><u>286,839,830</u></u>	<u><u>0</u></u>

**16. Prior Year Adjustment**

*This is made of the difference in the books*

As a result of prior period transactions	<u><u>1,974,643</u></u>	<u><u>86,738,642</u></u>
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**17. Statement of Operating Activities**

*For the Year Ended 31<sup>st</sup> December, 2024*

*Surplus (Deficit) of Income Year over*

Expenditure for the Year	1,246,763	(129,540,156)
Depreciation	4,337,786	27,904,503
Prior Year Adjustment	1,974,643	86,738,642
(Increase)/Decrease in Debtors	(621,225)	6,246,502
(Increase)/Decrease in Stock	(1,835,778)	7,375,468
Increase/(Decrease) in Creditors	120,000	115,000
Creditors and Accruals	<u>(1,050,000)</u>	<u>237,000</u>
	<u><u>4,172,189</u></u>	<u><u>(923,053)</u></u>