

**NIGER STATE OF NIGERIA
AGAIE LOCAL GOVERNMENT COUNCIL
AGAIE**

**AUDITED ACCOUNTS
FOR
THE YEAR ENDED
31ST DECEMBER 2018**

**AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
P. M. B. 53, MINNA
NIGER STATE**

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STATEMENT OF FINANCIAL RESPONSIBILITY

These Financial Statements have been prepared by the Treasurer of Agaie Local Government Council in accordance with the provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements complied with generally accepted accounting practices. The Treasury is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper records, the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of Internal Control has operated adequately throughout the reporting period.




Treasurer
31st December, 2019

We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended. In our opinion, these financial statements fairly reflect the financial position of Agaie Local Governments as at 31st December, 2018 and its operations for the year ended on the date.



Treasurer
31st December, 2019



Chairman
31st December, 2019

COUNCIL OFFICIALS

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Captain Mohammed Hassan Executive Chairman
Honourable Mohammed Bala Usman Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:	DEPARTMENTS	DESIGNATION
Etsu Abubakar Sadiq	Personnel Management	H. O. D
Saidu A. Chado	Finance and Supply	H. O. D
Liman U. Musa	Primary Health Care	H. O. D
Salihu Musa Dabgaje	Agriculture and Natural Resources	H. O. D
Isah Suleiman	Works and Housing	H. O. D
Abdullahi Babakeke	Budget and Planning	H. O. D
Abubakar Suleiman	Social Development	H. O. D

- **BANKERS**

	ADDRESS
Union Bank Plc.	Agaie Branch
Unity Bank Plc.	Bida Branch
Babban Microfinance Bank	Agaie Branch

- **AUDITORS**

Auditor General
Office of the Auditor General for Local Governments
P.M.B. 53 Minna,
Niger State.

AUDITOR GENERAL'S OPINION

I have examined the financial statement which have been prepared in accordance with standardized Local Government Treasury Procedures, Financial Memoranda and Circular guidelines. I obtained all information and explanations which I requested for the purpose of my Audit.

In my opinion, the accounts readable in conjunction with notes subject to the issues raised in the management report issued separately with this account gives a true and fair view of affairs of the Council as at 31st December, 2018 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.



Ibrahim Ahmed, B. Sc, MPA, FCNA, FCTI, CPA
Auditor General for Local Governments

1: Cash Flow Statement for the Year Ended 31st December, 2018

ANNUAL BUDGET 2018		NOTES	ACTUAL YEAR 2018	PREVIOUS YEAR 2017
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
2,064,465,260.00	Statutory Allocations:FAAC	1	2,252,222,449.12	
-	Value Added Tax Allocation	1		
2,064,465,260.00	Sub-total - Statutory Allocation		2,252,222,449.12	
-	Direct Taxes	2	8,700.00	
4,287,040.00	Licences & FEES	2	2,664,280.00	
	Mining Rents:	2		
648,000.00	RATES	2	1,244,500.00	
	Fees:	2		
	Fines	2		
	Sales	2		
3,094,230.00	Earnings :	2	2,402,630.00	
-	Sales/Rent of Government Buildings:	2	58,900.00	
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
	Interest Earned	2		
	Re-imbusement	2		
912,000.00	MISELLANEOUS	2	593,500.00	
8,941,270.00	Sub-total - Independent Revenue		6,972,510.00	
-	Other Revenue Sources of the -Government	3	-	
8,941,270.00	TOTAL INDEPENDANT REVENUE		6,972,510.00	
-	Commercial Bank Loan		-	
2,073,406,530.00	TOTAL RECEIPTS		2,259,194,959.12	
	Payments:			
692,505,444.00	Personnel Costs	4	1,433,420,278.93	
166,389,371.00	Overhead Charges:	5	83,997,717.13	
	Consolidated Revenue Fund Charges .	6	99,353,149.91	
	contributions	9	545,704,161.32	
	Other Operating Activities	7	-	
	Financial Charges	7b	-	
	Other Transfers	8	25,100,000.00	
858,894,815.00	Total Payments		2,187,575,307.29	
1,214,511,715.00	Net Cash Flow from Operating Activities		71,619,651.83	

	CashFlows from Investment Activities:			
	Capital Expenditure:Administrative Sector:	10	7,910,000.00	
	Capital Expenditure: Economic Sector:	10	30,820,000.00	
	Capital Expenditure: Law and Justice:	10	-	
	Capital Expenditure:Regional Development	10	-	
	capital expenditure: Social Service Sector:	10	22,081,000.00	
	Capital Expenditure: Funded from Aid and Grants:		-	
575,301,662.00	Total Cash Flow from Investment Activities:		60,811,000.00	
639,210,053.00	Net Cash Flow from Investment Activities:		10,808,651.83	
	CashFlows from Financing Activities:			
-	Proceeds from Aid and Grants	3B	-	
-	Proceeds from ExernaL Loan :	13	-	
-	Proceeds from Internal Loans: Bonds :	14	-	
-	Proceeds from Development loan stock	15	-	
-	Proceeds of Loans from Other Funds	16	-	
-	Repayment of External Loans (Including Servicing)	13	-	
-	Repayment of Treasury Bonds :	14	-	
-	Repayment of Loans from Development loan stock	15	-	
-	Repayment of Loans from Other Funds	16	-	
-	Total Cash Flow from Financing Activities:		-	
639,210,053.00	Net Cash Flow from Financing Activities:		10,808,651.83	
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	
	Net (Increase)/Decrease in Other Cash Equivalents:		-	
	Total Cashflow from other Cash equivalent Accounts		-	
	Net Cash for the year		10,808,651.83	
	Cash & Its Equivalent as at 1st January, 2018		687,249.86	
	Cash & Its Equivalent as at 31st December, 2018		11,495,901.69	

2: Statement of Assets and Liabilities as at 31st December, 2018

	NOTES	CURRENT YEAR 2018	PREVIOUS YEAR 2017
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:			
CASH AT BANK	9	11,495,901.69	
TOTAL LIQUID ASSETS		11,495,901.69	
NON CURRENT ASSETS:			
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	
TOTAL ASSETS		11,495,901.69	
LIABILITIES OVER ASSETS		6,880,922.00	
TOTAL		18,376,823.69	
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	11,495,901.69	
Capital Development Fund:		-	
TOTAL PUBLIC FUNDS		11,495,901.69	
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	-	
		-	
		-	
		-	
TOTAL EXTERNAL AND INTERNAL LOANS		-	
OTHER LIABILITIES			
UNREMITTED DEDUCTIONS			
5% VAT	12	966,922.00	
Withholding Tax	12	914,000.00	
1% Stamp Duty	12	5,000,000.00	
TOTAL LIABILITIES		6,880,922.00	
TOTAL LIABILITIES AND PUBLIC FOUNDS		18,376,823.69	

3: Statement of Consolidated Revenue for the year ended 31st December, 2018

ACTUAL PREVIOUS YEAR 2017		NOTES	ACTUAL YEAR 2018	FINAL BUDGET 2018	INITIAL/ORIGINAL BUDGET 2018
R			R	R	R
-	Opening Balance:		687,249.86		
-			-	-	-
-	ADD: REVENUE		-	-	-
-	Statutory Allocations:FAAC	1	2,252,222,449.12	2,064,465,260.00	-
-	Value Added Tax Allocation	1	-	-	-
-	Sub-Total - Statutory Allocation		2,252,909,698.98	2,064,465,260.00	-
-	Direct Taxes	2	8,700.00	-	-
-	Licences	2	2,664,280.00	4,287,040.00	-
-	Mining Rents:	2	-	-	-
-	RATE	2	1,244,500.00	648,000.00	-
-	Fees:	2	-	-	-
-	Fines	2	-	-	-
-	Sales	2	-	-	-
-	Earnings :	2	2,402,630.00	3,094,230.00	-
-	Sales/Rent of Government Buildings:	2	58,900.00	-	-
-	Sale/Rent on Lands and Others:	2	-	-	-
-	Repayment:General:	2	-	-	-
-	Investment Income	2	-	-	-
-	Interest Earned	2	-	-	-
-	MISCELLANEOUS	2	593,500.00	912,000.00	-
-	Re-Imbursements	2	-	-	-
-	Sub-Total - Independent Revenue		6,972,510.00	8,941,270.00	-
-	Other Revenue Sources of the ---Government	3	-	17,882,540.00	-
-	TOTAL REVENUE:		2,259,882,208.98	26,823,810.00	-
-	LESS:EXPENDITURE				
-	Personnel Costs:	4	1,433,420,278.93	692,505,444.00	-
-	Overhead Charges:	5	83,997,717.13	166,389,371.00	-
-	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	6	99,353,149.91	-	-
-	Subvention to Parastatals:	9	545,704,161.32	-	-
-	Other Operating Activities	7	-	-	-
-	Financial Charges.		-	-	-
-	Other Transfers	8	25,100,000.00	-	-
-	TOTAL EXPENDITURE:		2,187,575,307.29	858,894,815.00	-

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
-	Repayments:External Loans:States	13	-	-	-
-	Repayments:States Bonds.	14	-	-	-
-	Repayments:Development Loan Stock	15	-	-	-
-	Repayments:Internal Loans from Other Funds	16	-	-	-
-	TOTAL EXPENDITURE:		-	-	-
-	OPERATING BALANCE:		72,306,901.69	858,894,815.00	-
	APPROPRIATIONS/TRANSFERS:				
-	Transfer to Capital Development Fund:		60,811,000.00	-	-
-	Closing Balance:		11,495,901.69		

4: Statement of Capital Development Fund for the year ended 31st December, 2018

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2017			EXPENDITURE 2018	BUDGET 2018	BUDGET 2018	BUDGET 2018
₦			₦	₦	₦	₦
-	Opening Balance:		-			
-	ADD: REVENUE		-	-	-	-
-	Transfer from Consolidated Revenue Fund:		60,811,000.00	-	-	-
-	Aid and Grants		-	-	-	-
-	External Loans:States	13	-	-	-	-
-	States Bonds.	14	-	-	-	-
-	Nigerian Treasury Bills (NTB)		-	-	-	-
-	Development Loan Stock	15	-	-	-	-
-	Other Internal Loans(Promissory Notes)		-	-	-	-
-	Internal Loans from Other Funds	16	-	-	-	-
-	TOTAL REVENUE AVAILABLE:		-	-	-	-
	LESS: CAPITAL EXPENDITURE					
-	Capital Expenditure:Administrative Sector:	10	7,910,000.00	-	-	-
-	Capital Expenditure: Economic Sector:	10	30,820,000.00	-	-	-
-	Capital Expenditure: Law and Justice:	10	-	-	-	-
-	Capital Expenditure:Regional Development	10	-	-	-	-
-	Capital Expenditure: Social Service Sector:	10	22,081,000.00	-	-	-
-	Capital Expenditure: Funded from Aid and Grants:		-	-	-	-
-	TOTAL CAPITAL EXPENDITURE:		60,811,000.00	575,301,662.00	-	-
-	Intangible Assets					
	LOSS ON INVESTMENT		-			
-	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2018

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₱	₱
Net Share of Statutory Allocation from FAAC	A	797,015,277.10	
Add :Deduction at source for Loan Repayment	B	1,455,207,172.02	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			2,252,222,449.12
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₱	₱	₱
TAXES	8,700.00	-	(8,700.00)
RATES	1,244,500.00	648,000.00	(596,500.00)
LINCENCES & FEES	2,664,280.00	4,287,040.00	1,622,760.00
EARNING FROM COMMERCIAL UNDERTAKING	2,402,630.00	3,094,230.00	691,600.00
RENT ON LOCAL GOVERNMENT PROPERTY	58,900.00	-	(58,900.00)
MISELLANEOUS	593,500.00	912,000.00	318,500.00
TOTAL I G R	6,972,510.00	8,941,270.00	1,968,760.00

Note 3: Personnel Cost

ADMINISTRATIVE SECTOR										
SECTOR	Admin	Economic	Function	Fund	GEO CODE		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
OFFICE OF THE CHAIRMAN										
01	11001001	21010101	70111	2101		TOTAL PERSONNEL COST	6,314,067.27			
THE COUNCCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	28,015,224.23			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	2,481,838.84			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	61,536,909.39			
TOTAL ADMIN SECTOR							98,348,039.73			
ECONOMIC SECTOR										
Sector	Admin	Economic	Function	Fund			ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	68,222,160.32			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	1,845,544.18			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	60,324,840.92			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	49,700,933.41			
TOTAL ECONOMIC SECTOR							180,093,478.83			

SOCIAL SECTOR									
Sector	Admin	Economic	Function	Fund		ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
ADULT EDUCATION									
05	17001001	21010101	70960	2101	TOTAL PERSONNEL COST	76,063,904.75			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	214,093,495.20			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	79,771,499.63			
TOTAL SOCIAL SECTOR						369,928,899.58			
TOTAL FOR ALL SECTORS						648,370,418.14			
ADJUSTMENT :									
PAYEE						21,995,576.47			
PAYEE (POLITICAL OFFICE						4,096,200.00			
UNION DUES						36,907,952.14			
NHF(2,5%)						4,530,192.29			
EMIRATE COUNCIL						90,751,663.20			
PRIMARY EDUCATION						626,768,276.69			
TOTAL PERSONNEL COST FOR ALL SECTORS						1,433,420,278.93			

Note 4: Overhead Cost

ADMINISTRATIVE SECTOR											
OFFICE OF THE CHAIRMAN											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11001001	22020101	70111	2101		2	Travel & Transport	1,829,000.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	-			
01	11001001	22020402	70111	2101		6	Maintenance of office	514,300.00			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	-			
01	11001001	22020701	70111	2101		8	Consultancy Services	-			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	500,000.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	17,544,034.27			
							Provision of Serviceable Materials	-			
							TOTAL	20,387,334.27			
THE COUNCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	-			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	-			
01	12003001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles andCapital assets	-			
01	12003001	22020701	70111	2101		8	Consultancy Services	-			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	12003001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	-			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	21,429,297.52			
							TOTAL	21,429,297.52			

OFFICE OF THE SECRETARY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11013001	22020101	70111	2101		2	Travel & Transport	-			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	-			
01	11013001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	-			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	-			
01	11013001	22020701	70111	2101		8	Consultancy Services	2,578,000.00			
01	11013001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11013001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11013001	22021001	70111	2101		11	Entertainment & Hospitality	-			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	-			
							TOTAL	2,578,000.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	94,500.00			
01	25001001	22020201	70131	2101		3	Utility Services	43,500.00			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	64,800.00			
01	25001001	22020402	70131	2101		6	Maintenance of officefurniture & equipment	-			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	-			
01	25001001	22020701	70131	2101		8	Consultancy Services	-			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	-			
01	25001001	22020501	70131	2101		10	Training and staff Development	-			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	60,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	1,196,200.00			
							TOTAL	1,459,000.00			
							TOTAL ADMIN MINISTIES	45,853,631.79	-	-	-

ECONOMIC SECTOR											
FINANCE AND SUPPLY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	20001001	22020101	70112	2101		2	Travel & Transport	589,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	693,500.00			
02	20001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	180,500.00			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	5,717,043.38			
02	20001001	22020701	70112	2101		8	Consultancy Services	-			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	252,200.00			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	6,079,979.96			
							TOTAL	13,512,223.34			
BUDGET;PLANNING & RESEARCH											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	38001001	22020101	70112	2101		2	Travel & Transport	867,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	-			
02	38001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	38001001	22020701	70112	2101		8	Consultancy Services	-			
02	38001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	38001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	38001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	-			
							TOTAL	867,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	2,530,550.00			
02	34001001	22020201	70451	2101		3	Utility Services	-			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	-			
02	34001001	22020402	70451	2101		6	Maintenance of officefurniture & equipment	-			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	-			
02	34001001	22020701	70451	2101		8	Consultancy Services	-			
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	-			
02	34001001	22020501	70451	2101		10	Short term Training and Consultancy	-			
02	34001001	22021001	70451	2101		11	Entertament & Hospitality	318,000.00			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	6,510,312.00			
							Provision of Serviceable Materials	-			
							TOTAL	9,358,862.00			
AGRICULTURE AND NATURAL RESURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	-			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	-			
02	15001001	22020402	70421	2101		6	Maintenance of officefurniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	-			
02	15001001	22020701	70421	2101		8	Consultancy Services	-			
02	15001001	22040109	70421	2101		9	Grants, Contributions & Subventions	-			
02	15001001	22020501	70421	2101		10	Training and staff Development	-			
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	-			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	5,423,000.00			
							TOTAL	5,423,000.00			
TOTAL ECONOMIC SECTOR MINISTRY								29,161,085.34	-	-	-

SOCIAL SECTOR												
ADULT EDUCATION												
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE	
05	17001001	22020101	70922	2101		2	Travel & Transport	1,357,000.00				
05	17001001	22020201	70922	2101		3	Utility Services	-				
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-				
05	17001001	22020301	70922	2101		5	Stationary	-				
05	17001001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	1,500,000.00				
05	17001001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-				
05	17001001	22020701	70922	2101		8	Consultancy Services	-				
05	17001001	22040109	70922	2101		9	Grants, Contributions & Subventions	-				
05	17001001	22020501	70922	2101		10	Short term Training and Consultancy	-				
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	-				
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	4,949,000.00				
							Provision of Serviceable Materials	-				
							TOTAL	7,806,000.00				
SOIAL DEVELOPEMENY												
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE	
05	51003001	22020101	70922	2101		2	Travel & Transport	-				
05	51003001	22020201	70922	2101		3	Utility Services	-				
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-				
05	51003001	22020301	70922	2101		5	Stationary	-				
05	51003001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-				
05	51003001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-				
05	51003001	22020701	70922	2101		8	Consultancy Services	-				
05	51003001	22040109	70922	2101		9	Grants, Contributions & Subventions	-				
05	51003001	22020501	70922	2101		10	Short term Training and Consultancy	-				
05	51003001	22021001	70922	2101		11	Entertainment & Hospitality	-				
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	-				
							TOTAL	-				

PRIMARY HEALTH CARE											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	21001001	22020101	70731	2101		2	Travel & Transport	-			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	-			
05	21001001	22020402	70731	2101		6	Maintenance of officefurniture & equipment	-			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	-			
05	21001001	22020701	70731	2101		8	Consultancy Services	-			
05	21001001	22020501	70731	2101		10	Training and staff Development	-			
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	-			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	1,177,000.00			
							Provision of Serviceable Materials	-			
							TOTAL	1,177,000.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	-			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	-			
05	51002002	22020402	70180	2101		6	Maintenance of officefurniture & equipment	-			
05	51002002	22020401	70180	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51002002	22020701	70180	2101		8	Consultancy Services	-			
05	51002002	22040109	70180	2101		9	Grants, Contribution & Subvention	-			
05	51002002	22020501	70180	2101		10	Training and staff Development	-			
05	51002002	22021001	70180	2101		11	Entertainment & Hospitality	-			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	-			
							TOTAL	-			
TOTAL SOCIAL SECTOR MINISTRY								8,983,000.00	-	-	-
TOTAL FOR ALL SECTORS								83,997,717.13	-	-	-

Note 5: Consolidated Revenue Charges

A-- PENSION AND GRATUITIES STATUTORY BOARD MINNA										
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	DETAILS	ACTUAL EXPENDITURE	APPROVED	REVISED BUDGET	VARIANCE ON REVISED BUDGET
01	25001001	22010102	70131	02101		Pension Statutory	54,107,496.83			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	45,245,653.08			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	-			
01	25001002	22020902	70132	02102		Insurance Premium	-			
01	25001001	22010106	70131	02101		Acturial Valuation	-			
01	25001001	22010107	70131	02101		Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-			
						Deceased 3rd Annual Emolument (CPS)	-			
						TOTAL	99,353,149.91			
B--STATUTORY OFFICERS SALARY						STATUTORY OFFICERS SALARY	-			
						TOTAL CRF	99,353,149.91			

Note 6: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,600,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	8,300,000.00
TOTAL	25,100,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	516,904,161.32
TOTAL CONTRIBUTIONS	545,704,161.32

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECONOMIC	FUNCTION	PROGRAMME	FUND	GEO CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2018	2018 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
01	11033001	23010122	70722	010400009616	03005			TOWN AND COUNTRY PLANNING	7,910,000.00			
01	11033001	23010122	70722	010400009616	03005				-			
01	11033001	23010122	70722	010400009616	03005				-			
									7,910,000.00			
												-
ECONOMIC SECTOR												-
02	20001001				03005			TRANSPORT,ROADS & BRIDGES	29,100,000.00			
02								MARKET	1,720,000.00			-
								TOTAL FOR ECONOMIC SECTOR	30,820,000.00			
												-
SOCIAL SECTOR												-
05			70422	70900002606	03005			CONSTRUCTION OF PRIMARY SCHOOLS	2,681,000.00			
								DRILLING OF BORE HOLES	19,400,000.00			
									-			
									-			
								SOCIAL SECTOR TOTAL	22,081,000.00	-	-	-
								TOTAL FOR ALL SECTORS	60,811,000.00			-

Note 9: Closing Cash Book/Bank Balances as at 31st December, 2019

ACCOUNT TYPE		AMOUNT
UNION BANK (SALARY)		11,402,407.77
UNION BANK (SUB. ACCT.)		2,714.05
UNITY BANK BIDA (O/H)		7,575.29
BABBA MICRO FINANCE (GRA)		82,521.29
BABBA MICRO FINANCE (O/H)		683.29
TOTAL		11,495,901.69

Note 10: Investment

INVESTMENTS				
Investments in Companies				
	STOCK	HOLDING	PRICE	MARKET VALUE(N)
	TOTAL INVESTMENT			-

Note 11: Development Loan Stock

List the Loans	Balance as at 01/01/2019	ADDITIONAL LOAN	PRINCIPAL REPAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	BALANCE ON PRINCIPAL
BANK LOAN/OVER DRAFT	58,540.35	142,431.78	200,972.13	-	-	200,972.13
	-	-	-	-	-	-
	-	-	-	-	-	-
TOTAL	58,540.35	142,431.78	200,972.13	-	-	200,972.13

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS		AMOUNT
5% VAT		966,922.00
WITHHOLDING TAX		914,000.00
1% STAMP DUTY		5,000,000.00
TOTAL		6,880,922.00

**MANAGEMENT REPORT ON AUDITED
ANNUAL FINANCIAL STATEMENT FOR THE
YEAR ENDED 31ST DECEMBER, 2018**

1. SCOPE OF THE AUDIT

The Accounts and Records maintained by Agaie Local Government Council and Financial Statement produced for audit in respect of the year ended 31st December, 2018 have been examined and all the information that were provided and gathered in respect of monies received and expended have been certified. All the books of account from the book of original entry, General ledger to subsidiary ledger were checked and certified by our team.

2.0 GENERAL STATE OF ACCOUNTS AND RECORD KEEPING

The pattern and manner of keeping and rendering accounting books and records as observed in the Local Governments Councils were inadequate as highlighted in this report and are stated below:

- Most of the payment vouchers raised were not having documentary evidences to justify the payments made.
- Most of the purchases made lacked essential documentary evidence such as Receipt Vouchers, and Store Issue Vouchers which shows that they were not supplied or supplied but not taken charge.
- In some cases, approvals in respect of expenditure incurred were not presented for audit.
- Deductions made for WHT and VAT were in some cases not remitted to the appropriate tax authorities within time.
- Some payment vouchers were not checked and passed by the Internal Audit Unit.
- Absence of signatures of relevant parties to Payment Vouchers.

- Lack of adequate budgetary discipline.
- Non-maintenance of Fixed/Moveable Asset register.

2.1 GENERAL RECOMMENDATION

- All Directors should ensure that they maintain their Departmental Vote Expenditure Account Books and reconcile same monthly.
- All supplies made to Departments should be received from the suppliers in the presence of the Internal Auditor, for certification of the prime, completeness, and validity of the goods supplied.
- All payment vouchers must contain authenticated documents duly signed by the respective officials and the supplier.
- No payment vouchers should be entertained by the Internal Auditor if it is not accompanied with Departmental Vote Expenditure Account Book (D.V.E.A) and Departmental Payment Voucher Register (D.P.V.R) in order to avoid over expenditure and omission of some payment vouchers and posted into D.V.E.A. Book.
- No voucher should be paid by the Cashier without being certified by the Internal Auditor and duly checked and passed by the Treasurer.
- Copies of contract awards documents must be sent to the office of the Internal Auditor for his awareness and record purposes.
- Payment for contract awards, being it part payment, must be accompanied with photocopies of the council's approval and award of contract forms. Final payment must be accompanied with the original copies of the contract agreement form and relevant supporting documents for payment.

- Appointment of employees, resignation of appointment, termination of appointment, retirement from service, suspension from work, dismissal from service and deaths should be notified to the Internal Auditor immediately.
- All expenditure account books must be promptly reconciled with the treasury books to maintain efficiency and accountability.
- Rubber Stamp marked “ENTERED INTO VOTE BOOK” should be impressed on any payment sent to the Treasury to ensure that the voucher has been entered into Vote Book.
- Tell Book should equally be maintained by the Cashier for the purpose of Daily Cash Balance or the day’s taking to ascertain the liquid cash available at the close of each day’s business transactions after balancing up the Revenue and Expenditure cash Book for the day.
- The Revenue Staff (Collectors) should ensure that all revenue earning books are returned to the officer in charge after they have completely been used off.
- Store Officers should ensure that they keep all records up-to-date should the Internal Auditor will be going round to check and examine the accounts.
- A Job Cost Book should be kept in the Works Department on form **LGT 97 (F.M. 33.6)**.

3.0 REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Agaie Local Government Council for the year ended 31st December 2018 is shown in the table 1 below.

Table 1: Breakdown of revenues and Expenditures

TOTAL REVENUE		AMOUNT ₦	%
	Internally Generated Revenue	6,971,510.00	0.31
	Statutory Allocation	2,252,222,449.12	99.69
TOTAL		2,259,194,959.12	100.00
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	1,433,420,278.93	63.75
	Overhead Cost	83,907,717.13	3.74
	Consolidated Revenue Fund Charges	99,353,149.91	4.42
•	Contributions	545,704,161.32	24.27
•	Other Operating Activities	-	-
•	Other Transfers	25,100,000.00	1.12
•	Capital Expenditures	60,811,000.00	2.70
TOTAL		2,738,635,258.73	100.00

3.1 REVENUE

The sum of ₦2,259,194,959.12 accrued to Agaie Local Government Councils as total receipts for the year ended 31st December 2018.

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Agaie Local Government Council amounted to ₦6,972,510.00 only for the year ended 31st December 2018 which represents 0.31% of the total accrued revenue of ₦2,259,194,959.12

This shows that the council solely depend on statutory allocation from the Federation Account for survival. This could result to non-survival of the Council if there is a decline of revenue from the Federation Account.

I advised the Local Government Council to take the following measures to boost their internally generated revenue collection.

- Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- Control over issuance of revenue receipts
- Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.

3.1.2 STATUTORY ALLOCATION

The sum of ₦2,252,222,449.12 was disbursed to Agaie Local Governments Council for the year under review. Statutory allocation comprises VAT, Excess Crude and Statutory Allocation etc. The reporting framework provides that each revenue class is reported separately in the financial statements and the notes thereto.

It was, however, noted that these classes of revenue are only identified at the Ministry for Local Government (Joint Account) while the disbursements to Local Government Councils are only classified as Statutory Allocation.

This makes it difficult to trace and account for each revenue classes at the Local Government Council level and possibly reconciliation of disbursement from the Federation Account and the receipts by the Local Government Council.

I advised the Ministry for Local Governments to share with the Local Government councils the breakdown of revenues from the Federation Accounts to ensure that they are correctly reported by the Councils.

3.2 CASH AND BANK BALANCES

The total cash balances stood at ₦0.00 in respect of Agaie Local Government Council at the end of the financial year ended 31st December 2018.

While the total bank balances stood at ₦11,495,901.69 in respect of Agaie Local Government Council as at the end of the financial year ended 31st December 2018.

4.0 INTERNAL CONTROL

During the course of our audit exercise, it was observed that despite reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued. The non-compliance was evidenced by the Payment Vouchers been prepared and paid out without being endorsed by the Internal Audit Units, the non-endorsement of Officer Controlling the Vote, and Checks by the respective accounting Officers.

Also evidenced is lack of Asset Register to ascertain the Assets, their Condition, their Location and values of such assets. And all efforts made by my Office to ensure the maintenance of the Register are not encouraging.

In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that henceforth all Payment Vouchers raised are passed through Internal Audit Unit for certification before such payment are effected and equally ensure the maintenance of Asset Register before my next audit.

4.1 RECOMMENDATION

- It is recommended that the Internal Control System in existence has to be strengthened, proper record keeping and documentation of all financial transactions so as to enhance proper accountability.

5. BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦6,972,510.00 was generated as Internally Generated Revenue which represents 77.98% when compared with the total budgeted Internally Generated Revenue amounting to ₦8,941,270.00 during the year under review. This is a poor performance.

5.1 RECOMMENDATION

- It is recommended that preparation of cash flow statement should be adequately monitored to reduce the unnecessary expenditure on overhead and given priority to project execution.
- More efforts should be made so as to attain the target set on revenue generation internally in the next financial year. This will reduce over dependence of the Council on Statutory Allocation from Federation Accounts which is no longer attainable

6. PERSONNEL COST

It was observed that the total sum of ₦1,433,420,278.98 and ₦692,505,454.05 was spent as total personnel cost for the year 2018 and 2017 respectively with an increase of ₦740,914,824.93 over the previous year. This is as a result of salary increase made by the state government during the year under review.

7. CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No of Revenue and Expenditure revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦575,301,662.00 and only the sum of ₦60,811,000.00 representing 10.57% was spent leaving the balance of ₦514,490,662.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	74,846,746.00	7,910,000.00	66,936,746.00
02	Economic Sector	291,332,761.00	30,820,000.00	260,512,761.00
05	Social Sector	209,122,155.00	22,081,000.00	187,041,155.00
TOTAL		<u>575,301,662.00</u>	<u>60,811,000.00</u>	<u>514,490,662.00</u>

7.1 RECOMMENDATION

- It is recommended that the previous statistical data should be used in the preparation of a reliable budget that could be attainable.
- Also, Capital projects should be encouraged and priority should be given to its execution as it has direct bearing to the grass roots development.

8. PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No. 3 revealed that the Total Revenue stood at ₦2,159,194,959.12 with a Total Expenditure of ₦2,248,386,307.29 and close with a surplus balance of ₦10,808,651.83 This is a healthy statement of account.

9.0 DEPOSITS

Deposits comprise statutory deductions which relate to contracts awarded (Value Added Tax (VAT) and Withholding Tax (WHT)) and employment which are deducted at source by the Local Government Council and are supposed to be remitted to the relevant tax collecting bodies in accordance with relevant legislation. I observed that a total of ₦6,880,922.00 stood as outstanding consolidated deposit balances as at the end of the period under review. Table below shows the list of the outstanding deposits as at 31st December 2018.

Outstanding deductions as at 31 December 2018

DETAILS	AMOUNT ₦
5% VAT	966,922.00
Withholding Tax	914,000.00
1% Stamp Duty	5,000,000.00
TOTAL	6,880,922.00

From the above table, the Councils recorded outstanding VAT amounting to ₦966,922.00 and WHT of ₦914,000.00 as at 31st December, 2018.

Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that

the outstanding balance may be deducted from the Statutory allocations due to the Councils and in addition the councils may be fined and penalized for delayed remittance and hence affect the amount of money meant for developmental activities.

I advised the Local Government Councils to take steps to remit the outstanding deductions to the relevant authorities as a matter of urgency to avoid fines and penalties. I also advised the council comply with the legislation in regard to future deductions.

10. OUTSTANDING AUDIT INSPECTION

AGX/FO.18/TA/AGA/VOL.1

Dated:16th may 2019

(i)Payment made without chairman's approval	26,000.00
(ii)Payment without vouchers	58,031.12
(iii)Undocumented payment vouchers	599,400.00

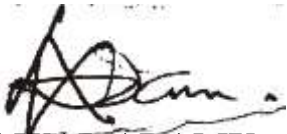
10.1 REQUIRED

The council is required to response to the outstanding Inspection Report or else necessary action and sanction will be taken.

11. CONCLUSION

We wish to use this medium to express our appreciation to the Chairman and the entire staff of Local Government for the cooperation given to the staff of this Office to carry out the Audit exercise.

It is our sincere hope that you would not hesitate to contact this Office for further clarification and explanations you might require in connection with the Audited Annual Financial Statement and Management Reports.



LAWAL ADAMU

*Director Statutory and Special Operations,
For: Auditor General*

**NIGER STATE OF NIGERIA
AGWARA LOCAL GOVERNMENT COUNCIL
AGWARA**

**AUDITED ACCOUNTS
FOR
THE YEAR ENDED
31ST DECEMBER 2018**

**AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
P. M. B. 53, MINNA
NIGER STATE**

PERSONALITY PROFILE

A. FINANCIAL STATEMENT

Statement of Financial Responsibility

Council Officials

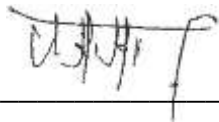
Auditor General's Opinion

B. AUDIT REPORT

- Cash Flow Statements
- Statement of Assets & Liabilities
- Statement of Consolidated Revenue Funds
- State of Capital Development Funds
- Notes to the Accounts.
- Statement of Accounting Policies
- Scope of Audit
- General State of Accounts and Records Keeping
- General Recommendation
- Review of Financial Statement
- Internal Control
- Budgetary Control
- Personnel Cost
- Capital Expenditure
- Performance of Operation Activities
- Deposits
- Outstanding Audit Inspection
- Conclusion

STATEMENT OF FINANCIAL RESPONSIBILITY

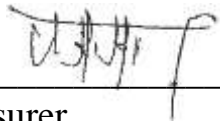
These Financial Statements have been prepared by the Treasurer of Agwara Local Government Council in accordance with the provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements complied with generally accepted accounting practices. The Treasury is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper records, the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of Internal Control has operated adequately throughout the reporting period.



Treasurer

31st December, 2019

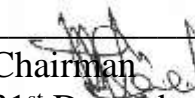
We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended. In our opinion, these financial statements fairly reflect the financial position of Agwara Local Governments as at 31st December, 2018 and its operations for the year ended on the date.



Treasurer

31st December, 2019

COUNCIL OFFICIALS



Chairman

31st December, 2019

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Alhaji Nura Mohammed Garba

Executive Chairman

Honourable Paul Azulami Daniel

Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:

DEPARTMENTS

DESIGNATION

Mrs. Deborah Musa

Personnel Management

H. O. D

Alh Abubakar DantataMahuta

Finance and Supply

H. O. D

Mr. Abraham Danteni Jatau

Primary Health Care

H. O. D

Alhaji Yusuf Bawa Rijau

Agriculture and Natural Resources

H. O. D

Alh Yakubu Moh Abdullahi

Works and Housing

H. O. D

Mr. Peter Hosea Shilenkani

Budget and Planning

H. O. D

Mr. Yohama Chekula Joel

Social Development

H. O. D

- **BANKERS**

Unity Bank Plc.

Kpacharka Micro-Finance Bank Ltd.

UBA Plc.

ADDRESS

Yauri Branch

Agwara Branch

Kontagora Branch

- **AUDITORS**

Auditor General

Office of the Auditor General for Local Governments

P.M.B. 53 Minna,

Niger State.

AUDITOR GENERAL'S OPINION

I have examined the financial statement which have been prepared in accordance with standardized Local Government Treasury Procedures, Financial Memoranda and Circular guidelines. I obtained all information and explanations which I requested for the purpose of my Audit.

In my opinion, the accounts readable in conjunction with notes subject to the issues raised in the management report issued separately with this account gives a true and fair view of affairs of the Council as at 31st December, 2018 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.



Ibrahim Ahmed, B. Sc, MPA, FCNA, FCTI, CPA
Auditor General for Local Governments

1: Cash Flow Statement for the Year Ended 31st December, 2018

ANNUAL BUDGET 2018		NOTES	ACTUAL YEAR 2018	PREVIOUS YEAR 2017
R			R	R
	CashFlows from Operating Activities:			
	Receipts:			
1,411,381,295.00	Statutory Allocations:FAAC	1	1,390,976,937.02	-
	Value Added Tax Allocation	1		
1,411,381,295.00	Sub-total - Statutory Allocation		1,390,976,937.02	-
	Direct Taxes	2	-	
3,675,000.00	Licences & FEES	2	3,739,996.75	
	Mining Rents:	2		
	RATES	2	-	
	Fees:	2		
	Fines	2		
	Sales	2		
3,566,763.00	Earnings :	2	6,841,700.00	
60,000.00	Sales/Rent of Government Buildings:	2	-	
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
	Interest Earned	2		-
46,601,862.00	Grant from state			
	Re-imbusement	2		-
40,000.00	MISELLANEOUS	2	462,600.00	-
	Sub-total - Independent Revenue			-
	Other Revenue Sources of the -Government	3		-
1,465,324,920.00	TOTAL INDEPENDANT REVENUE		11,044,296.75	-
	Commercial Bank Loan		-	
	TOTAL RECEIPTS		1,402,021,233.77	-
	Payments:			
334,901,329.00	Personnel Costs	3	555,250,755.46	-
209,500,000.00	Overhead Charges:	4	194,142,584.96	-
	Consolidated Revenue Fund Charges .	5	27,807,552.21	-
	contributions	7	576,207,232.28	-
	Other Operating Activities		-	
	Financial Charges		-	
	Other Transfers	6	25,100,000.00	
544,401,329.00	Total Payments		1,378,508,124.91	
920,923,591.00	Net Cash Flow from Operating Activities		23,513,108.86	

	CashFlows from Investment Activities:			
	Capital Expenditure:Administrative Sector:	8	2,550,000.00	
	Capital Expenditure: Economic Sector:	8	22,324,675.00	
	capital expenditure: Social Service Sector:	8	515,000.00	
669,064,994.00	Capital Expenditure: Funded from Aid and Grants:		-	
	Total Cash Flow from Investment Activities:		25,389,675.00	
	Net Cash Flow from Investment Activities:		(1,876,566.14)	
	CashFlows from Financing Activities:			
	Proceeds from Aid and Grants		-	
	Proceeds from ExternaL Loan :		-	
	Proceeds from Internal Loans: Bonds :		-	
	Proceeds from Development loan stock		-	
	Proceeds of Loans from Other Funds		-	
	Repayment of External Loans (Including Servicing)		-	
	Repayment of Treasury Bonds :		-	
	Repayment of Loans from Development loan stock		-	
	Repayment of Loans from Other Funds	11	-	
	Total Cash Flow from Financing Activities:		-	
	Net Cash Flow from Financing Activities:		(1,876,566.14)	
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	
	Net (Increase)/Decrease in Other Cash Equivalents:		-	
	Total Cashflow from other Cash equivalent Accounts		-	
	Net Cash for the year		(1,876,566.14)	
	Cash & Its Equivalent as at 1st January, 2018		20,753,101.74	
	Cash & Its Equivalent as at 31st December, 2018	9	18,876,535.60	

2: Statement of Assets and Liabilities as at 31st December, 2018

	NOTES	CURRENT YEAR 2018	PREVIOUS YEAR 2017
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:			
CASH AT BANK	9	18,876,411.47	
CASH AT HAND		123.86	
TOTAL LIQUID ASSETS		18,876,535.33	
NON CURRENT ASSETS:			
		-	
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	
TOTAL ASSETS		18,876,535.33	
LIABILITIES OVER ASSETS		5,565,316.00	
TOTAL		24,441,851.33	
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	18,876,535.60	
Capital Development Fund:		-	
TOTAL PUBLIC FUNDS		18,876,535.60	
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	-	
		-	
TOTAL EXTERNAL AND INTERNAL LOANS		-	
OTHER LIABILITIES			
UNREMITTED DEDUCTIONS		-	
2.5% National Housing Funds	12	9,065.46	
5% Withholding Tax	12	2,190,799.51	
5% VAT	12	1,443,580.51	
Retention Fees	12	200,000.00	
LEA Salary	12	1,721,870.25	
TOTAL LIABILITIES		5,565,315.73	
TOTAL LIABILITIES AND PUBLIC FOUNDS		24,441,851.33	

3: Statement of Consolidated Revenue for the year ended 31st December, 2018

ACTUAL PREVIOUS YEAR 2017		NOTES	ACTUAL YEAR 2018	FINAL BUDGET 2018	INITIAL/ORIGINAL BUDGET 2018
₦			₦	₦	₦
	Opening Balance:		20,753,101.74		
	ADD: REVENUE				
	Statutory Allocations:FAAC	1	1,390,976,937.02	1,411,381,295.00	
	Value Added Tax Allocation	1	-		
	Sub-Total - Statutory Allocation		1,390,976,937.02	1,411,381,295.00	
	Direct Taxes	2	-		
	Licences	2	3,739,996.75	3,675,000.00	
	RATES	2	-		
	Fees:	2	-		
	Fines	2	-		
	Sales	2	-		
	Earnings :	2	6,841,700.00	3,566,763.00	
	Sales/Rent of Government Buildings:	2	-		
	Sale/Rent on Lands and Others:	2	-	60,000.00	
	Grant from state			46,601,862.00	
	MISCELLANEOUS	2	462,600.00	40,000.00	
	Investment Income	2	-		
	Interest Earned	2	-		
	Re-Imbursements	2	-		
	Sub-Total - Independent Revenue		11,044,296.75	53,943,625.00	
	Other Revenue Sources of the ---Government		-		
	TOTAL REVENUE:		1,422,774,335.51	1,465,324,920.00	
	LESS:EXPENDITURE				
	Personnel Costs:	3	555,250,755.46	334,901,329.00	
	Overhead Charges:	4	194,142,584.96	209,500,000.00	
	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	27,807,552.21		
	contributions	7	576,207,232.28		
	Other Operating Activities		-		
	Financial Charges.		-		
	Other Transfers	6	25,100,000.00		
	TOTAL EXPENDITURE:		1,378,508,124.91	544,401,329.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
	Repayments:External Loans:States			-	
	Repayments:States Bonds.			-	
	Repayments:Development Loan Stock			-	
	Repayments:Internal Loans from Other Funds	11		-	
	TOTAL EXPENDITURE:			-	
	OPERATING BALANCE:		44,266,210.60	920,923,591.00	
	APPROPRIATIONS/TRANSFERS:				
	Transfer to Capital Development Fund:		25,389,675.00	669,064,994.00	
	Closing Balance:		18,876,535.60		

4: Statement of Capital Development Fund for the year ended 31st December, 2018

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2017			EXPENDITURE 2018	BUDGET 2018	BUDGET 2018	BUDGET 2018
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
	Transfer from Consolidated Revenue Fund:		25,389,675.00	669,064,994.00		
	Aid and Grants		-	46,601,862.00		
	TOTAL REVENUE AVAILABLE:		25,389,675.00	715,666,856.00		
	LESS: CAPITAL EXPENDITURE					
	Capital Expenditure:Administrative Sector:	10	2,550,000.00			
	Capital Expenditure: Economic Sector:	10	22,324,675.00			
	Capital Expenditure: Social Service Sector:	10	515,000.00			
	Capital Expenditure: Funded from Aid and Grants:		-			
	TOTAL CAPITAL EXPENDITURE:		25,389,675.00	669,064,994.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2018

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₱	₱
Net Share of Statutory Allocation from FAAC	A	520,346,014.46	
Add :Deduction at source for Loan Repayment	B	870,630,922.56	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			1,390,976,937.02
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₱	₱	₱
TAXES	-		
RATES	-		
LINCENCES & FEES	3,739,996.75		
EARNING FROM COMMERCIAL UNDERTAKING	6,841,700.00		
RENT ON LOCAL GOVERNMENT PROPERTY	-		
INTEREST AND DIVIDEND	-		
MISELLANEOUS	462,600.00		
TOTAL I G R	11,044,296.75		

Note 3: Personnel Cost

ADMINISTRATIVE SECTOR										
SECTOR	Admin	Economic	Function	Fund	GEO CODE		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
OFFICE OF THE CHAIRMAN										
01	11001001	21010101	70111	2101		TOTAL PERSONNEL COST	4,681,765.80			
							-			
THE COUNCCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	25,468,389.60			
							-			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	2,546,838.96			
							-			
							-			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	22,358,038.00			
TOTAL ADMIN SECTOR							55,055,032.36			
							-			
ECONOMIC SECTOR										
Sector	Admin	Economic	Function	Fund			ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	24,805,653.29			
							-			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	1,905,157.30			
							-			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	27,293,008.37			
							-			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	29,698,096.03			
TOTAL ECONOMIC SECTOR							83,701,914.99			

SOCIAL SECTOR									
Sector	Admin	Economic	Function	Fund		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2018	REVISED BUDGET	VARIANCE ON REVISED BUDGET
ADULT EDUCATION									
05	17001001	21010101	70960	2101	TOTAL PERSONNEL COST	-			
						-			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	127,359,445.69			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	24,711,680.70			
SOCIAL DEVELOPMENT									
05		21010101	70131	2101	TOTAL PERSONNELCOST	22,906,543.65			
TOTAL SOCIAL SECTOR						174,977,670.04			
TOTAL FOR ALL SECTORS						313,734,617.39			
ADJUSTMENT :									
PAYEE						11,142,841.62			
PAYEE (POLITICAL OFFICE						4,149,586.98			
UNION DUES						13,285,527.13			
NHF(2,5%)						2,500,008.24			
EMIRATE COUNCIL						61,577,677.92			
PRIMARY EDUCATION						148,860,496.18			
TOTAL PERSONNEL COST FOR ALL SECTORS						555,250,755.46			

Note 4: Overhead Cost

ADMINISTRATIVE SECTOR											
OFFICE OF THE CHAIRMAN											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11001001	22020101	70111	2101		2	Travel & Transport	300,000.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	4,996,000.00			
01	11001001	22020402	70111	2101		6	Maintenance of office	485,000.00			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	2,877,000.00			
01	11001001	22020701	70111	2101		8	Consultancy Services	-			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	59,962,500.00			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	4,933,000.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	39,960,000.00			
							PROVISION OF SERVICE MATERIALS	-			
							TOTAL	113,513,500.00			
THE COUNCCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	2,989,000.00			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	1,000,000.00			
01	12003001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	1,000,000.00			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles andCapital assets	1,000,000.00			
01	12003001	22020701	70111	2101		8	Consultancy Services	-			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	12003001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	9,942,000.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	-			
							PROVISION FOR SERVICEABLE	-			
							TOTAL	15,931,000.00			

OFFICE OF THE SECRETARY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11013001	22020101	70111	2101		2	Travel & Transport	290,000.00			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	214,000.00			
01	11013001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	300,000.00			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	500,000.00			
01	11013001	22020701	70111	2101		8	Consultancy Services	-			
01	11013001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11013001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11013001	22021001	70111	2101		11	Entertainment & Hospitality	1,980,000.00			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	-			
							TOTAL	3,284,000.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	998,500.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	700,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of officefurniture & equipment	-			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	975,500.00			
01	25001001	22020701	70131	2101		8	Consultancy Services	-			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	-			
01	25001001	22020501	70131	2101		10	Training and staff Development	6,998,000.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	4,000,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	1,290,000.00			
							TOTAL	14,962,000.00			
							TOTAL ADMIN MINISTIES	147,690,500.00			

ECONOMIC SECTOR											
FINANCE AND SUPPLY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	20001001	22020101	70112	2101		2	Travel & Transport	1,951,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	3,903,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	995,000.00			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	20001001	22020701	70112	2101		8	Consultancy Services	-			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	4,036,435.27			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	3,512,149.69			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	1,600,000.00			
							TOTAL	15,997,584.96			
BUDGET;PLANNING & RESEARCH											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	38001001	22020101	70112	2101		2	Travel & Transport	3,320,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	1,580,000.00			
02	38001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	450,000.00			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	38001001	22020701	70112	2101		8	Consultancy Services	-			
02	38001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	38001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	38001001	22021001	70112	2101		11	Entertainment & Hospitality	1,250,000.00			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	-			
							TOTAL	6,600,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	720,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	-			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	250,000.00			
02	3.4E+07	22020402	70451	2101		6	Maintenance of officefurniture & equipment	480,000.00			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	1,961,500.00			
02	34001001	22020701	70451	2101		8	Consultancy Services	-			
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	-			
02	34001001	22020501	70451	2101		10	Short term Training and Consultancy	-			
02	34001001	22021001	70451	2101		11	Entertament & Hospitality	375,000.00			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	-			
							PROVISION OF SERVICE MATERIALS	-			
							TOTAL	3,786,500.00			
AGRICULTURE AND NATURAL RESURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	220,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	300,000.00			
02	15001001	22020402	70421	2101		6	Maintenance of officefurniture & equipment	290,000.00			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	1,000,000.00			
02	15001001	22020701	70421	2101		8	Consultancy Services	-			
02	15001001	22040109	70421	2101		9	Grants, Contributions & Subventions	-			
02	15001001	22020501	70421	2101		10	Training and staff Development	-			
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	1,950,000.00			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	5,800,000.00			
							PROVISION OF SERVICEABLE	-			
							TOTAL	9,560,000.00			
							TOTAL ECONOMIC SECTOR MINISTRY	35,944,084.96			

SOCIAL SECTOR											
ADULT EDUCATION											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	17001001	22020101	70922	2101		2	Travel & Transport	-			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	-			
05	17001001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	17001001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	17001001	22020701	70922	2101		8	Consultancy Services	-			
05	17001001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	17001001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	-			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport	360,000.00			
05	51003001	22020201	70922	2101		3	Utility Services	-			
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	51003001	22020301	70922	2101		5	Stationary	500,000.00			
05	51003001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	500,000.00			
05	51003001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51003001	22020701	70922	2101		8	Consultancy Services	-			
05	51003001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	51003001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	51003001	22021001	70922	2101		11	Entertainment & Hospitality	2,360,000.00			
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	3,720,000.00			

PRIMARY HEALTH CARE											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	21001001	22020101	70731	2101		2	Travel & Transport	630,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	200,000.00			
05	21001001	22020402	70731	2101		6	Maintenance of officefurniture & equipment	460,000.00			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	910,000.00			
05	21001001	22020701	70731	2101		8	Consultancy Services	-			
05	21001001	22020501	70731	2101		10	Training and staff Development	-			
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	1,698,000.00			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	-			
							INTEGRATED MGT. OF CHILD ILLINESS	-			
							NPI	-			
							ASSISTED PROGRAM (SUMMAP)	-			
							TOTAL	3,898,000.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	50,000.00			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	-			
05	51002002	22020402	70180	2101		6	Maintenance of officefurniture & equipment	-			
05	51002002	22020401	70180	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51002002	22020701	70180	2101		8	Consultancy Services	-			
05	51002002	22040109	70180	2101		9	Grants, Contribution & Subvention	-			
05	51002002	22020501	70180	2101		10	Training and staff Development	-			
05	51002002	22021001	70180	2101		11	Entertainment & Hospitality	2,840,000.00			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	-			
							TOTAL	2,890,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	10,508,000.00			
							TOTAL FOR ALL SECTORS	194,142,584.96			

Note 5: Consolidated Revenue Charges

A-- PENSION AND GRATUITIES STATUTORY BOARD MINNA										
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	DETAILS	ACTUAL EXPENDITURE	APPROVED	REVISED BUDGET	VARIANCE ON REVISED BUDGET
01	25001001	22010102	70131	02101		Pension Statutory	8,498,861.70			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	19,308,690.51			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	-			
01	25001002	22020902	70132	02102		Insurance Premium	-			
01	25001001	22010106	70131	02101		Acturial Valuation	-			
01	25001001	22010107	70131	02101		Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-			
						Deceased 3rd Annual Emolument (CPS)	-			
						TOTAL	27,807,552.21			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	27,807,552.21			

Note 6: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,600,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	8,300,000.00
TOTAL	25,100,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	547,407,232.28
TOTAL CONTRIBUTIONS\	576,207,232.28

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR													
SECTOR	ADMIN	ECONOMIC	FUNCTION	PROGRAMME		FUND	GEO CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2018	2018 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616		03005			GENERAL ADMINISTRATION	2,550,000.00			
1	11033001									-			
1	11033001									-			
									TOTAL FOR ADMIN SECTOR	2,550,000.00			
													-
ECONOMIC SECTOR													-
2	20001001					03005			AGRIC & RURAL DEV.	6,995,000.00			
2									RURAL WATER RESOURCES	15,329,675.00			(15,329,675.00)
										-			
2									ECONOMIC SECTOR TOTAL	22,324,675.00	-	-	(15,329,675.00)
													-
SOCIAL SECTOR													-
5			70422	70900002606		03005			EDUCATION	515,000.00			
										-			
										-			
										-			
										-			
										-			
									SOCIAL SECTOR TOTAL	515,000.00	-	-	-
									TOTAL FOR ALL SECTORS	25,389,675.00			

Note 9: Closing Cash Book/Bank Balances as at 31st December, 2019

ACCOUNT TYPE		AMOUNT
UNITY BANK I		8,677,355.75
UNITY BANK II		114,225.61
UNITY BANK III		8,987.78
UNITY BANK IV		2,164.13
UNITY BANK V		31,354.19
UNITY BANK VI		1,241.00
KOACHARKA MICROFINANCE I		33,676.72
KOACHARKA MICROFINANCE II		7,867.50
KOACHARKA MICROFINANCE III		1,033.75
KOACHARKA MICROFINANCE IV		1,566.25
KOACHARKA MICROFINANCE V		9,996,938.79
TOTAL		18,876,411.47

Note 10: Investment

INVESTMENTS				
Investments in Companies				
	STOCK	HOLDING	PRICE	MARKET VALUE(N)
	TOTAL INVESTMENT			-

Note 11: Development Loan Stock

List the Loans	Balance as at 01/01/2019	ADDITIONAL LOAN	PRINCIPAL REPAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	BALANCE ON PRINCIPAL
BANK LOAN						
TOTAL						

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS	AMOUNT
2.5% NATIONAL HOUSING FUNDS	9,065.46
5% WITHHOLDING TAX	2,190,799.51
5% VAT	1,443,580.51
RETENTION FEES	200,000.00
LEA SALARY	1,721,870.25
TOTAL LIABILITIES	5,565,315.73

**MANAGEMENT REPORT ON AUDITED
ANNUAL FINANCIAL STATEMENT FOR THE
YEAR ENDED 31ST DECEMBER, 2018**

1. SCOPE OF THE AUDIT

The Accounts and Records maintained by Agwara Local Government Council and Financial Statement produced for audit in respect of the year ended 31st December, 2018 have been examined and all the information that were provided and gathered in respect of monies received and expended have been certified. All the books of account from the book of original entry, General ledger to subsidiary ledger were checked and certified by our team.

2.0 GENERAL STATE OF ACCOUNTS AND RECORD KEEPING

The pattern and manner of keeping and rendering accounting books and records as observed in the Local Governments Councils were inadequate as highlighted in this report and are stated below:

- Most of the payment vouchers raised were not having documentary evidences to justify the payments made.
- Most of the purchases made lacked essential documentary evidence such as Receipt Vouchers, and Store Issue Vouchers which shows that they were not supplied or supplied but not taken charge.
- In some cases, approvals in respect of expenditure incurred were not presented for audit.
- Deductions made for WHT and VAT were in some cases not remitted to the appropriate tax authorities within time.
- Some payment vouchers were not checked and passed by the Internal Audit Unit.
- Absence of signatures of relevant parties to Payment Vouchers.

- Lack of adequate budgetary discipline.
- Non-maintenance of Fixed/Moveable Asset register.

2.1 GENERAL RECOMMENDATION

- All Directors should ensure that they maintain their Departmental Vote Expenditure Account Books and reconcile same monthly.
- All supplies made to Departments should be received from the suppliers in the presence of the Internal Auditor, for certification of the prime, completeness, and validity of the goods supplied.
- All payment vouchers must contain authenticated documents duly signed by the respective officials and the supplier.
- No payment vouchers should be entertained by the Internal Auditor if it is not accompanied with Departmental Vote Expenditure Account Book (D.V.E.A) and Departmental Payment Voucher Register (D.P.V.R) in order to avoid over expenditure and omission of some payment vouchers and posted into D.V.E.A. Book.
- No voucher should be paid by the Cashier without being certified by the Internal Auditor and duly checked and passed by the Treasurer.
- Copies of contract awards documents must be sent to the office of the Internal Auditor for his awareness and record purposes.
- Payment for contract awards, being it part payment, must be accompanied with photocopies of the council's approval and award of contract forms. Final payment must be accompanied with the original copies of the contract agreement form and relevant supporting documents for payment.

- Appointment of employees, resignation of appointment, termination of appointment, retirement from service, suspension from work, dismissal from service and deaths should be notified to the Internal Auditor immediately.
- All expenditure account books must be promptly reconciled with the treasury books to maintain efficiency and accountability.
- Rubber Stamp marked “ENTERED INTO VOTE BOOK” should be impressed on any payment sent to the Treasury to ensure that the voucher has been entered into Vote Book.
- Tell Book should equally be maintained by the Cashier for the purpose of Daily Cash Balance or the day’s taking to ascertain the liquid cash available at the close of each day’s business transactions after balancing up the Revenue and Expenditure cash Book for the day.
- The Revenue Staff (Collectors) should ensure that all revenue earning books are returned to the officer in charge after they have completely been used off.
- Store Officers should ensure that they keep all records up-to-date should the Internal Auditor will be going round to check and examine the accounts.
- A Job Cost Book should be kept in the Works Department on form **LGT 97 (F.M. 33.6)**.

3. REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Agwara Local Government Council for the year ended 31st December 2018 is shown in the table 1 below.

Table 1: Breakdown of revenues and Expenditures

TOTAL REVENUE		AMOUNT ₦	%
	Internally Generated Revenue	11,044,296.75	0.79
	Statutory Allocation	1,390,976,937.02	99.21
TOTAL		<u>1,402,021,233.7</u>	100.00
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	555,250,755.46	39.55
	Overhead Cost	194,142,584.96	13.83
	Consolidated Revenue Fund Charges	27,807,552.21	1.98
•	Contributions	576,207,232.28	41.04
•	Other Operating Activities		-
•	Other Transfers	<u>25,100,000.00</u>	1.79
•	Capital Expenditures	<u>25,389,675.00</u>	1.81
TOTAL		<u>1,403,897,799.91</u>	100.00

3.1 REVENUE

The sum of ₦1,402,021,233.77 accrued to Agwara Local Government Councils as total receipts for the year ended 31st December 2018

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Agwara Local Government Council amounted to ₦11,044,296.75 only for the year ended 31st December 2018 which represents 0.79% of the total accrued revenue of ₦1,402,021,233.77. This shows that the council solely depend on statutory allocation from the Federation Account for survival. This could result to non-survival of the council if there is a decline of revenue from the Federation Account.

I advised the Local Government Council to take the following measures to boost their internally generated revenue collection.

- Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- Control over issuance of revenue receipts
- Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.

3.1.2 STATUTORY ALLOCATION

The sum of ₦1,390,976,937.02 was disbursed to Agwara Local Governments Council for the year under review. Statutory allocation comprises VAT, Excess Crude and Statutory Allocation etc. The reporting framework provides that each revenue class is reported separately in the financial statements and the notes thereto.

It was, however, noted that these classes of revenue are only identified at the Ministry for Local Government (Joint Account) while the disbursements to Local Government Councils are only classified as Statutory Allocation.

This makes it difficult to trace and account for each revenue classes at the Local Government Council level and possibly reconciliation of disbursement from the Federation Account and the receipts by the Local Government Council.

I advised the Ministry for Local Governments to share with the Local Government councils the breakdown of revenues from the Federation Accounts to ensure that they are correctly reported by the Councils.

3.2 CASH AND BANK BALANCES

The total cash balances stood at ₦123.86 in respect of Agwara Local Government Council at the end of the financial year ended 31st December 2018.

While the total bank balances stood at ₦18,876,411.47 in respect of Agwara Local Government Council as at the end of the financial year ended 31st December 2018.

4. INTERNAL CONTROL

During the course of our audit exercise, it was observed that despite reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued. The non-compliance was evidenced by the Payment Vouchers been

prepared and paid out without being endorsed by the Internal Audit Units, the non-endorsement of Officer Controlling the Vote, and Checks by the respective accounting Officers.

Also evidenced is lack of Asset Register to ascertain the Assets, their Condition, their Location and values of such assets. And all efforts made by my Office to ensure the maintenance of the Register are not encouraging.

In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that henceforth all Payment Vouchers raised are passed through Internal Audit Unit for certification before such payment are effected and equally ensure the maintenance of Asset Register before my next audit.

4.1 RECOMMENDATION

- It is recommended that the Internal Control System in existence has to be strengthened, proper record keeping and documentation of all financial transactions so as to enhance proper accountability.

5. BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦7,411,950.00 was generated as Internally Generated Revenue which represents 47.27% when compared with the total budgeted Internally Generated Revenue amounting to ₦15,680,000.00 during the year under review. This is a poor performance.

5.1 RECOMMENDATION

- It is recommended that preparation of cash flow statement should be adequately monitored to reduce the unnecessary expenditure on overhead and given priority to project execution.
- More efforts should be made so as to attain the target set on revenue generation internally in the next financial year. This will reduce over dependence of the Council on Statutory Allocation from Federation Accounts which is no longer attainable.

6. PERSONNEL COST

It was observed that the total sum of ₦555,250,755.46 and ₦312,770,584.98 was spent as total personnel cost for the year 2018 and 2017 respectively with an increase of ₦242,480,170.48 over the previous year. This is as a result of salary increment by the state government during the year under review.

7. CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No 5 of Revenue and Expenditure revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦669,064,994.00 and only the sum of ₦25,389,675.00 representing 3.79% was spent leaving the balance of ₦673,675,319.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
--------------	----------------	--------------------------------	---------------------------------	-----------------------

01	Admin Sector	160,000,000.00	2,550,000.00	157,450,000.00
02	Economic Sector	323,017,941.00	22,324,675.00	300,693,266.00
05	Social Sector	186,047,053.00	515,000.00	185,532,053.00
TOTAL		<u>669,064,994.00</u>	<u>25,389,675.00</u>	<u>643,675,319.00</u>

7.1 RECOMMENDATION

- It is recommended that the previous statistical data should be used in the preparation of a reliable budget that could be attainable.
- Also, Capital projects should be encouraged and priority should be given to its execution as it has direct bearing to the grass roots development.

8. PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No. 3 revealed that the Total Revenue stood at ₦1,402,021,233.77 with a Total Expenditure of ₦1,403,897,799.91 and close with a surplus balance of (₦1,876,566.14) This is an unhealthy statement of account.

9.0 DEPOSITS

Deposits comprise statutory deductions which relate to contracts awarded (Value Added Tax (VAT) and Withholding Tax (WHT)) and employment which are deducted at source by the Local Government Council and are supposed to be remitted to the relevant tax collecting bodies in accordance with relevant legislation. I observed that a total of ₦5,565,315.73 stood as outstanding consolidated deposit balances as at the end of the period under review. Table below shows the list of the outstanding deposits as at 31st December 2018.

Outstanding deductions as at 31 December 2018

DETAILS	AMOUNT ₦
2.5% National Housing Funds	9,065.46
5% Withholding Tax	2,190,799.51
5% VAT	1,443,580.51
Retention Fees	200,000.00
L,E,A Salary	1,721,870.25
TOTAL	5,565,315.73

From the above table, the Councils recorded outstanding VAT amounting to ₦1,443,580.51 and WHT of ₦2,190,799.51 as at 31st December, 2018.

Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that

the outstanding balance may be deducted from the Statutory allocations due to the Councils and in addition the councils may be fined and penalized for delayed remittance and hence affect the amount of money meant for developmental activities.

I advised the Local Government Councils to take steps to remit the outstanding deductions to the relevant authorities as a matter of urgency to avoid fines and penalties. I also advised the councils comply with the legislation in regard to future deductions.

10. OUTSTANDING AUDIT INSPECTION

AGX/FO.18/TA/AGW/VOL.1

Dated:3rd July, 2019

(i)Duty tour Allowance not acknowledged

50,000.00

10.1 REQUIRED

The council is required to response to the outstanding Inspection Report or else necessary action and sanction will be taken.

11. CONCLUSION

We wish to use this medium to express our appreciation to the Chairman and the entire staff of Local Government for the cooperation given to the staff of this Office to carry out the Audit exercise.

It is our sincere hope that you would not hesitate to contact this Office for further clarification and explanations you might require in connection with the Audited Annual Financial Statement and Management Reports.



LAWAL ADAMU

*Director Statutory and Special Operations,
For: Auditor General*

NIGER STATE OF NIGERIA

**BIDA LOCAL GOVERNMENT COUNCIL
BIDA**

**AUDITED ACCOUNTS
FOR
THE YEAR ENDED
31ST DECEMBER 2018**

**AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
P. M. B. 53, MINNA
NIGER STATE**

PERSONALITY PROFILE

A. FINANCIAL STATEMENT

Statement of Financial Responsibility

Council Officials


Auditor General's Opinion

B. AUDIT REPORT

- Cash Flow Statements
- Statement of Assets & Liabilities
- Statement of Consolidated Revenue Funds
- State of Capital Development Funds
- Notes to the Accounts.
- Statement of Accounting Policies
- Scope of Audit
- General State of Accounts and Records Keeping
- General Recommendation
- Review of Financial Statement
- Internal Control
- Budgetary Control
- Personnel Cost
- Capital Expenditure
- Performance of Operation Activities
- Deposits
- Outstanding Audit Inspection
- Conclusion

STATEMENT OF FINANCIAL RESPONSIBILITY

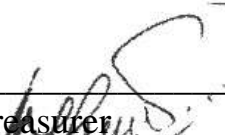
These Financial Statements have been prepared by the Treasurer of Bida Local Government Council in accordance with the provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements complied with generally accepted accounting practices. The Treasury is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper records, the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of Internal Control has operated adequately throughout the reporting period.



Treasurer

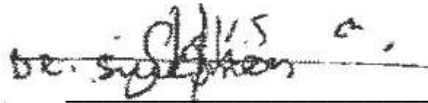
31st December, 2019

We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended. In our opinion, these financial statements fairly reflect the financial position of Bida Local Governments as at 31st December, 2018 and its operations for the year ended on the date.



Treasurer

31st December, 2019



Chairman

31st December, 2019

COUNCIL OFFICIALS

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Suleiman Sheshi	Executive Chairman
Honourable Muhammad Abdullahi	Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:	DEPARTMENTS	DESIGNATION
Mustapha Y. A. Shehu	Personnel Management	H. O. D
Mallam Muhammad Bala	Finance and Supply	H. O. D
Amina Y. Manko	Primary Health Care	H. O. D
Alhaji Kolo Yanda	Agriculture and Natural Resources	H. O. D
Mohammed A. Yakubu	Works and Housing	H. O. D
Suleiman Mohammed Alhaji	Budget and Planning	H. O. D
Hajiya Lamin Atikatu D.	Social Development	H. O. D

- **BANKERS**

	ADDRESS
Keystone Bank Plc.	Bida Branch
Mainstreet Bank Plc.	Bida Branch
Union Bank Nig. Plc.	Bida Branch
Bida Micro Finance Bank Ltd.	Bida Branch
Unity Bank Plc.	Bida Branch
First Bank Plc.	Bida Branch
Zenith Bank	Bida Branch
Ecobank	Bida Branch

4. AUDITORS

Auditor General

Office of the Auditor General for Local Governments

P.M.B. 53 Minna, Niger State.

AUDITOR GENERAL'S OPINION

I have examined the financial statement which have been prepared in accordance with standardized Local Government Treasury Procedures, Financial Memoranda and Circular guidelines. I obtained all information and explanations which I requested for the purpose of my Audit.

In my opinion, the accounts readable in conjunction with notes subject to the issues raised in the management report issued separately with this account gives a true and fair view of affairs of the Council as at 31st December, 2018 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.



Ibrahim Ahmed, B. Sc, MPA, FCNA, FCTI, CPA
Auditor General for Local Governments

1: Cash Flow Statement for the Year Ended 31st December, 2018

ANNUAL BUDGET 2018		NOTES	ACTUAL YEAR 2018	PREVIOUS YEAR 2017
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,921,881,205.00	Statutory Allocations:FAAC	1	2,253,712,568.80	
	Value Added Tax Allocation	1		
1,921,881,205.00	Sub-total - Statutory Allocation		2,253,712,568.80	
200,000.00	Direct Taxes	2	-	
12,166,000.00	Licences & FEES	2	6,598,117.00	
	Mining Rents:	2		
1,450,500.00	RATES	2	4,886,442.98	
	Fees:	2		
	Fines	2		
	Sales	2		
19,984,000.00	Earnings :	2	9,030,856.00	
500,000.00	Sales/Rent of Government Buildings:	2	-	
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
	Interest Earned	2		-
	Re-imbusement	2		-
200,000.00	MISELLANEOUS	2	106,000.00	-
34,500,500.00	Sub-total - Independent Revenue			
	Other Revenue Sources of the -Government	3		
1,956,381,705.00	TOTAL INDEPENDANT REVENUE		20,621,415.98	
	Commercial Bank Loan(OVERDRAFT)		-	
	TOTAL RECEIPTS		2,274,333,984.78	
	Payments:			
461,500,900.00	Personnel Costs	3	1,318,749,952.66	
1,934,288,596.00	Overhead Charges:	4	164,256,324.21	-
	Consolidated Revenue Fund Charges .	5	178,889,522.03	-
	contributions	7	529,099,808.12	-
	Other Operating Activities		-	
	Financial Charges		-	
	Other Transfers	6	73,475,000.00	
2,395,789,496.00	Total Payments		2,264,470,607.02	
(439,407,791.00)	Net Cash Flow from Operating Activities		9,863,377.76	

	CashFlows from Investment Activities:			
	Capital Expenditure:Administrative Sector:	8	-	
	Capital Expenditure: Economic Sector:	8	-	
	capital expenditure: Social Service Sector:	8	7,706,055.87	
652,380,394.00	Capital Expenditure: Funded from Aid and Grants:		-	
	Total Cash Flow from Investment Activities:		7,706,055.87	
	Net Cash Flow from Investment Activities:		2,157,321.89	
	CashFlows from Financing Activities:			
	Proceeds from Aid and Grants		-	
	Proceeds from ExternaL Loan :		-	
	Proceeds from Internal Loans: Bonds :		-	
	Proceeds from Development loan stock		-	
	Proceeds of Loans from Other Funds		-	
	Repayment of External Loans (Including Servicing)		-	
	Repayment of Treasury Bonds :		-	
	Repayment of Loans from Development loan stock		-	
	Repayment of Loans from Other Funds	11	-	
	Total Cash Flow from Financing Activities:		-	
	Net Cash Flow from Financing Activities:		2,157,321.89	
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	
	Net (Increase)/Decrease in Other Cash Equivalents:		-	
	Total Cashflow from other Cash equivalent Accounts		-	
	Net Cash for the year		2,157,321.89	
	Cash & Its Equivalent as at 1st January, 2018		184,664.32	
	Cash & Its Equivalent as at 31st December, 2018	9	2,341,986.21	

2: Statement of Assets and Liabilities as at 31st December, 2018

	NOTES	CURRENT YEAR 2018	PREVIOUS YEAR 2017
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash at Hand		6.01	
CASH AT BANK	9	2,341,980.20	
TOTAL LIQUID ASSETS		2,341,986.21	
NON CURRENT ASSETS:			
		-	
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	
TOTAL ASSETS		2,341,986.21	
LIABILITIES OVER ASSETS		9,445,393.34	
TOTAL		11,787,379.55	
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	2,341,986.21	
Capital Development Fund:		-	
TOTAL PUBLIC FUNDS		2,341,986.21	
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	2,939,700.39	
		-	
TOTAL EXTERNAL AND INTERNAL LOANS		2,939,700.39	
OTHER LIABILITIES			
OVER DRAWN :			
BRASS MICROFINANCE	12	139,016.61	
EDUMANA BANK I	12	1,796,906.94	
EDUMANA BANK II	12	1,003,776.84	
UNREMITTED DEDUCTIONS	12	-	
5% Tax	12	1,782,996.28	
5% VAT	12	1,782,996.28	
TOTAL LIABILITIES		6,505,692.95	
TOTAL LIABILITIES AND PUBLIC FOUNDS		11,787,379.55	

3: Statement of Consolidated Revenue for the year ended 31st December, 2018

ACTUAL PREVIOUS YEAR 2017		NOTES	ACTUAL YEAR 2018	FINAL BUDGET 2018	INITIAL/ORIGINAL BUDGET 2018
₦			₦	₦	₦
	Opening Balance:		184,664.32		
	ADD: REVENUE				
	Statutory Allocations:FAAC	1	2,253,712,568.80	1,921,881,205.00	
	Value Added Tax Allocation	1	-		
	Sub-Total - Statutory Allocation		2,253,712,568.80	1,921,881,205.00	
	Direct Taxes	2	-	200,000.00	
	Licences	2	6,598,117.00	12,166,000.00	
	RATES	2	4,886,442.98	1,450,500.00	
	Fees:	2	-		
	Fines	2	-		
	Sales	2	-		
	Earnings :	2	9,030,856.00	19,984,000.00	
	Sales/Rent of Government Buildings:	2	-	500,000.00	
	Sale/Rent on Lands and Others:	2	-		
	MISCELLANEOUS	2	106,000.00	200,000.00	
	Investment Income	2	-		
	Interest Earned	2	-		
	Re-Imbursements	2	-		
	Sub-Total - Independent Revenue		20,621,415.98	34,500,500.00	
	Other Revenue Sources of the ---Government		-		
	Commercial Bank Loan(OVERDRAFT)		-		
	TOTAL REVENUE:		2,274,518,649.10	1,956,381,705.00	
	LESS:EXPENDITURE				
	Personnel Costs:	3	1,318,749,952.66	461,500,900.00	
	Overhead Charges:	4	164,256,324.21	1,934,288,596.00	
	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	178,889,522.03		
	contributions	7	529,099,808.12		
	Other Operating Activities		-		
	Financial Charges.		-		
	Other Transfers	6	73,475,000.00		
	TOTAL EXPENDITURE:		2,264,470,607.02	2,395,789,496.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
	Repayments:External Loans:States			-	
	Repayments:States Bonds.			-	
	Repayments:Development Loan Stock			-	
	Repayments:Internal Loans from Other Funds	11		-	
	TOTAL EXPENDITURE:			-	
	OPERATING BALANCE:			10,048,042.08	
	APPROPRIATIONS/TRANSFERS:				
	Transfer to Capital Development Fund:			7,706,055.87	652,380,394.00
	Closing Balance:			2,341,986.21	

4: Statement of Capital Development Fund for the year ended 31st December, 2018

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2017			EXPENDITURE 2018	BUDGET 2018	BUDGET 2018	BUDGET 2018
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
	Transfer from Consolidated Revenue Fund:		7,706,055.87	652,380,394.00		
	Aid and Grants		-	-		
	TOTAL REVENUE AVAILIABLE:		7,706,055.87	652,380,394.00		
	LESS: CAPITAL EXPENDITURE					
	Capital Expenditure:Administrative Sector:	10	-			
	Capital Expenditure: Economic Sector:	10	-			
	Capital Expenditure: Social Service Sector:	10	7,706,055.87			
	Capital Expenditure: Funded from Aid and Grants:		-			
	TOTAL CAPITAL EXPENDITURE:		7,706,055.87	761,499,262.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2018

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₱	₱
Net Share of Statutory Allocation from FAAC	A	558,578,778.10	
Add :Deduction at source for Loan Repayment	B	1,695,133,790.70	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			2,253,712,568.80
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₱	₱	₱
TAXES			
RATES	4,886,442.98		
LINCENCES & FEES	6,598,117.00		
EARNING FROM COMMERCIAL UNDERTAKING	9,030,856.00		
RENT ON LOCAL GOVERNMENT PROPERTY	-		
MISELLANEOUS	106,000.00		
TOTAL I G R	20,621,415.98		

Note 3: Personnel Cost

ADMINISTRATIVE SECTOR										
SECTOR	Admin	Economic	Function	Fund	GEO CODE		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
OFFICE OF THE CHAIRMAN										
01	11001001	21010101	70111	2101		TOTAL PERSONNEL COST	6,531,999.56			
							-			
THE COUNCCIL							-			
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	37,171,731.76			
							-			
OFFICE OF THE SECRETARY							-			
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	2,534,602.88			
							-			
							-			
PERSONEL MANAGEMENT							-			
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	42,949,995.96			
							-			
TOTAL ADMIN SECTOR							89,188,330.16			
							-			
ECONOMIC SECTOR										
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	53,379,336.66			
							-			
BUDGET;PLANNING & RESEARCH							-			
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	1,806,945.93			
							-			
WORKS & HOUSING							-			
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	49,989,634.62			
							-			
AGRICULTURE AND NATURAL RESURCES							-			
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	40,528,543.80			
							-			
TOTAL ECONOMIC SECTOR							145,704,461.01			

SOCIAL SECTOR									
Sector	Admin	Economic	Function	Fund		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2018	REVISED BUDGET	VARIANCE ON REVISED BUDGET
ADULT EDUCATION									
05	17001001	21010101	70960	2101	TOTAL PERSONNEL COST	25,773,847.78			
						-			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	126,058,120.20			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	18,355,732.96			
TOTAL SOCIAL SECTOR						170,187,700.94			
TOTAL FOR ALL SECTORS						405,080,492.11			
ADJUSTMENT :									
PAYEE						20,633,546.07			
PAYEE (POLITICAL OFFICE						4,957,518.00			
UNION DUES						35,850,564.54			
NHF(2,5%)						2,871,716.68			
EMIRATE COUNCIL						37,711,638.84			
PRIMARY EDUCATION						811,644,476.42			
TOTAL PERSONNEL COST FOR ALL SECTORS						1,318,749,952.66			

Note 4: Overhead Cost

ADMINISTRATIVE SECTOR											
OFFICE OF THE CHAIRMAN											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11001001	22020101	70111	2101		2	Travel & Transport	2,117,000.00			
01	11001001	22020201	70111	2101		3	Utility Services	200,000.00			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	6,660,000.00			
01	11001001	22020402	70111	2101		6	Maintenance of office	10,614,000.00			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	10,000,000.00			
01	11001001	22020701	70111	2101		8	Consultancy Services	-			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	16,728,948.14			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	3,030,000.00			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	3,825,000.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	31,909,927.14			
							PROVISION OF SERVICE MATERIALS	5,520,000.00			
							TOTAL	90,604,875.28			
THE COUNCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	927,000.00			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	5,023,000.00			
01	12003001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles andCapital assets	10,500,000.00			
01	12003001	22020701	70111	2101		8	Consultancy Services	-			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	5,317,000.00			
01	12003001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	1,006,000.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	13,050,000.00			
							PROVISION FOR SERVICEABLE	156,000.00			
							TOTAL	35,979,000.00			

OFFICE OF THE SECRETARY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11013001	22020101	70111	2101		2	Travel & Transport	3,105,000.00			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	1,602,000.00			
01	11013001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	-			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	-			
01	11013001	22020701	70111	2101		8	Consultancy Services	-			
01	11013001	22040109	70111	2101		9	Grants, Contributions & Subventions	4,500,000.00			
01	11013001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11013001	22021001	70111	2101		11	Entertainment & Hospitality	-			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	750,114.00			
							TOTAL	9,957,114.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	1,145,800.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	35,000.00			
01	25001001	22020301	70131	2101		5	Stationary	494,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of officefurniture & equipment	210,000.00			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	-			
01	25001001	22020701	70131	2101		8	Consultancy Services	-			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	3,014,000.00			
01	25001001	22020501	70131	2101		10	Training and staff Development	20,000.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	480,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	29,272.00			
							TOTAL	5,428,072.00			
							TOTAL ADMIN	141,969,061.28			

ECONOMIC SECTOR											
FINANCE AND SUPPLY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	20001001	22020101	70112	2101		2	Travel & Transport	1,378,812.50			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	2,726,755.00			
02	20001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	1,771,061.16			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	20001001	22020701	70112	2101		8	Consultancy Services	-			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	6,669,225.63			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	1,207,108.64			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	800,000.00			
							TOTAL	14,552,962.93			
BUDGET;PLANNING & RESEARCH											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	38001001	22020101	70112	2101		2	Travel & Transport	-			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	2,374,000.00			
02	38001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	38001001	22020701	70112	2101		8	Consultancy Services	200,000.00			
02	38001001	22040109	70112	2101		9	Grants, Contributions & Subventions	100,000.00			
02	38001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	38001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	200,000.00			
							TOTAL	2,874,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	139,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	1,140,000.00			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	248,000.00			
02	34001001	22020402	70451	2101		6	Maintenance of officefurniture & equipment	118,000.00			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	-			
02	34001001	22020701	70451	2101		8	Consultancy Services	-			
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	-			
02	34001001	22020501	70451	2101		10	Short term Training and Consultancy	-			
02	34001001	22021001	70451	2101		11	Entertament & Hospitality	70,000.00			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	-			
							TOTAL	1,715,000.00			
AGRICULTURE AND NATURAL RESURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	390,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	200,000.00			
02	15001001	22020402	70421	2101		6	Maintenance of officefurniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	-			
02	15001001	22020701	70421	2101		8	Consultancy Services	10,000.00			
02	15001001	22040109	70421	2101		9	Grants, Contributions & Subventions	145,000.00			
02	15001001	22020501	70421	2101		10	Training and staff Development	-			
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	-			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	10,000.00			
							PROVISION OF SERVICEABLE	280,000.00			
							TOTAL	1,035,000.00			
							TOTAL ECONOMIC SECTOR MINISTRY	20,176,962.93			

SOCIAL SECTOR											
ADULT EDUCATION											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	17001001	22020101	70922	2101		2	Travel & Transport	64,000.00			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	270,000.00			
05	17001001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	25,000.00			
05	17001001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	17001001	22020701	70922	2101		8	Consultancy Services	-			
05	17001001	22040109	70922	2101		9	Grants, Contributions & Subventions	255,000.00			
05	17001001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	495,000.00			
							TOTAL	1,109,000.00			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport	-			
05	51003001	22020201	70922	2101		3	Utility Services	-			
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	51003001	22020301	70922	2101		5	Stationary	-			
05	51003001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	51003001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51003001	22020701	70922	2101		8	Consultancy Services	-			
05	51003001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	51003001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	51003001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	-			

PRIMARY HEALTH CARE											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	21001001	22020101	70731	2101		2	Travel & Transport	24,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	640,000.00			
05	21001001	22020402	70731	2101		6	Maintenance of officefurniture & equipment	-			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	-			
05	21001001	22020701	70731	2101		8	Consultancy Services	-			
05	21001001	22020501	70731	2101		10	Training and staff Development	-			
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	120,000.00			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	-			
							PROVISION OF SERVICEABLE	120,000.00			
							TOTAL	904,000.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	42,000.00			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	55,300.00			
05	51002002	22020402	70180	2101		6	Maintenance of officefurniture & equipment	-			
05	51002002	22020401	70180	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51002002	22020701	70180	2101		8	Consultancy Services	-			
05	51002002	22040109	70180	2101		9	Grants, Contribution & Subvention	-			
05	51002002	22020501	70180	2101		10	Training and staff Development	-			
05	51002002	22021001	70180	2101		11	Entertainment & Hospitality	-			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	-			
							TOTAL	97,300.00			
							TOTAL SOCIAL SECTOR MINISTRY	2,110,300.00			
							TOTAL FOR ALL SECTORS	164,256,324.21			

Note 5: Consolidated Revenue Charges

A-- PENSION AND GRATUITIES STATUTORY BOARD MINNA										
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	DETAILS	ACTUAL EXPENDITURE	APPROVED	REVISED BUDGET	VARIANCE ON REVISED BUDGET
01	25001001	22010102	70131	02101		Pension Statutory	104,784,053.31			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	74,105,468.72			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	-			
01	25001002	22020902	70132	02102		Insurance Premium	-			
01	25001001	22010106	70131	02101		Acturial Valuation	-			
01	25001001	22010107	70131	02101		Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-			
						Deceased 3rd Annual Emolument (CPS)	-			
						TOTAL	178,889,522.03			
B--STATUTORY OFFICERS SALARY						STATUTORY OFFICERS SALARY	-			
						TOTAL CRF	178,889,522.03			

Note 6: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,600,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	8,300,000.00
NISEPA	48,375,000.00
TOTAL	73,475,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	500,299,808.12
TOTAL CONTRIBUTIONS	529,099,808.12

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR													
SECTOR	ADMIN	ECONOMIC	FUNCTION	PROGRAMME		FUND	GEO CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2018	2018 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616		03005				-			
1	11033001									-			
1	11033001									-			
									TOTAL FOR ADMIN SECTOR	-			
													-
ECONOMIC SECTOR													-
2	20001001					03005				-			
2										-			-
2									ECONOMIC SECTOR TOTAL	-	-	-	-
													-
SOCIAL SECTOR													-
5			70422	70900002606		03005			DRILLING OF BOREHOLES	7,706,055.87			
										-			
										-			
										-			
									SOCIAL SECTOR TOTAL	7,706,055.87	-	-	-
									TOTAL FOR ALL SECTORS	7,706,055.87			

Note 9: Closing Cash Book/Bank Balances as at 31st December, 2019

ACCOUNT TYPE		AMOUNT
SALARY(UNITY BANK)		5,000,330.40
OVER HEAD(UNITY BANK)		3,962.16
MOTOR PARK		76,969.16
PROJECT		5,665.01
10KM.ROAD		880.00
FIRST BANK BIDA		58,517.20
ZENITH BANK 1		134,522.14
ZENITH BANK 11		834.52
TOTAL		5,281,680.59
OVER DRAWN :		
BRASS MICROFINANCE		139,016.61
EDUMANA BANK I		1,796,906.94
EDUMANA BANK II		1,003,776.84
TOTAL		2,939,700.39

Note 10: Investment

INVESTMENTS				
Investments in Companies				
	STOCK	HOLDING	PRICE	MARKET VALUE(N)
	TOTAL INVESTMENT			-

Note 11: Development Loan Stock

List the Loans	Balance as at 01/01/2019	ADDITIONAL LOAN	PRINCIPAL REPAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	BALANCE ON PRINCIPAL
BANK LOAN	2,939,700.39	-	-	-	-	2,939,700.39
TOTAL						2,939,700.39

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS	AMOUNT
5% Tax	1,782,996.28
5% VAT	1,782,996.28
TOTAL	3,565,992.56

**MANAGEMENT REPORT ON AUDITED
ANNUAL FINANCIAL STATEMENT FOR THE
YEAR ENDED 31ST DECEMBER, 2018**

1. SCOPE OF THE AUDIT

The Accounts and Records maintained by Bida Local Government Council and Financial Statement produced for audit in respect of the year ended 31st December, 2018 have been examined and all the information that were provided and gathered in respect of monies received and expended have been certified. All the books of account from the book of original entry, General ledger to subsidiary ledger were checked and certified by our team.

2.0 GENERAL STATE OF ACCOUNTS AND RECORD KEEPING

The pattern and manner of keeping and rendering accounting books and records as observed in the Local Governments Councils were inadequate as highlighted in this report and are stated below:

- Most of the payment vouchers raised were not having documentary evidences to justify the payments made.
- Most of the purchases made lacked essential documentary evidence such as Receipt Vouchers, and Store Issue Vouchers which shows that they were not supplied or supplied but not taken charge.
- In some cases, approvals in respect of expenditure incurred were not presented for audit.
- Deductions made for WHT and VAT were in some cases not remitted to the appropriate tax authorities within time.
- Some payment vouchers were not checked and passed by the Internal Audit Unit.
- Absence of signatures of relevant parties to Payment Vouchers.

- Lack of adequate budgetary discipline.
- Non-maintenance of Fixed/Moveable Asset register.

2.1 GENERAL RECOMMENDATION

- All Directors should ensure that they maintain their Departmental Vote Expenditure Account Books and reconcile same monthly.
- All supplies made to Departments should be received from the suppliers in the presence of the Internal Auditor, for certification of the prime, completeness, and validity of the goods supplied.
- All payment vouchers must contain authenticated documents duly signed by the respective officials and the supplier.
- No payment vouchers should be entertained by the Internal Auditor if it is not accompanied with Departmental Vote Expenditure Account Book (D.V.E.A) and Departmental Payment Voucher Register (D.P.V.R) in order to avoid over expenditure and omission of some payment vouchers and posted into D.V.E.A. Book.
- No voucher should be paid by the Cashier without being certified by the Internal Auditor and duly checked and passed by the Treasurer.
- Copies of contract awards documents must be sent to the office of the Internal Auditor for his awareness and record purposes.
- Payment for contract awards, being it part payment, must be accompanied with photocopies of the council's approval and award of contract forms. Final payment must be accompanied with the original copies of the contract agreement form and relevant supporting documents for payment.

- Appointment of employees, resignation of appointment, termination of appointment, retirement from service, suspension from work, dismissal from service and deaths should be notified to the Internal Auditor immediately.
- All expenditure account books must be promptly reconciled with the treasury books to maintain efficiency and accountability.
- Rubber Stamp marked “ENTERED INTO VOTE BOOK” should be impressed on any payment sent to the Treasury to ensure that the voucher has been entered into Vote Book.
- Tell Book should equally be maintained by the Cashier for the purpose of Daily Cash Balance or the day’s taking to ascertain the liquid cash available at the close of each day’s business transactions after balancing up the Revenue and Expenditure cash Book for the day.
- The Revenue Staff (Collectors) should ensure that all revenue earning books are returned to the officer in charge after they have completely been used off.
- Store Officers should ensure that they keep all records up-to-date should the Internal Auditor will be going round to check and examine the accounts.
- A Job Cost Book should be kept in the Works Department on form **LGT 97 (F.M. 33.6)**.

3. REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Bida Local Government Council for the year ended 31st December 2018 is shown in the table 1 below.

Table 1: Breakdown of revenues and Expenditures

TOTAL REVENUE		AMOUNT ₦	%
	Internally Generated Revenue	20,621,415.98	1.26
	Statutory Allocation	2,253,712,568.80	98.74
TOTAL		2,274,333,984.78	100.00
TOTAL EXPENDITURE		AMOUNT ₦	%
	Personnel Cost	1,318,749,952.66	58.04
	Overhead Cost	164,256,324.21	7.23
	Consolidated Revenue Fund Charges	178,889,522.03	7.87
•	Contributions	529,099,808.12	23.29
•	Other Operating Activities	-	-
•	Other Transfers	73,475,000.00	3.23
•	Capital Expenditures	7,706,055.87	0.34
TOTAL		2,272,176,662.89	100.00

3.1 REVENUE

The sum of ₦2,274,333,984.78 accrued to Bida Local Government Councils as total receipts for the year ended 31st December 2018

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Bida Local Government Council amounted to ₦20,621,415.98 only for the year ended 31st December 2018 which represents 1.26 % of the total accrued revenue of ₦2,274,333,984.78

This shows that the council solely depend on statutory allocation from the Federation Account for survival. This could result to non-survival of the Council if there is a decline of revenue from the Federation Account.

I advised the Local Government Council to take the following measures to boost their internally generated revenue collection.

Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.

- Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- Control over issuance of revenue receipts
- Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.

3.1.2 STATUTORY ALLOCATION

The sum of ₦2,253,712,568.80 was disbursed to Bida Local Governments Council for the year under review. Statutory allocation comprises VAT, Excess Crude and Statutory Allocation etc. The reporting framework provides that each revenue class is reported separately in the financial statements and the notes thereto. It was, however, noted that these classes of revenue are only identified at the Ministry for Local Government (Joint Account) while the disbursements to Local Government Councils are only classified as Statutory Allocation.

This makes it difficult to trace and account for each revenue classes at the Local Government Council level and possibly reconciliation of disbursement from the Federation Account and the receipts by the Local Government Council.

I advised the Ministry for Local Governments to share with the Local Government councils the breakdown of revenues from the Federation Accounts to ensure that they are correctly reported by the Councils.

3.2 CASH AND BANK BALANCES

The total cash balances stood at ₦0.00 in respect of Bida Local Government Council at the end of the financial year ended 31st December 2018.

While the total bank balances stood at ₦2,341,980.20 in respect of Bida Local Government Council as at the end of the financial year ended 31st December 2018.

4. INTERNAL CONTROL

During the course of our audit exercise, it was observed that despite reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued. The non-compliance was evidenced by the Payment Vouchers been prepared and paid out without being endorsed by the Internal Audit Units, the non-endorsement of Officer Controlling the Vote, and Checks by the respective accounting Officers.

Also evidenced is lack of Asset Register to ascertain the Assets, their Condition, their Location and values of such assets. And all efforts made by my Office to ensure the maintenance of the Register are not encouraging.

In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that henceforth all Payment Vouchers raised are passed through Internal Audit Unit for certification before such payment are effected and equally ensure the maintenance of Asset Register before my next audit.

4.1 RECOMMENDATION

- It is recommended that the Internal Control System in existence has to be strengthened, proper record keeping and documentation of all financial transactions so as to enhance proper accountability.

5. BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦20621415.98 was generated as Internally Generated Revenue which represents 59.77% when compared with the total budgeted Internally Generated Revenue amounting to ₦34,500,500.00 during the year under review. This is a poor performance.

5.1 RECOMMENDATION

- It is recommended that preparation of cash flow statement should be adequately monitored to reduce the unnecessary expenditure on overhead and given priority to project execution.
- More efforts should be made so as to attain the target set on revenue generation internally in the next financial year. This will reduce over dependence of the Council on Statutory Allocation from Federation Accounts which is no longer attainable.

6. PERSONNEL COST

It was observed that the total sum of ₦1,318,749,952.66 and ₦690,789,116.77 was spent as total personnel cost for the year 2018 and 2017 respectively with an increase of ₦627,960,835.89 over the previous year. This is as a result of salary increase made by the state government during the year under review.

7. CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No 5 of Revenue and Expenditure revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦652,380,394.00 and only the sum of ₦7,706,055.87 representing 1.18% was spent leaving the balance of ₦644,674,338.13 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	32,619,019.00	-	32,619,019.00
02	Economic Sector	43,492,026.00	-	43,492,026.00
05	Social Sector	576,261,349.00	7,706,055.87	568,563,293.13
TOTAL		652,380,394.00	7,706,055.87	644,674,338.13

7.1 RECOMMENDATION

- It is recommended that the previous statistical data should be used in the preparation of a reliable budget that could be attainable.
- Also, Capital projects should be encouraged and priority should be given to its execution as it has direct bearing to the grass roots development.

8. PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No. 3 revealed that the Total Revenue stood at ₦2,274,333,984.78 with a Total Expenditure of ₦2,272,176,662.89 and close with a surplus balance of ₦2,157,321.89 This is a healthy statement of account.

9. 0 DEPOSITS

Deposits comprise statutory deductions which relate to contracts awarded (Value Added Tax (VAT) and Withholding Tax (WHT)) and employment which are deducted at source by the Local Government Council and are supposed to be remitted to the relevant tax collecting bodies in accordance with relevant legislation. I observed that a total of ₦3,565,992.56 stood as outstanding consolidated deposit balances as at the end of the period under review. Table below shows the list of the outstanding deposits as at 31st December 2018.

Outstanding deductions as at 31 December 2018

DETAILS	AMOUNT ₦
5% VAT	1,782,996.28
5% Withholding Tax	1,782,996.28
TOTAL	3,565,992.56

From the above table, the Councils recorded outstanding VAT amounting to ₦1,782,996.28 and WHT of ₦1,782,996.28 as at 31st December, 2018.

Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that

the outstanding balance may be deducted from the Statutory allocations due to the Councils and in addition the councils may be fined and penalized for delayed remittance and hence affect the amount of money meant for developmental activities.

I advised the Local Government Councils to take steps to remit the outstanding deductions to the relevant authorities as a matter of urgency to avoid fines and penalties. I also advised the councils comply with the legislation in regard to future deductions.

10. CONCLUSION

We wish to use this medium to express our appreciation to the Chairman and the entire staff of Local Government for the cooperation given to the staff of this Office to carry out the Audit exercise.

It is our sincere hope that you would not hesitate to contact this Office for further clarification and explanations you might require in connection with the Audited Annual Financial Statement and Management Reports.



LAWAL ADAMU

Director Statutory and Special Operations,

For: Auditor General

**NIGER STATE OF NIGERIA
BORGU LOCAL GOVERNMENT COUNCIL**

NEW BUSSA

**AUDITED ACCOUNTS
FOR
THE YEAR ENDED
31ST DECEMBER 2018**

**AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
P. M. B. 53, MINNA
NIGER STATE**

PERSONALITY PROFILE

A. FINANCIAL STATEMENT

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Auditor General's Opinion

B. AUDIT REPORT

- Cash Flow Statements
- Statement of Assets & Liabilities
- Statement of Consolidated Revenue Funds
- State of Capital Development Funds
- Notes to the Accounts.
- Statement of Accounting Policies
- Scope of Audit
- General State of Accounts and Records Keeping
- General Recommendation
- Review of Financial Statement
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- Budgetary Control
- Personnel Cost
- Capital Expenditure
- Performance of Operation Activities
- Deposits
- Outstanding Audit Inspection
- Conclusion

STATEMENT OF FINANCIAL RESPONSIBILITY

These Financial Statements have been prepared by the Treasurer of Borgu Local Government Council in accordance with the provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements complied with generally accepted accounting practices. The Treasury is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper records, the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of Internal Control has operated adequately throughout the reporting period.

Treasurer

31st December, 2019

We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended. In our opinion, these financial statements fairly reflect the financial position of Borgu Local Governments as at 31st December, 2018 and its operations for the year ended on the date.

Treasurer

31st December, 2019

Chairman

31st December, 2019

COUNCIL OFFICIALS

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Ahmed Baba Suleiman

Executive Chairman

Honourable Bello M. Galadima

Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:

Aliyu Hussaini Bali

Ahmed Alhaji Mohammed

Ramatu Musa

Hassan Altine Mohammed

Musa Mohammed Nasir

Salisu Mohammed Jio

Abdullahi Garba

DEPARTMENTS

Personnel Management

Finance and Supply

Primary Health Care

Agriculture and Natural Resources

Works and Housing

Budget and Planning

Social Development

DESIGNATION

H. O. D

H. O. D

H. O. D

H. O. D

H. O. D

H. O. D

H. O. D

- **BANKERS**

United Bank for Africa Plc. (UBA)

Ketstone Bank .

Borgu Micro Finance Bank

Unity Bank Plc.

ADDRESS

New Bussa Branch

New Bussa Branch

New Bussa Branch

Minna Branch

- **AUDITORS**

Auditor General

Office of the Auditor General for Local Governments

P.M.B. 53 Minna, Niger State.

AUDITOR GENERAL'S OPINION

I have examined the financial statement which have been prepared in accordance with standardized Local Government Treasury Procedures, Financial Memoranda and Circular guidelines. I obtained all information and explanations which I requested for the purpose of my Audit.

In my opinion, the accounts readable in conjunction with notes subject to the issues raised in the management report issued separately with this account gives a true and fair view of affairs of the Council as at 31st December, 2018 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.



Ibrahim Ahmed, B. Sc, MPA, FCNA, FCTI, CPA
Auditor General for Local Governments

1: Cash Flow Statement for the Year Ended 31st December, 2018

ANNUAL BUDGET 2018		NOTES	ACTUAL YEAR 2018	PREVIOUS YEAR 2017
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
	Statutory Allocations:FAAC	1	2,161,635,159.98	
	Value Added Tax Allocation	1		
1,897,182,332.00	Sub-total - Statutory Allocation		2,161,635,159.98	
	Direct Taxes	2	-	
10,800,000.00	Licences & FEES	2	2,178,930.00	
	Mining Rents:	2		
21,500,000.00	RATES	2	499,469.88	
	Fees:	2		
	Fines	2		
	Sales	2		
7,000,000.00	Earnings :	2	3,395,350.00	
3,000,000.00	Sales/Rent of Government Buildings:	2	440,000.00	
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
100,000.00	Interest Earned	2	530.12	
	Re-imbusement	2		
2,200,000.00	MISELLANEOUS	2	299,966.00	
	Sub-total - Independent Revenue			
	Other Revenue Sources of the -Government	3		
44,600,000.00	TOTAL INDEPENDANT REVENUE		6,814,246.00	
	Commercial Bank Loan		-	
1,941,782,332.00	TOTAL RECEIPTS		2,168,449,405.98	
	Payments:			
536,147,243.00	Personnel Costs	3	1,270,043,892.55	
470,247,269.00	Overhead Charges:	4	189,905,549.38	
	Consolidated Revenue Fund Charges .	5	109,103,231.37	
	contributions	7	566,056,534.35	
	Other Operating Activities		-	
	Financial Charges		-	
	Other Transfers	6	25,100,000.00	
1,006,394,512.00	Total Payments		2,160,209,207.65	
	Net Cash Flow from Operating Activities		8,240,198.33	

	CashFlows from Investment Activities:			
	Capital Expenditure:Administrative Sector:	8	6,102,000.00	
	Capital Expenditure: Economic Sector:	8	1,248,000.00	
	capital expenditure: Social Service Sector:	8	10,913,879.00	
	Capital Expenditure: Funded from Aid and Grants:		-	
1,041,653,548.00	Total Cash Flow from Investment Activities:		18,263,879.00	
(35,259,036.00)	Net Cash Flow from Investment Activities:		(10,023,680.67)	
	CashFlows from Financing Activities:			
-	Proceeds from Aid and Grants		-	
-	Proceeds from ExternaL Loan :		-	
-	Proceeds from Internal Loans: Bonds :		-	
-	Proceeds from Development loan stock		-	
-	Proceeds of Loans from Other Funds		-	
-	Repayment of External Loans (Including Servicing)		-	
-	Repayment of Treasury Bonds :		-	
-	Repayment of Loans from Development loan stock		-	
-	Repayment of Loans from Other Funds	11	-	
-	Total Cash Flow from Financing Activities:		-	
(35,259,036.00)	Net Cash Flow from Financing Activities:		(10,023,680.67)	
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	
	Net (Increase)/Decrease in Other Cash Equivalents:		-	
	Total Cashflow from other Cash equivalent Accounts		-	
	Net Cash for the year		(10,023,680.67)	
	Cash & Its Equivalent as at 1st January, 2018		10,532,592.31	
	Cash & Its Equivalent as at 31st December, 2018	9	508,911.64	

2: Statement of Assets and Liabilities as at 31st December, 2018

	NOTES	CURRENT YEAR 2018	PREVIOUS YEAR 2017
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash at Hand		21,610.00	
CASH AT BANK	9	487,301.64	
TOTAL LIQUID ASSETS		508,911.64	
NON CURRENT ASSETS:			
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	
TOTAL ASSETS		508,911.64	
LIABILITIES OVER ASSETS		3,187,426.92	
TOTAL		3,696,338.56	
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	508,911.64	
Capital Development Fund:		-	
TOTAL PUBLIC FUNDS		508,911.64	
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	-	
		-	
		-	
		-	
TOTAL EXTERNAL AND INTERNAL LOANS		-	
OTHER LIABILITIES			
UNREMITTED DEDUCTIONS			
5% Withholding Tax	12	1,578,713.46	
5% VAT (Value Added Tax)	12	1,608,713.46	
TOTAL LIABILITIES		3,187,426.92	
TOTAL LIABILITIES AND PUBLIC FOUNDS		3,696,338.56	

3: Statement of Consolidated Revenue for the year ended 31st December, 2018

ACTUAL PREVIOUS YEAR 2017		NOTES	ACTUAL YEAR 2018	FINAL BUDGET 2018	INITIAL/ORIGINAL BUDGET 2018
₦			₦	₦	₦
	Opening Balance:		10,532,592.31		
	ADD: REVENUE				
	Statutory Allocations:FAAC	1	2,161,635,159.98		
	Value Added Tax Allocation	1	-		
	Sub-Total - Statutory Allocation		2,161,635,159.98	1,897,182,332.00	
	Direct Taxes	2	-		
	Licences	2	2,178,930.00	10,800,000.00	
	RATES	2	499,469.88	21,500,000.00	
	Fees:	2	-		
	Fines	2	-		
	Sales	2	-		
	Earnings :	2	3,395,350.00	7,000,000.00	
	Sales/Rent of Government Buildings:	2	440,000.00	3,000,000.00	
	Sale/Rent on Lands and Others:	2	-		
	MISCELLANEOUS	2	299,966.00	2,200,000.00	
	Investment Income	2	-		
	Interest Earned	2	530.12	100,000.00	
	Re-Imbursements	2	-		
	Sub-Total - Independent Revenue		6,814,246.00	-	
	Other Revenue Sources of the ---Government		-	-	
	TOTAL REVENUE:		2,178,981,998.29	1,941,782,332.00	
	LESS:EXPENDITURE				
	Personnel Costs:	3	1,270,043,892.55	536,147,243.00	
	Overhead Charges:	4	189,905,549.38	470,247,269.00	
	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	109,103,231.37		
	contributions	7	566,056,534.35		
	Other Operating Activities		-		
	Financial Charges.		-		
	Other Transfers	6	25,100,000.00		
	TOTAL EXPENDITURE:		2,160,209,207.65	1,006,394,512.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
	Repayments:External Loans:States			-	
	Repayments:States Bonds.			-	
	Repayments:Development Loan Stock			-	
	Repayments:Internal Loans from Other Funds	11		-	
	TOTAL EXPENDITURE:			-	
	OPERATING BALANCE:			18,772,790.64	
	APPROPRIATIONS/TRANSFERS:				
	Transfer to Capital Development Fund:			18,263,879.00	
	Closing Balance:			508,911.64	

4: Statement of Capital Development Fund for the year ended 31st December, 2018

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2017			EXPENDITURE 2018	BUDGET 2018	BUDGET 2018	BUDGET 2018
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
	Transfer from Consolidated Revenue Fund:		18,263,879.00			
	Aid and Grants		-			
	TOTAL REVENUE AVAILABLE:		18,263,879.00			
	LESS: CAPITAL EXPENDITURE					
	Capital Expenditure:Administrative Sector:	10	6,102,000.00			
	Capital Expenditure: Economic Sector:	10	1,248,000.00			
	Capital Expenditure: Social Service Sector:	10	10,913,879.00			
	Capital Expenditure: Funded from Aid and Grants:		-			
	TOTAL CAPITAL EXPENDITURE:		18,263,879.00	1,041,653,548.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2018

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₦	₦
Net Share of Statutory Allocation from FAAC	A	712,633,337.38	
Add :Deduction at source for Loan Repayment	B	1,449,001,822.60	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			2,161,635,159.98
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₦	₦	₦
TAXES	-	4,400,000.00	4,400,000.00
RATES	499,469.88	21,500,000.00	21,000,530.12
LINCENCES & FEES	2,178,930.00	10,800,000.00	8,621,070.00
EARNING FROM COMMERCIAL UNDERTAKING	3,395,350.00	7,000,000.00	3,604,650.00
RENT ON LOCAL GOVERNMENT PROPERTY	440,000.00	3,000,000.00	2,560,000.00
INTREST AND DIVIDEND	530.12	100,000.00	99,469.88
MISELLANEOUS	299,966.00	2,200,000.00	1,900,034.00
TOTAL I G R	6,814,246.00	49,000,000.00	42,185,754.00

Note 3: Personnel Cost

ADMINISTRATIVE SECTOR										
SECTOR	Admin	Economic	Function	Fund	GEO CODE		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
OFFICE OF THE CHAIRMAN										
01	1E+07	21010101	70111	2101		TOTAL PERSONNEL COST	4,681,765.80			
THE COUNCCIL										
01	1E+07	21010101	70111	2101		TOTAL PERSONNEL COST	25,468,389.60			
OFFICE OF THE SECRETARY										
01	1E+07	21010101	70111	2101		TOTAL PERSONNEL COST	2,546,838.96			
PERSONEL MANAGEMENT										
01	3E+07	21010101	70131	2101		TOTAL PERSONNELCOST	77,264,615.84			
TOTAL ADMIN SECTOR							109,961,610.20			
ECONOMIC SECTOR										
Sector	Admin	Economic	Function	Fund			ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
FINANCE AND SUPPLY										
02	2E+07	21010101	70112	2101		TOTAL PERSONNELCOST	46,238,779.18			
BUDGET;PLANNING & RESEARCH										
02	4E+07	21010101	70112	2101		TOTAL PERSONNELCOST	-			
WORKS & HOUSING										
02	3E+07	21010101	70112	2101		TOTAL PERSONNELCOST	47,128,182.47			
AGRICULTURE AND NATURAL RESURCES										
02	2E+07	21010101	70421	2101		TOTAL PERSONNELCOST	27,586,196.47			
TOTAL ECONOMIC SECTOR							120,953,158.12			

SOCIAL SECTOR									
Sector	Admin	Economic	Function	Fund		ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
ADULT EDUCATION									
05	2E+07	21010101	70960	2101	TOTAL PERSONNEL COST	10,086,660.50			
PRIMARY HEALTH CARE									
05	2E+07	21010101	70131	2101	TOTAL PERSONNELCOST	226,099,583.38			
TRADITIONAL OFFICE									
05	5E+07	21010101	70131	2101	TOTAL PERSONNELCOST	54,200,823.47			
TOTAL SOCIAL SECTOR						290,387,067.35			
TOTAL FOR ALL SECTORS						521,301,835.67			
ADJUSTMENT :									
PAYEE						19,626,847.76			
PAYEE (POLITICAL OFFICE						3,809,094.00			
UNION DUES						33,413,417.46			
NHF(2,5%)						3,605,070.76			
EMIRATE COUNCIL						61,577,677.92			
PRIMARY EDUCATION						626,709,948.98			
						-			
TOTAL PERSONNEL COST FOR ALL SECTORS						1,270,043,892.55			

Note 4: Overhead Cost

ADMINISTRATIVE SECTOR											
OFFICE OF THE CHAIRMAN											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11001001	22020101	70111	2101		2	Travel & Transport	9,245,200.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	295,000.00			
01	11001001	22020402	70111	2101		6	Maintenance of office	-			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	-			
01	11001001	22020701	70111	2101		8	Consultancy Services	-			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	7,455,741.14			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	5,982,590.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	39,680,750.00			
							Provision of Servicable Materials	-			
							TOTAL	62,659,281.14			
THE COUNCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	13,975,400.00			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	-			
01	12003001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles andCapital assets	-			
01	12003001	22020701	70111	2101		8	Consultancy Services	-			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	12003001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	3,655,000.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	14,722,700.00			
							TOTAL	32,353,100.00			

OFFICE OF THE SECRETARY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11013001	22020101	70111	2101		2	Travel & Transport	280,000.00			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	-			
01	11013001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	-			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	-			
01	11013001	22020701	70111	2101		8	Consultancy Services	-			
01	11013001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11013001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11013001	22021001	70111	2101		11	Entertainment & Hospitality	1,400,000.00			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	2,137,254.00			
							TOTAL	3,817,254.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	935,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	-			
01	25001001	22020402	70131	2101		6	Maintenance of officefurniture & equipment	680,000.00			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	103,000.00			
01	25001001	22020701	70131	2101		8	Consultancy Services	-			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	-			
01	25001001	22020501	70131	2101		10	Training and staff Development	1,200,000.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	2,101,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	2,624,900.00			
							TOTAL	7,643,900.00			
							TOTAL ADMIN SECTOR	106,473,535.14	-	-	-

ECONOMIC SECTOR											
FINANCE AND SUPPLY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	20001001	22020101	70112	2101		2	Travel & Transport	3,832,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	1,285,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	614,126.22			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	440,090.16			
02	20001001	22020701	70112	2101		8	Consultancy Services	200,000.00			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	50,154,263.46			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	2,634,880.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	2,893,431.40			
							TOTAL	62,053,791.24			
BUDGET;PLANNING & RESEARCH											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	38001001	22020101	70112	2101		2	Travel & Transport	-			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	-			
02	38001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	38001001	22020701	70112	2101		8	Consultancy Services	-			
02	38001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	38001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	38001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	-			
							TOTAL	-			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	585,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	-			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	-			
02	34001001	22020402	70451	2101		6	Maintenance of officefurniture & equipment	-			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	7,737,258.00			
02	34001001	22020701	70451	2101		8	Consultancy Services	-			
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	-			
02	34001001	22020501	70451	2101		10	Short term Training and Consultancy	-			
02	34001001	22021001	70451	2101		11	Entertament & Hospitality	661,000.00			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	900,281.00			
							TOTAL	9,883,539.00			
AGRICULTURE AND NATURAL RESURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	470,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	-			
02	15001001	22020402	70421	2101		6	Maintenance of officefurniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	-			
02	15001001	22020701	70421	2101		8	Consultancy Services	-			
02	15001001	22040109	70421	2101		9	Grants, Contributions & Subventions	-			
02	15001001	22020501	70421	2101		10	Training and staff Development	-			
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	80,000.00			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	50,000.00			
							Provision of Servicable Materials	-			
							TOTAL	600,000.00			
							TOTAL ECONOMIC SECTOR MINISTRY	72,537,330.24	-	-	-

SOCIAL SECTOR											
ADULT EDUCATION											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	17001001	22020101	70922	2101		2	Travel & Transport	1,100,000.00			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	-			
05	17001001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	17001001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	17001001	22020701	70922	2101		8	Consultancy Services	-			
05	17001001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	17001001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	870,000.00			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	1,809,684.00			
							TOTAL	3,779,684.00			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport	-			
05	51003001	22020201	70922	2101		3	Utility Services	-			
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	51003001	22020301	70922	2101		5	Stationary	-			
05	51003001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	51003001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51003001	22020701	70922	2101		8	Consultancy Services	-			
05	51003001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	51003001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	51003001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	-			

PRIMARY HEALTH CARE											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	21001001	22020101	70731	2101		2	Travel & Transport	460,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	-			
05	21001001	22020402	70731	2101		6	Maintenance of officefurniture & equipment	-			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	-			
05	21001001	22020701	70731	2101		8	Consultancy Services	-			
05	21001001	22020501	70731	2101		10	Training and staff Development	-			
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	730,000.00			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	1,100,000.00			
							Provision of Servicable Materials	4,025,000.00			
							TOTAL	6,315,000.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	500,000.00			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	-			
05	51002002	22020402	70180	2101		6	Maintenance of officefurniture & equipment	-			
05	51002002	22020401	70180	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51002002	22020701	70180	2101		8	Consultancy Services	-			
05	51002002	22040109	70180	2101		9	Grants, Contribution & Subvention	-			
05	51002002	22020501	70180	2101		10	Training and staff Development	-			
05	51002002	22021001	70180	2101		11	Entertainment & Hospitality	-			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	300,000.00			
							TOTAL	800,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	10,894,684.00	-	-	-
							TOTAL FOR ALL SECTORS	189,905,549.38	-	-	-

Note 5: Consolidated Revenue Charges

A-- PENSION AND GRATUITIES STATUTORY BOARD MINNA										
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	DETAILS	ACTUAL EXPENDITURE	APPROVED	REVISED BUDGET	VARIANCE ON REVISED BUDGET
01	25001001	22010102	70131	02101		Pension Statutory	56,024,797.93			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	53,078,433.44			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	-			
01	25001002	22020902	70132	02102		Insurance Premium	-			
01	25001001	22010106	70131	02101		Acturial Valuation	-			
01	25001001	22010107	70131	02101		Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-			
						Deceased 3rd Annual Emolument (CPS)	-			
						TOTAL	109,103,231.37			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	109,103,231.37			

Note 6: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,600,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	8,300,000.00
TOTAL	25,100,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	537,256,534.35
TOTAL CONTRIBUTIONS	566,056,534.35

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR													
SECTOR	ADMIN	ECONOMIC	FUNCTION	PROGRAMME		FUND	GEO CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2018	2018 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
01	11033001	23010122	70722	010400009616		03005	12620500		GENERAL ADMIN	6,102,000.00			
01	11033001	23010122	70722	010400009616		03005	12620500			-			
01	11033001	23010122	70722	010400009616		03005	12620500			-			
										-			
									TOTAL FOR ADMIN SECTOR	6,102,000.00			
ECONOMIC SECTOR													-
02	20001001					03005	12620500		RURAL ELECTRIFICATION	1,248,000.00			
02										-			
02									ECONOMIC SECTOR TOTAL	1,248,000.00	-	-	-
													-
SOCIAL SECTOR													-
05			70422	70900002606		03005	12620500		EDUCATION, ENVIRONMENTA & REG. DEVT.	4,524,139.00			
									COMMUNITY DEPT ENVIRONMENTAL SANITATION	5,800,000.00			
										589,740.00			
										-			
										-			
									SOCIAL SECTOR TOTAL	10,913,879.00	-	-	-
									TOTAL FOR ALL SECTORS	18,263,879.00			-

Note 9: Closing Cash Book/Bank Balances as at 31st December, 2019

ACCOUNT TYPE		AMOUNT
UBA PLC (SALARY ACCT)		303,675.13
KEYSTONE BANK (CAPITAL PROJECT)		24,354.43
UBA PLC (W D P ACCT)		-
KEYSTONE BANK (O/H ACCT)		6,592.91
BORGU M F B		152,679.17
TOTAL		487,301.64

Note 10: Investment

INVESTMENTS				
Investments in Companies				
	STOCK	HOLDING	PRICE	MARKET VALUE(N)
	TOTAL INVESTMENT			-

Note 11: Development Loan Stock

List the Loans	Balance as at 01/01/2019	ADDITIONAL LOAN	PRINCIPAL REPAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	BALANCE ON PRINCIPAL
BANK LOAN						
TOTAL						

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS		AMOUNT
5% WITHHOLDING TAX		1,608,713.46
5% VAT (VALUE ADDED TAX)		1,578,713.46
TOTAL		3,187,426.92

**MANAGEMENT REPORT ON AUDITED
ANNUAL FINANCIAL STATEMENT FOR THE
YEAR ENDED 31ST DECEMBER, 2018**

1. SCOPE OF THE AUDIT

The Accounts and Records maintained by Borgu Local Government Council and Financial Statement produced for audit in respect of the year ended 31st December, 2018 have been examined and all the information that were provided and gathered in respect of monies received and expended have been certified. All the books of account from the book of original entry, General ledger to subsidiary ledger were checked and certified by our team.

2.0 GENERAL STATE OF ACCOUNTS AND RECORD KEEPING

The pattern and manner of keeping and rendering accounting books and records as observed in the Local Governments Councils were inadequate as highlighted in this report and are stated below:

- Most of the payment vouchers raised were not having documentary evidences to justify the payments made.
- Most of the purchases made lacked essential documentary evidence such as Receipt Vouchers, and Store Issue Vouchers which shows that they were not supplied or supplied but not taken charge.
- In some cases, approvals in respect of expenditure incurred were not presented for audit.
- Deductions made for WHT and VAT were in some cases not remitted to the appropriate tax authorities within time.
- Some payment vouchers were not checked and passed by the Internal Audit Unit.
- Absence of signatures of relevant parties to Payment Vouchers.

- Lack of adequate budgetary discipline.
- Non-maintenance of Fixed/Moveable Asset register.

2.1 GENERAL RECOMMENDATION

- All Directors should ensure that they maintain their Departmental Vote Expenditure Account Books and reconcile same monthly.
- All supplies made to Departments should be received from the suppliers in the presence of the Internal Auditor, for certification of the prime, completeness, and validity of the goods supplied.
- All payment vouchers must contain authenticated documents duly signed by the respective officials and the supplier.
- No payment vouchers should be entertained by the Internal Auditor if it is not accompanied with Departmental Vote Expenditure Account Book (D.V.E.A) and Departmental Payment Voucher Register (D.P.V.R) in order to avoid over expenditure and omission of some payment vouchers and posted into D.V.E.A. Book.
- No voucher should be paid by the Cashier without being certified by the Internal Auditor and duly checked and passed by the Treasurer.
- Copies of contract awards documents must be sent to the office of the Internal Auditor for his awareness and record purposes.
- Payment for contract awards, being it part payment, must be accompanied with photocopies of the council's approval and award of contract forms. Final payment must be accompanied with the original copies of the contract agreement form and relevant supporting documents for payment.

- Appointment of employees, resignation of appointment, termination of appointment, retirement from service, suspension from work, dismissal from service and deaths should be notified to the Internal Auditor immediately.
- All expenditure account books must be promptly reconciled with the treasury books to maintain efficiency and accountability.
- Rubber Stamp marked “ENTERED INTO VOTE BOOK” should be impressed on any payment sent to the Treasury to ensure that the voucher has been entered into Vote Book.
- Tell Book should equally be maintained by the Cashier for the purpose of Daily Cash Balance or the day’s taking to ascertain the liquid cash available at the close of each day’s business transactions after balancing up the Revenue and Expenditure cash Book for the day.
- The Revenue Staff (Collectors) should ensure that all revenue earning books are returned to the officer in charge after they have completely been used off.
- Store Officers should ensure that they keep all records up-to-date should the Internal Auditor will be going round to check and examine the accounts.
- A Job Cost Book should be kept in the Works Department on form **LGT 97 (F.M. 33.6)**.

3. REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Borgu Local Government Council for the year ended 31st December 2018 is shown in the table 1 below.

Table 1: Breakdown of revenues and Expenditures

TOTAL REVENUE		AMOUNT ₦	%
	Internally Generated Revenue	6,814,246.00	0.31
	Statutory Allocation	2,161,635,159.98	99.69
	TOTAL	2,168,449,405.98	100.00
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	1,270,043,892.55	58.30
	Overhead Cost	189,905,549.38	8.72
	Consolidated Revenue Fund Charges	109,103,231.37	5.01
•	Contributions	566,056,534.35	25.98
•	Other Operating Activities	-	-
•	Other Transfers	25,100,000.00	1.15
•	Capital Expenditures	18,263,879.00	0.84
	TOTAL	2,178,473,086.65	100.00

3.1 REVENUE

The sum of ₦2,168,449,405.98 accrued to Borgu Local Government Councils as total receipts for the year ended 31st December 2018

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Borgu Local Government Council amounted to ₦6,814,246.00 only for the year ended 31st December 2018 which represents 0.89% of the total accrued revenue of ₦2,168,449,405.98. This shows that the council solely depend on statutory allocation from the Federation Account for survival. This could result to non-survival of the Council if there is a decline of revenue from the Federation Account.

I advised the Local Government Council to take the following measures to boost their internally generated revenue collection.

- Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- Control over issuance of revenue receipts
- Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.

3.1.2 STATUTORY ALLOCATION

The sum of ₦2,161,635,159.98 was disbursed to Borgu Local Governments Council for the year under review. Statutory allocation comprises VAT, Excess Crude and Statutory Allocation etc. The reporting framework provides that each revenue class is reported separately in the financial statements and the notes thereto.

It was, however, noted that these classes of revenue are only identified at the Ministry for Local Government (Joint Account) while the disbursements to Local Government Councils are only classified as Statutory Allocation.

This makes it difficult to trace and account for each revenue classes at the Local Government Council level and possibly reconciliation of disbursement from the Federation Account and the receipts by the Local Government Council.

I advised the Ministry for Local Governments to share with the Local Government councils the breakdown of revenues from the Federation Accounts to ensure that they are correctly reported by the Councils.

3.2 CASH AND BANK BALANCES

The total cash balances stood at ₦21,610.00 in respect of Borgu Local Government Council at the end of the financial year ended 31st December 2018.

While the total bank balances stood at ₦487,301.64 in respect of Borgu Local Government Council as at the end of the financial year ended 31st December 2018.

4.0 INTERNAL CONTROL

During the course of our audit exercise, it was observed that despite reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued. The non-compliance was evidenced by the Payment Vouchers been prepared and paid out without being endorsed by the Internal Audit Units, the non-endorsement of Officer Controlling the Vote, and Checks by the respective accounting Officers.

Also evidenced is lack of Asset Register to ascertain the Assets, their Condition, their Location and values of such assets. And all efforts made by my Office to ensure the maintenance of the Register are not encouraging.

In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that henceforth all Payment Vouchers raised are passed through Internal Audit Unit for certification before such payment are effected and equally ensure the maintenance of Asset Register before my next audit.

4.1 RECOMMENDATION

- It is recommended that the Internal Control System in existence has to be strengthened, proper record keeping and documentation of all financial transactions so as to enhance proper accountability.

5. BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦6,814,246.00 was generated as Internally Generated Revenue which represents 15.28% when compared with the total budgeted Internally Generated Revenue amounting to ₦44,600,000.00 during the year under review. This is a poor performance.

5.1 RECOMMENDATION

- It is recommended that preparation of cash flow statement should be adequately monitored to reduce the unnecessary expenditure on overhead and given priority to project execution.
- More efforts should be made so as to attain the target set on revenue generation internally in the next financial year. This will reduce over dependence of the Council on Statutory Allocation from Federation Accounts which is no longer attainable.

6. PERSONNEL COST

It was observed that the total sum of ₦1,270,043,892.55 and ₦474,591,771.52 was spent as total personnel cost for the year 2018 and 2017 respectively with an increase of ₦795,452,121.03 over the previous year. This is as a result of salary increased made by the state government during the year under review.

7. CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No 5 of Revenue and Expenditure revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦495,219,947.00 and only the sum of ₦38,796,250.00 representing 7.83% was spent leaving the balance of ₦456,423,697.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	428,891,199.00	6,102,000.00	422,789,199.00
02	Economic Sector	332,500,000.00	1,248,000.00	331,252,000.00
05	Social Sector	280,262,349.00	10,913,879.00	269,348,470.00
TOTAL		1,041,653,548.00	18,263,879.00	1,023,389,669.00

7.1 RECOMMENDATION

- It is recommended that the previous statistical data should be used in the preparation of a reliable budget that could be attainable.
- Also, Capital projects should be encouraged and priority should be given to its execution as it has direct bearing to the grass roots development.

8. PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No. 3 revealed that the Total Revenue stood at ₦2,649,163,455.93 with a Total Expenditure of ₦2,617,792,406.26 and close with a surplus balance of ₦31,371,049.67 This is a healthy statement of account.

9.0 DEPOSITS

Deposits comprise statutory deductions which relate to contracts awarded (Value Added Tax (VAT) and Withholding Tax (WHT)) and employment which are deducted at source by the Local Government Council and are supposed to be remitted to the relevant tax collecting bodies in accordance with relevant legislation. I observed that a total of ₦3,187,426.92 stood as outstanding consolidated deposit balances as at the end of the period under review. Table below shows the list of the outstanding deposits as at 31st December 2018.

Outstanding deductions as at 31 December 2018

DETAILS	AMOUNT ₦
5% VAT	1,608,713.46
5% Withholding Tax	1,578,713.46
-	-
TOTAL	3,187,426.92

From the above table, the Councils recorded outstanding VAT amounting to ₦1,608,713.46 and WHT of ₦1,578,713.46 as at 31st December, 2018.

Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that the outstanding balance may be deducted from the Statutory allocations due to the Councils and in addition the councils may be fined and penalized for delayed remittance and hence affect the amount of money meant for developmental activities.

I advised the Local Government Councils to take steps to remit the outstanding deductions to the relevant authorities as a matter of urgency to avoid fines and penalties. I also advised the councils comply with the legislation in regard to future deductions.

10. OUTSTANDING AUDIT INSPECTION

AGX/FO.18/TA/BRG/VOL.1 Dated: 3rd June 2019

(i)Repairs suspected not have been made	1,000,000.00
(ii)Non Remittance of VAT and TAX	603,763.00

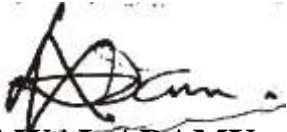
10.1 REQUIRED

The council is required to response to the outstanding Inspection Report or else necessary action and sanction will be taken.

11. CONCLUSION

We wish to use this medium to express our appreciation to the Chairman and the entire staff of Local Government for the cooperation given to the staff of this Office to carry out the Audit exercise.

It is our sincere hope that you would not hesitate to contact this Office for further clarification and explanations you might require in connection with the Audited Annual Financial Statement and Management Reports.



LAWAL ADAMU

*Director Statutory and Special Operations,
For: Auditor General*

NIGER STATE OF NIGERIA

**BOSSO LOCAL GOVERNMENT COUNCIL
MAIKUNKELE**

**AUDITED ACCOUNTS
FOR
THE YEAR ENDED
31ST DECEMBER 2018**

**AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
P. M. B. 53, MINNA
NIGER STATE**

PERSONALITY PROFILE

A. FINANCIAL STATEMENT

Statement of Financial Responsibility

Council Officials

Auditor General's Opinion

B. AUDIT REPORT

- Cash Flow Statements
- Statement of Assets & Liabilities
- Statement of Consolidated Revenue Funds
- State of Capital Development Funds
- Notes to the Accounts.
- Statement of Accounting Policies
- Scope of Audit
- General State of Accounts and Records Keeping
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- Internal Control
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- Personnel Cost
- Capital Expenditure
- Performance of Operation Activities
- Deposits
- Outstanding Audit Inspection
- Conclusion

STATEMENT OF FINANCIAL RESPONSIBILITY

These Financial Statements have been prepared by the Treasurer of Bosso Local Government Council in accordance with the provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements complied with generally accepted accounting practices. The Treasury is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper records, the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of Internal Control has operated adequately throughout the reporting period.



Treasurer

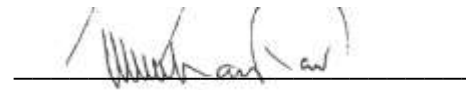
31st December, 2018

We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended. In our opinion, these financial statements fairly reflect the financial position of Bosso Local Governments as at 31st December, 2018 and its operations for the year ended on the date.



Treasurer

31st December, 2018



Chairman

31st December, 2018

COUNCIL OFFICIALS

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Abubakar Gomna
Honourable Garba Geoji

Executive Chairman
Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:	DEPARTMENTS	DESIGNATION
Alhaji Yusuf Umar Bosso	Personnel Management	H. O. D
Alhaji Mahmud Ma'aji	Finance and Supply	H. O. D
Mal. Hassan Usman Bosso	Primary Health Care	H. O. D
Mrs. Larai Helen Yakubu	Agriculture and Natural Resources	H. O. D
Alhaji Ibrahim B. Umar	Works and Housing	H. O. D
Mr. Sunday Madaki	Budget and Planning	H. O. D
Alhaji Bello Auta	Social Development	H. O. D

- **BANKERS**

Unity Bank
Zenith International Bank Plc.
United Bank for Africa Plc. (UBA)

ADDRESS

Minna Branch
Minna Branch
Minna Branch

- **AUDITORS**

Auditor General
Office of the Auditor General for Local Governments
P.M.B. 53 Minna,
Niger State.

AUDITOR GENERAL'S OPINION

I have examined the financial statement which have been prepared in accordance with standardized Local Government Treasury Procedures, Financial Memoranda and Circular guidelines. I obtained all information and explanations which I requested for the purpose of my Audit.

In my opinion, the accounts readable in conjunction with notes subject to the issues raised in the management report issued separately with this account gives a true and fair view of affairs of the Council as at 31st December, 2018 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.



Ibrahim Ahmed, B. Sc, MPA, FCNA, FCTI, CPA
Auditor General for Local Governments

1: Cash Flow Statement for the Year Ended 31st December, 2018

ANNUAL BUDGET 2018		NOTES	ACTUAL YEAR 2018	PREVIOUS YEAR 2017
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,602,970,951.00	Statutory Allocations:FAAC	1	2,310,999,211.95	
	Value Added Tax Allocation	1		
1,602,970,951.00	Sub-total - Statutory Allocation		2,310,999,211.95	
1,160,000.00	Direct Taxes	2	-	
29,090,000.00	Licences & FEES	2	12,271,300.00	
	Mining Rents:	2		
11,232,000.00	RATES	2	5,870,000.00	
	Fees:	2		
	Fines	2		
	Sales	2		
8,800,000.00	Earnings :	2	3,351,770.00	
250,000.00	Sales/Rent of Government Buildings:	2	-	
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
190,000.00	Interest Earned	2		2,568,530,528.54
	Re-imbusement	2		65,175,000.00
1,370,951.00	MISELLANEOUS	2	1,000.00	2,633,705,528.54
	Sub-total - Independent Revenue			
	Other Revenue Sources of the -Government	3		
52,092,951.00	TOTAL INDEPENDANT REVENUE		21,494,070.00	
	Commercial Bank Loan		-	
52,092,951.00	TOTAL RECEIPTS		2,332,493,281.95	
	Payments:			
620,858,653.00	Personnel Costs	3	1,381,210,186.66	
186,212,802.00	Overhead Charges:	4	161,705,806.37	764.15
847,461,750.00	Consolidated Revenue Fund Charges .	5	83,892,767.71	1,381,209,422.51
	contributions	7	570,841,336.21	
	Other Operating Activities		-	
	Financial Charges		-	
	Other Transfers	6	85,100,000.00	
1,654,533,205.00	Total Payments		2,282,750,096.95	
	Net Cash Flow from Operating Activities		49,743,185.00	

	CashFlows from Investment Activities:			
	Capital Expenditure:Administrative Sector:	8	2,648,800.00	
	Capital Expenditure: Economic Sector:	8	27,287,456.00	
	capital expenditure: Social Service Sector:	8	18,223,744.00	
	Capital Expenditure: Funded from Aid and Grants:		-	
507,044,208.00	Total Cash Flow from Investment Activities:		48,160,000.00	
1,147,488,997.00	Net Cash Flow from Investment Activities:		1,583,185.00	
	CashFlows from Financing Activities:			
	Proceeds from Aid and Grants		-	
	Proceeds from ExternaL Loan :		-	
	Proceeds from Internal Loans: Bonds :		-	
	Proceeds from Development loan stock		-	
	Proceeds of Loans from Other Funds		-	
	Repayment of External Loans (Including Servicing)		-	
	Repayment of Treasury Bonds :		-	
	Repayment of Loans from Development loan stock		-	
-	Repayment of Loans from Other Funds	11	-	
-	Total Cash Flow from Financing Activities:		-	
1,147,488,997.00	Net Cash Flow from Financing Activities:		1,583,185.00	
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	
	Net (Increase)/Decrease in Other Cash Equivalents:		-	
	Total Cashflow from other Cash equivalent Accounts		-	
	Net Cash for the year		1,583,185.00	
	Cash & Its Equivalent as at 1st January, 2018		(999,660.72)	
	Cash & Its Equivalent as at 31st December, 2018	9	583,524.28	

2: Statement of Assets and Liabilities as at 31st December, 2018

	NOTES	CURRENT YEAR 2018	PREVIOUS YEAR 2017
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:			
CASH AT HAND		764.15	
CASH AT BANK	9	582,760.13	
TOTAL LIQUID ASSETS		583,524.28	
NON CURRENT ASSETS:			
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	
TOTAL ASSETS		583,524.28	
ASSETS OVER LIABILITIES		1,812,786.99	
TOTAL		2,396,311.27	
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	583,524.28	
Capital Development Fund:		-	
TOTAL PUBLIC FUNDS		583,524.28	
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	-	
		-	
TOTAL EXTERNAL AND INTERNAL LOANS		-	
OTHER LIABILITIES			
UNREMITTED DEDUCTIONS			
5% Withholding Tax	12	700,750.00	
5% VAT (Value Added Tax)	12	411,286.99	
1% Stamp Duty Charges	12	700,750.00	
TOTAL LIABILITIES		1,812,786.99	
TOTAL LIABILITIES AND PUBLIC FOUNDS		2,396,311.27	
TOTAL		2,396,311.27	

3: Statement of Consolidated Revenue for the year ended 31st December, 2018

ACTUAL PREVIOUS YEAR 2017		NOTES	ACTUAL YEAR 2018	FINAL BUDGET 2018	INITIAL/ORIGINAL BUDGET 2018
₦			₦	₦	₦
	Opening Balance:		(999,660.72)		
	ADD: REVENUE				
	Statutory Allocations:FAAC	1	2,310,999,211.95	1,602,970,951.00	
	Value Added Tax Allocation	1	-	-	
	Sub-Total - Statutory Allocation		2,310,999,211.95	1,602,970,951.00	
	Direct Taxes	2	-	1,160,000.00	
	Licences	2	12,271,300.00	29,090,000.00	
	RATES	2	5,870,000.00	11,232,000.00	
	Fees:	2	-		
	Fines	2	-		
	Sales	2	-		
	Earnings :	2	3,351,770.00	8,800,000.00	
	Sales/Rent of Government Buildings:	2	-	250,000.00	
	Sale/Rent on Lands and Others:	2	-	-	
	MISCELLANEOUS	2	1,000.00	1,370,951.00	
	Investment Income	2	-		
	Interest Earned	2	-		
	Re-Imbursements	2	-		
	Sub-Total - Independent Revenue		21,494,070.00		
	Other Revenue Sources of the ---Government		-		
	TOTAL REVENUE:		2,331,493,621.23	52,092,951.00	
	LESS:EXPENDITURE				
	Personnel Costs:	3	1,381,210,186.66	620,858,653.00	
	Overhead Charges:	4	161,705,806.37	186,212,802.00	
	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	83,892,767.71		
	contributions	7	570,841,336.21		
	Other Operating Activities		-		
	Financial Charges.		-		
	Other Transfers	6	85,100,000.00		
	TOTAL EXPENDITURE:		2,282,750,096.95	1,654,533,205.00	
	OTHER R-ECURRENT PAYMENTS/EXPENDITURE:				

	Repayments:External Loans:States		-	
	Repayments:States Bonds.		-	
	Repayments:Development Loan Stock		-	
	Repayments:Internal Loans from Other Funds	11	-	
	TOTAL EXPENDITURE:		-	
	OPERATING BALANCE:		48,743,524.28	
	APPROPRIATIONS/TRANSFERS:			
	Transfer to Capital Development Fund:		48,160,000.00	
	Closing Balance:		583,524.28	

4: Statement of Capital Development Fund for the year ended 31st December, 2018

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2017			EXPENDITURE 2018	BUDGET 2018	BUDGET 2018	BUDGET 2018
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
	Transfer from Consolidated Revenue Fund:		48,160,000.00			
	Aid and Grants		-			
	TOTAL REVENUE AVAILABLE:		48,160,000.00			
	LESS: CAPITAL EXPENDITURE					
	Capital Expenditure:Administrative Sector:	10	2,648,800.00			
	Capital Expenditure: Economic Sector:	10	27,287,456.00			
	Capital Expenditure: Social Service Sector:	10	18,223,744.00			
	Capital Expenditure: Funded from Aid and Grants:		-			
	TOTAL CAPITAL EXPENDITURE:		48,160,000.00	507,044,208.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2018

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₦	₦
Net Share of Statutory Allocation from FAAC	A	710,245,517.19	
Add :Deduction at source for Loan Repayment	B	1,600,753,694.76	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			2,310,999,211.95
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)		Actual	Budget	Variance
		₦	₦	₦
TAXES		-	1,160,000.00	1,160,000.00
RATES		5,870,000.00	11,232,000.00	5,362,000.00
LINCENCES & FEES		12,271,300.00	29,090,000.00	16,818,700.00
EARNING FROM COMMERCIAL UNDERTAKING		3,351,770.00	8,800,000.00	5,448,230.00
RENT ON LOCAL GOVERNMENT PROPERTY		-	250,000.00	250,000.00
MISELLANEOUS		1,000.00	1,370,951.00	1,369,951.00
TOTAL I G R		21,494,070.00	51,902,951.00	30,408,881.00

Note 3: Personnel Cost

ADMINISTRATIVE SECTOR										
SECTOR	Admin	Economic	Function	Fund	GEO CODE		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
OFFICE OF THE CHAIRMAN										
01	11001001	21010101	70111	2101		TOTAL PERSONNEL COST	6,980,095.43			
THE COUNCCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	25,236,417.37			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	2,193,589.13			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	42,520,635.83			
TOTAL ADMIN SECTOR							76,930,737.76			
ECONOMIC SECTOR										
Sector	Admin	Economic	Function	Fund			ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	62,457,292.60			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	-			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	50,581,908.17			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	42,553,967.74			
TOTAL ECONOMIC SECTOR							155,593,168.51			

SOCIAL SECTOR									
Sector	Admin	Economic	Function	Fund		ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
ADULT EDUCATION									
05	17001001	21010101	70960	2101	TOTAL PERSONNEL COST	52,444,305.45			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	228,650,275.99			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	6,672,872.26			
TOTAL SOCIAL SECTOR						287,767,453.70			
TOTAL FOR ALL SECTORS						520,291,359.97			
ADJUSTMENT :									
PAYEE						23,369,243.33			
PAYEE (POLITICAL OFFICE						3,809,094.00			
UNION DUES						38,964,405.79			
NHF(2,5%)						4,032,585.23			
EMIRATE COUNCIL						41,545,611.84			
PRIMARY EDUCATION						749,197,886.50		764.15	
TOTAL PERSONNEL COST FOR ALL SECTORS						1,381,210,186.66		749,197,122.35	

Note 4: Overhead Cost

ADMINISTRATIVE SECTOR											
OFFICE OF THE CHAIRMAN											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11001001	22020101	70111	2101		2	Travel & Transport	7,992,000.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	480,000.00			
01	11001001	22020402	70111	2101		6	Maintenance of office	10,250,000.00			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	835,717.00			
01	11001001	22020701	70111	2101		8	Consultancy Services	-			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	20,640,000.00			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	-			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	45,369,745.43			
							TOTAL	85,567,462.43			
THE COUNCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	1,050,000.00			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	-			
01	12003001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	13,199,480.02			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles andCapital assets	850,000.00			
01	12003001	22020701	70111	2101		8	Consultancy Services	-			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	12003001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	610,000.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	10,369,581.82			
							TOTAL	26,079,061.84			

OFFICE OF THE SECRETARY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11013001	22020101	70111	2101		2	Travel & Transport	650,000.00			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	-			
01	11013001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	1,720,000.00			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	700,000.00			
01	11013001	22020701	70111	2101		8	Consultancy Services	-			
01	11013001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11013001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11013001	22021001	70111	2101		11	Entertainment & Hospitality	500,000.00			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	895,158.91			
							TOTAL	4,465,158.91			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	572,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	-			
01	25001001	22020402	70131	2101		6	Maintenance of officefurniture & equipment	-			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	380,000.00			
01	25001001	22020701	70131	2101		8	Consultancy Services	-			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	-			
01	25001001	22020501	70131	2101		10	Training and staff Development	-			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	2,228,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	8,560,528.77			
							TOTAL	11,740,528.77			
							TOTAL ADMIN MINISTIES	127,852,211.95	-	-	-

ECONOMIC SECTOR											
FINANCE AND SUPPLY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	20001001	22020101	70112	2101		2	Travel & Transport	850,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	-			
02	20001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	550,000.00			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	20001001	22020701	70112	2101		8	Consultancy Services	-			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	17,945,846.54			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	620,000.00			
							TOTAL	19,965,846.54			
BUDGET;PLANNING & RESEARCH											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	38001001	22020101	70112	2101		2	Travel & Transport	-			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	-			
02	38001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	38001001	22020701	70112	2101		8	Consultancy Services	-			
02	38001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	38001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	38001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	-			
							TOTAL	-			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	-			
02	34001001	22020201	70451	2101		3	Utility Services	970,000.00			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	-			
02	34001001	22020402	70451	2101		6	Maintenance of officefurniture & equipment	450,000.00			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	-			
02	34001001	22020701	70451	2101		8	Consultancy Services	-			
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	-			
02	34001001	22020501	70451	2101		10	Short term Training and Consultancy	-			
02	34001001	22021001	70451	2101		11	Entertament & Hospitality	-			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	1,688,608.27			
							TOTAL	3,108,608.27			
AGRICULTURE AND NATURAL RESURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	-			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	-			
02	15001001	22020402	70421	2101		6	Maintenance of officefurniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	-			
02	15001001	22020701	70421	2101		8	Consultancy Services	-			
02	15001001	22040109	70421	2101		9	Grants, Contributions & Subventions	-			
02	15001001	22020501	70421	2101		10	Training and staff Development	-			
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	-			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	563,000.00			
							TOTAL	563,000.00			
TOTAL ECONOMIC SECTOR MINISTRY								23,637,454.81	-	-	-

SOCIAL SECTOR											
ADULT EDUCATION											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	17001001	22020101	70922	2101		2	Travel & Transport	-			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	-			
05	17001001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	17001001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	17001001	22020701	70922	2101		8	Consultancy Services	-			
05	17001001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	17001001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	6,126,139.61			
							TOTAL	6,126,139.61			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport	-			
05	51003001	22020201	70922	2101		3	Utility Services	-			
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	51003001	22020301	70922	2101		5	Stationary	-			
05	51003001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	51003001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51003001	22020701	70922	2101		8	Consultancy Services	-			
05	51003001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	51003001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	51003001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	-			

PRIMARY HEALTH CARE											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	21001001	22020101	70731	2101		2	Travel & Transport	-			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	-			
05	21001001	22020402	70731	2101		6	Maintenance of officefurniture & equipment	-			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	-			
05	21001001	22020701	70731	2101		8	Consultancy Services	-			
05	21001001	22020501	70731	2101		10	Training and staff Development	-			
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	150,000.00			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	3,135,000.00			
							TOTAL	3,285,000.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	-			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	-			
05	51002002	22020402	70180	2101		6	Maintenance of officefurniture & equipment	-			
05	51002002	22020401	70180	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51002002	22020701	70180	2101		8	Consultancy Services	-			
05	51002002	22040109	70180	2101		9	Grants, Contribution & Subvention	-			
05	51002002	22020501	70180	2101		10	Training and staff Development	-			
05	51002002	22021001	70180	2101		11	Entertainment & Hospitality	-			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	805,000.00			
							TOTAL	805,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	10,216,139.61	-	-	-
							TOTAL FOR ALL SECTORS	161,705,806.37	-	-	-

Note 5: Consolidated Revenue Charges

A-- PENSION AND GRATUITIES STATUTORY BOARD MINNA										
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	DETAILS	ACTUAL EXPENDITURE	APPROVED	REVISED BUDGET	VARIANCE ON REVISED BUDGET
01	25001001	22010102	70131	02101		Pension Statutory	47,000,233.68			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	36,892,534.03			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	-			
01	25001002	22020902	70132	02102		Insurance Premium	-			
01	25001001	22010106	70131	02101		Acturial Valuation	-			
01	25001001	22010107	70131	02101		Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-			
						Deceased 3rd Annual Emolument (CPS)	-			
						TOTAL	83,892,767.71			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	83,892,767.71			

Note 6: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,600,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	8,300,000.00
NISEPA	60,000,000.00
TOTAL	85,100,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	542,041,336.21
TOTAL CONTRIBUTIONS	570,841,336.21

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECONOMIC	FUNCTION	PROGRAMME	FUND	GEO CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2018	2018 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616	03005	12620500		EXTENSION OF SECRETARIAT BUILDING	2,648,800.00			
1	11033001	23010122	70722	010400009616	03005	12620500			-			
1	11033001	23010122	70722	010400009616	03005	12620500			-			
								TOTAL FOR ADMIN SECTOR	2,648,800.00			
												-
ECONOMIC SECTOR												-
2	20001001				03005	12620500		ELECTRIFICATION	3,250,800.00			
2								WATER RESOURCES & WATER SUPPLY	24,036,656.00			
2								ECONOMIC SECTOR TOTAL	27,287,456.00	-	-	-
												-
SOCIAL SECTOR												-
5			70422	70900002606	03005	12620500		RURAL DEVELOPMENT	7,098,784.00			
								COMMUNITY DEVT PROJECTS	11,124,960.00			
									-			
									-			
								SOCIAL SECTOR TOTAL	18,223,744.00	-	-	-
								TOTAL FOR ALL SECTORS	48,160,000.00			-

Note 9: Closing Cash Book/Bank Balances as at 31st December, 2019

ACCOUNT TYPE		AMOUNT
UNITY BANK (SALARY)		185.85
UBA (REVENUE ACCT)		491,849.63
UBA (SALARY ACCT)		49,808.57
ZENITH BANK (SURE-P BUS ACCT)		5,322.00
ZENITH BANK (TEN, RATE ACCT)		35,594.08
TOTAL		582,760.13

Note 10: Investment

INVESTMENTS				
Investments in Companies				
	STOCK	HOLDING	PRICE	MARKET VALUE(N)
1	BADEGI RICE MILL	-	-	303,130.52
2	URBAN DEVELOPMENT BANK ABJ	-	-	500,000.00
3	MOKWA ABATOIR	-	-	29,000.00
4	NIGER HOUSE BUILDING SOCIETY	-	-	100,000.00
5	MERRY BUILDING SOCIETY	-	-	1,360,526.32
6	MOKWA RANGE	-	-	141,160.00
7	GOLD MILL COOPERATION			119,830.10
	TOTAL INVESTMENT			2,553,646.94

Note 11: Development Loan Stock

List the Loans	Balance as at 01/01/2019	ADDITIONAL LOAN	PRINCIPAL REPAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	BALANCE ON PRINCIPAL
BANK LOAN						
TOTAL						

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS		AMOUNT
5% WITHHOLDING TAX		700,750.00
5% VAT (VALUE ADDED TAX)		411,286.99
1% STAMP DUTY CHARGES		700,750.00
TOTAL		1,812,786.99

**MANAGEMENT REPORT ON AUDITED
ANNUAL FINANCIAL STATEMENT FOR THE
YEAR ENDED 31ST DECEMBER, 2018**

1. SCOPE OF THE AUDIT

The Accounts and Records maintained by Bosso Local Government Council and Financial Statement produced for audit in respect of the year ended 31st December, 2018 have been examined and all the information that were provided and gathered in respect of monies received and expended have been certified. All the books of account from the book of original entry, General ledger to subsidiary ledger were checked and certified by our team.

2.0 GENERAL STATE OF ACCOUNTS AND RECORD KEEPING

The pattern and manner of keeping and rendering accounting books and records as observed in the Local Governments Councils were inadequate as highlighted in this report and are stated below:

- Most of the payment vouchers raised were not having documentary evidences to justify the payments made.
- Most of the purchases made lacked essential documentary evidence such as Receipt Vouchers, and Store Issue Vouchers which shows that they were not supplied or supplied but not taken charge.
- In some cases, approvals in respect of expenditure incurred were not presented for audit.
- Deductions made for WHT and VAT were in some cases not remitted to the appropriate tax authorities within time.
- Some payment vouchers were not checked and passed by the Internal Audit Unit.
- Absence of signatures of relevant parties to Payment Vouchers.

- Lack of adequate budgetary discipline.
- Non-maintenance of Fixed/Moveable Asset register.

2.1 GENERAL RECOMMENDATION

- All Directors should ensure that they maintain their Departmental Vote Expenditure Account Books and reconcile same monthly.
- All supplies made to Departments should be received from the suppliers in the presence of the Internal Auditor, for certification of the prime, completeness, and validity of the goods supplied.
- All payment vouchers must contain authenticated documents duly signed by the respective officials and the supplier.
- No payment vouchers should be entertained by the Internal Auditor if it is not accompanied with Departmental Vote Expenditure Account Book (D.V.E.A) and Departmental Payment Voucher Register (D.P.V.R) in order to avoid over expenditure and omission of some payment vouchers and posted into D.V.E.A. Book.
- No voucher should be paid by the Cashier without being certified by the Internal Auditor and duly checked and passed by the Treasurer.
- Copies of contract awards documents must be sent to the office of the Internal Auditor for his awareness and record purposes.
- Payment for contract awards, being it part payment, must be accompanied with photocopies of the council's approval and award of contract forms. Final payment must be accompanied with the original copies of the contract agreement form and relevant supporting documents for payment.

- Appointment of employees, resignation of appointment, termination of appointment, retirement from service, suspension from work, dismissal from service and deaths should be notified to the Internal Auditor immediately.
- All expenditure account books must be promptly reconciled with the treasury books to maintain efficiency and accountability.
- Rubber Stamp marked “ENTERED INTO VOTE BOOK” should be impressed on any payment sent to the Treasury to ensure that the voucher has been entered into Vote Book.
- Tell Book should equally be maintained by the Cashier for the purpose of Daily Cash Balance or the day’s taking to ascertain the liquid cash available at the close of each day’s business transactions after balancing up the Revenue and Expenditure cash Book for the day.
- The Revenue Staff (Collectors) should ensure that all revenue earning books are returned to the officer in charge after they have completely been used off.
- Store Officers should ensure that they keep all records up-to-date should the Internal Auditor will be going round to check and examine the accounts.
- A Job Cost Book should be kept in the Works Department on form **LGT 97 (F.M. 33.6)**.

3. REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Bosso Local Government Council for the year ended 31st December 2018 is shown in the table 1 below.

Table 1: Breakdown of revenues and Expenditures

TOTAL REVENUE		AMOUNT ₦	%
	Internally Generated Revenue	21,494,070.00	0.92
	Statutory Allocation	2,310,999,211.95	99.08
TOTAL		2,332,493,281.95	100.00
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	1,381,493,281.95	59.26
	Overhead Cost	161,205,806.37	6.94
	Consolidated Revenue Fund Charges	83,892,767.71	3.59
•	Contributions	570,841,336.21	24.49
•	Other Operating Activities	-	-
•	Other Transfers	85,100,000.00	3.65
•	Capital Expenditures	48,160,000.00	2.07
TOTAL		2,330,910,096.95	100.00

3.1 REVENUE

The sum of ₦2,332,493,281.95 accrued to Bosso Local Government Councils as total receipts for the year ended 31st December 2018

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Bosso Local Government Council amounted to ₦21,494,070.00 only for the year ended 31st December 2018 which represents 0.92% of the total accrued revenue of ₦2,332,493,281.95. This shows that the council solely depend on statutory allocation from the Federation Account for survival. This could result to non-survival of the Council if there is a decline of revenue from the Federation Account.

I advised the Local Government Council to take the following measures to boost their internally generated revenue collection.

- Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- Control over issuance of revenue receipts
- Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.

3.1.2 STATUTORY ALLOCATION

The sum of ₦2,310,999,211.95 was disbursed to Bosso Local Governments Council for the year under review. Statutory allocation comprises VAT, Excess Crude and Statutory Allocation etc. The reporting framework provides that each revenue class is reported separately in the financial statements and the notes thereto.

It was, however, noted that these classes of revenue are only identified at the Ministry for Local Government (Joint Account) while the disbursements to Local Government Councils are only classified as Statutory Allocation.

This makes it difficult to trace and account for each revenue classes at the Local Government Council level and possibly reconciliation of disbursement from the Federation Account and the receipts by the Local Government Council.

I advised the Ministry for Local Governments to share with the Local Government councils the breakdown of revenues from the Federation Accounts to ensure that they are correctly reported by the Councils.

3.2 CASH AND BANK BALANCES

The total cash balances stood at ₦764.15 in respect of Bosso Local Government Council at the end of the financial year ended 31st December 2018.

While the total bank balances stood at ₦582,760.13 in respect of Bosso Local Government Council as at the end of the financial year ended 31st December 2018.

4.0 INTERNAL CONTROL

During the course of our audit exercise, it was observed that despite reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued. The non-compliance was evidenced by the Payment Vouchers been prepared and paid out without being endorsed by the Internal Audit Units, the non-endorsement of Officer Controlling the Vote, and Checks by the respective accounting Officers.

Also evidenced is lack of Asset Register to ascertain the Assets, their Condition, their Location and values of such assets. And all efforts made by my Office to ensure the maintenance of the Register are not encouraging.

In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that henceforth all Payment Vouchers raised are passed through Internal Audit Unit for certification before such payment are effected and equally ensure the maintenance of Asset Register before my next audit.

4.1 RECOMMENDATION

- It is recommended that the Internal Control System in existence has to be strengthened, proper record keeping and documentation of all financial transactions so as to enhance proper accountability.

5. BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦21,494,070.00 was generated as Internally Generated Revenue which represents 41.26% when compared with the total budgeted Internally Generated Revenue amounting to ₦52,092,951.00 during the year under review. This is a poor performance.

5.1 RECOMMENDATION

- It is recommended that preparation of cash flow statement should be adequately monitored to reduce the unnecessary expenditure on overhead and given priority to project execution.
- More efforts should be made so as to attain the target set on revenue generation internally in the next financial year. This will reduce over dependence of the Council on Statutory Allocation from Federation Accounts which is no longer attainable.

6. PERSONNEL COST

It was observed that the total sum of ₦1,381,210,186.66 and ₦542,756,223.88 was spent as total personnel cost for the year 2018 and 2017 respectively with an increase of ₦838,453,962.78 over the previous year. This is as a result of salary increase made by the state government during the year under review.

7. CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No 5 of Revenue and Expenditure revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦507,044,208.00 and only the sum of ₦48,160,000.00 representing 9.50% was spent leaving the balance of ₦458,884,208.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	27,887,431.00	2,648,800.00	25,238,631.00
02	Economic Sector	257,291,248.00	27,287,456.00	230,003,792.00
05	Social Sector	221,865,529	18,223,744.00	203641785.00
	TOTAL	<u>507,044,208.00</u>	<u>48,160,000.00</u>	<u>458,884,208.00</u>

7.1 RECOMMENDATION

- It is recommended that the previous statistical data should be used in the preparation of a reliable budget that could be attainable.

- Also, Capital projects should be encouraged and priority should be given to its execution as it has direct bearing to the grass roots development.

8. PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No. 3 revealed that the Total Revenue stood at ₦2,332,493,281.95 with a Total Expenditure of ₦2,330,910,096.95.95 and close with a surplus balance of ₦1,583,185.00 This is a healthy statement of account.

9.0 DEPOSITS

Deposits comprise statutory deductions which relate to contracts awarded (Value Added Tax (VAT) and Withholding Tax (WHT)) and employment which are deducted at source by the Local Government Council and are supposed to be remitted to the relevant tax collecting bodies in accordance with relevant legislation. I observed that a total of ₦ 1,812,786.99 stood as outstanding consolidated deposit balances as at the end of the period under review. Table below shows the list of the outstanding deposits as at 31st December 2018.

Outstanding deductions as at 31 December 2018

DETAILS	AMOUNT ₦
5% VAT	411,286.99

5% Withholding Tax	700,750.00
Retention Fees	-
Mohammed Garba	-
1% Stamp Duty Charges	700,750.00
TOTAL	1,812,786.99

From the above table, the Councils recorded outstanding VAT amounting to ₦411,286.99 and WHT of ₦700,750.00 as at 31st December, 2018.

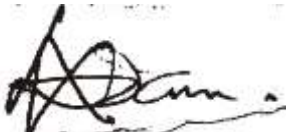
Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that the outstanding balance may be deducted from the Statutory allocations due to the Councils and in addition the councils may be fined and penalized for delayed remittance and hence affect the amount of money meant for developmental activities.

I advised the Local Government Councils to take steps to remit the outstanding deductions to the relevant authorities as a matter of urgency to avoid fines and penalties. I also advised the councils comply with the legislation in regard to future deductions.

10. CONCLUSION

We wish to use this medium to express our appreciation to the Chairman and the entire staff of Local Government for the cooperation given to the staff of this Office to carry out the Audit exercise.

It is our sincere hope that you would not hesitate to contact this Office for further clarification and explanations you might require in connection with the Audited Annual Financial Statement and Management Reports.



LAWAL ADAMU

*Director Statutory and Special Operations,
For: Auditor General*

**NIGER STATE OF NIGERIA
EDATI LOCAL GOVERNMENT COUNCIL
ENAGI**

**AUDITED ACCOUNTS
FOR
THE YEAR ENDED
31ST DECEMBER 2018**

**AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
P. M. B. 53, MINNA
NIGER STATE**

PERSONALITY PROFILE

A. FINANCIAL STATEMENT

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Auditor General's Opinion

B. AUDIT REPORT

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- Statement of Assets & Liabilities
- Statement of Consolidated Revenue Funds
- State of Capital Development Funds
- Notes to the Accounts.
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- General Recommendation
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- Budgetary Control
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- Capital Expenditure
- Performance of Operation Activities
- Deposits
- Outstanding Audit Inspection
- Conclusion

STATEMENT OF FINANCIAL RESPONSIBILITY

These Financial Statements have been prepared by the Treasurer of Edati Local Government Council in accordance with the provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements complied with generally accepted accounting practices. The Treasury is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper records, the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of Internal Control has operated adequately throughout the reporting period.



Treasurer

31st December, 2018

We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended. In our opinion, these financial statements fairly reflect the financial position of Edati Local Governments as at 31st December, 2018 and its operations for the year ended on the date.



Treasurer

31st December, 2018



Chairman

31st December, 2018

COUNCIL OFFICIALS

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Isah Mamma Zubairu

Executive Chairman

Honourable Ndagana Ladan

Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:

Hajiya Lami Ndajiya

Alhaji Isa Umaru Sakpe

Mohammed Kolo Kwale

Mr. Solomon Z. Shaba

Mallam Mamudu Waziri

Mallam Ibrahim Katun

Alhaji Sani Salawu

DEPARTMENTS

Personnel Management

Finance and Supply

Primary Health Care

Agriculture and Natural Resources

Works and Housing

Budget and Planning

Social Development

DESIGNATION

H. O. D

H. O. D

H. O. D

H. O. D

H. O. D

H. O. D

H. O. D

- **BANKERS**

Unity Bank Plc.

United Bank for Africa Plc.

Zenith Bank Plc.

Access Bank Plc.

ADDRESS

Bida Branch

Kutigi Branch

Bida Branch

Minna Branch

- **AUDITORS**

Auditor General

Office of the Auditor General for Local Governments

P.M.B. 53 Minna,

Niger State.

AUDITOR GENERAL'S OPINION

I have examined the financial statement which have been prepared in accordance with standardized Local Government Treasury Procedures, Financial Memoranda and Circular guidelines. I obtained all information and explanations which I requested for the purpose of my Audit.

In my opinion, the accounts readable in conjunction with notes subject to the issues raised in the management report issued separately with this account gives a true and fair view of affairs of the Council as at 31st December, 2018 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.



Ibrahim Ahmed, B. Sc, MPA, FCNA, FCTI, CPA
Auditor General for Local Governments

1: Cash Flow Statement for the Year Ended 31st December, 2018

ANNUAL BUDGET 2018		NOTES	ACTUAL YEAR 2018	PREVIOUS YEAR 2017
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,647,547,222.00	Statutory Allocations:FAAC	1	1,661,241,414.28	
	Value Added Tax Allocation	1		
1,647,547,222.00	Sub-total - Statutory Allocation		1,661,241,414.28	
200,000.00	Direct Taxes	2	-	
9,905,000.00	Licences & FEES	2	849,500.00	
	Mining Rents:	2		
800,000.00	RATES	2	22,600.00	
	Fees:	2		
	Fines	2		
	Sales	2		
3,980,000.00	Earnings :	2	273,800.00	
30,000.00	Sales/Rent of Government Buildings:	2	63,200.00	
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
	Interest/ dividend Earned	2	340,371.46	-
	Re-imbusement	2		
1,400,000.00	MISELLANEOUS	2	1,040,834.34	
16,315,000.00	Sub-total - Independent Revenue			
	Other Revenue Sources of the -Government	3		
	TOTAL INDEPENDANT REVENUE		2,590,305.80	
	Commercial Bank Loan		-	
1,663,862,222.00	TOTAL RECEIPTS		1,663,831,720.08	
	Payments:			
395,095,440.00	Personnel Costs	3	882,435,811.65	
623,783,000.00	Overhead Charges:	4	132,414,384.50	
	Consolidated Revenue Fund Charges .	5	53,487,310.96	
	contributions	7	514,143,545.74	
	Other Operating Activities		-	
	Financial Charges		-	
	Other Transfers	6	25,100,000.00	
1,018,878,440.00	Total Payments		1,607,581,052.85	
	Net Cash Flow from Operating Activities		56,250,667.23	

	CashFlows from Investment Activities:			
	Capital Expenditure:Administrative Sector:	8	1,500,000.00	
	Capital Expenditure: Economic Sector:	8	49,725,000.00	
	capital expenditure: Social Service Sector:	8	17,199,000.00	
644,983,782.00	Capital Expenditure: Funded from Aid and Grants:		-	
	Total Cash Flow from Investment Activities:		68,424,000.00	
	Net Cash Flow from Investment Activities:		(12,173,332.77)	
	CashFlows from Financing Activities:			
	Proceeds from Aid and Grants		-	
	Proceeds from ExternaL Loan :		-	
	Proceeds from Internal Loans: Bonds :		-	
	Proceeds from Development loan stock		-	
	Proceeds of Loans from Other Funds		-	
	Repayment of External Loans (Including Servicing)		-	
	Repayment of Treasury Bonds :		-	
	Repayment of Loans from Development loan stock		-	
	Repayment of Loans from Other Funds	11	-	
	Total Cash Flow from Financing Activities:		-	
	Net Cash Flow from Financing Activities:		(12,173,332.77)	
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	
	Net (Increase)/Decrease in Other Cash Equivalents:		-	
	Total Cashflow from other Cash equivalent Accounts		-	
	Net Cash for the year		(12,173,332.77)	
	Cash & Its Equivalent as at 1st January, 2018		22,452,382.66	
	Cash & Its Equivalent as at 31st December, 2018	9	10,279,049.89	

2: Statement of Assets and Liabilities as at 31st December, 2018

	NOTES	CURRENT YEAR 2018	PREVIOUS YEAR 2017
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:			
CASH IN BANK	9	10,279,049.89	
TOTAL LIQUID ASSETS		10,279,049.89	
NON CURRENT ASSETS:			
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	
TOTAL ASSETS		10,279,049.89	
LIABILITIES OVER ASSETS		8,952,721.70	
TOTAL		19,231,771.59	
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	10,279,049.89	
Capital Development Fund:		-	
TOTAL PUBLIC FUNDS		10,279,049.89	
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	-	
		-	
		-	
		-	
TOTAL EXTERNAL AND INTERNAL LOANS		-	
OTHER LIABILITIES			
UNREMITTED DEDUCTIONS		-	
5% VAT Deduction	12	4,677,610.85	
5% Tax Deduction	12	4,275,110.85	
1% Stamp Duty Charges	12	-	
TOTAL LIABILITIES		8,952,721.70	
TOTAL LIABILITIES AND PUBLIC FOUNDS		19,231,771.59	

3: Statement of Consolidated Revenue for the year ended 31st December, 2018

ACTUAL PREVIOUS YEAR 2017		NOTES	ACTUAL YEAR 2018	FINAL BUDGET 2018	INITIAL/ORIGINAL BUDGET 2018
₦			₦	₦	₦
	Opening Balance:		22,452,382.66		
	ADD: REVENUE				
	Statutory Allocations:FAAC	1	1,661,241,414.28	1,647,547,222.00	
	Value Added Tax Allocation	1	-		
	Sub-Total - Statutory Allocation		1,661,241,414.28	1,647,547,222.00	
	Direct Taxes	2	-	200,000.00	
	Licences & FEES	2	849,500.00	9,905,000.00	
	Mining Rents:	2	-		
	RATES	2	22,600.00	800,000.00	
	Fees:	2	-		
	Fines	2	-		
	Sales	2	-		
	Earnings :	2	273,800.00	3,980,000.00	
	Sales/Rent of Government Buildings:	2	63,200.00	30,000.00	
	Sale/Rent on Lands and Others:	2	-		
	Repayments-General:	2	-		
	Investment Income	2	-		
	Interest/ dividene Earned	2	340,371.46		
	Re-imburement	2	-		
	MISELLANEOUS	2	1,040,834.34	1,400,000.00	
	Sub-Total - Independent Revenue		2,590,305.80	16,315,000.00	
	Other Revenue Sources of the ---Government		-		
	TOTAL REVENUE:		1,686,284,102.74	1,663,862,222.00	
	LESS:EXPENDITURE				
	Personnel Costs:	3	882,435,811.65	395,095,440.00	
	Overhead Charges:	4	132,414,384.50	623,783,000.00	
	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	53,487,310.96		
	contributions	7	514,143,545.74		
	Other Operating Activities		-		
	Financial Charges.		-		
	Other Transfers	6	25,100,000.00		
	TOTAL EXPENDITURE:		1,607,581,052.85	1,018,878,440.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
	Repayments:External Loans:States		-		
	Repayments:States Bonds.		-		
	Repayments:Development Loan Stock		-		
	Repayments:Internal Loans from Other Funds	11	-		
	TOTAL EXPENDITURE:		-		
	OPERATING BALANCE:		78,703,049.89		
	APPROPRIATIONS/TRANSFERS:				
	Transfer to Capital Development Fund:		68,424,000.00	644,983,782.00	
	Closing Balance:		10,279,049.89		

4: Statement of Capital Development Fund for the year ended 31st December, 2018

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2017			EXPENDITURE 2018	BUDGET 2018	BUDGET 2018	BUDGET 2018
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
	Transfer from Consolidated Revenue Fund:		68,424,000.00	644,983,782.00		
	Aid and Grants		-			
	TOTAL REVENUE AVAILIABLE:		68,424,000.00	644,983,782.00		
	LESS: CAPITAL EXPENDITURE					
	Capital Expenditure:Administrative Sector:	10	1,500,000.00			
	Capital Expenditure: Economic Sector:	10	49,725,000.00			
	Capital Expenditure: Social Service Sector:	10	17,199,000.00			
	Capital Expenditure: Funded from Aid and Grants:		-			
	TOTAL CAPITAL EXPENDITURE:		68,424,000.00	644,983,782.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2018

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₦	₦
Net Share of Statutory Allocation from FAAC	A	542,396,718.65	
Add :Deduction at source for Loan Repayment	B	1,118,844,695.63	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			1,661,241,414.28
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₦	₦	₦
TAXES			
RATES	22,600.00		
LINCENCES & FEES	849,500.00		
EARNING FROM COMMERCIAL UNDERTAKING	273,800.00		
RENT ON LOCAL GOVERNMENT PROPERTY	63,200.00		
INTEREST AND DIVIDENT	340,371.46		
MISELLANEOUS	1,040,834.34		
TOTAL I G R	2,590,305.80		

Note 3: Personnel Cost

ADMINISTRATIVE SECTOR										
SECTOR	Admin	Economic	Function	Fund	GEO CODE		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
OFFICE OF THE CHAIRMAN										
01	11001001	21010101	70111	2101		TOTAL PERSONNEL COST	5,778,974.88			
							-			
THE COUNCCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	25,468,389.60			
							-			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	2,546,838.96			
							-			
							-			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	37,395,719.97			
TOTAL ADMIN SECTOR							71,189,923.41			
ECONOMIC SECTOR										
Sector	Admin	Economic	Function	Fund			ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2018	REVISED BUDGET	VARIANCE ON REVISED BUDGET
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	27,022,598.25			
							-			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	2,824,397.58			
							-			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	42,093,682.24			
							-			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	29,297,348.61			
TOTAL ECONOMIC SECTOR							101,238,026.68			

Sector	Admin	Economic	Function	Fund		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2018	REVISED BUDGET	VARIANCE ON REVISED BUDGET
SOCIAL SECTOR									
ADULT EDUCATION									
05	17001001	21010101	70960	2101	TOTAL PERSONNEL COST	34,203,354.68			
						-			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	136,756,635.63			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	12,934,032.32			
TOTAL SOCIAL SECTOR						183,894,022.63			
TOTAL FOR ALL SECTORS						356,321,972.72			
ADJUSTMENT :									
PAYEE						15,607,988.55			
PAYEE (POLITICAL OFFICE						3,809,094.00			
UNION DUES						26,807,245.84			
NHF(2,5%)						2,647,220.19			
EMIRATE COUNCIL						37,711,638.84			
PRIMARY EDUCATION						439,530,651.51			
TOTAL PERSONNEL COST FOR ALL SECTORS						882,435,811.65			

Note 4: Overhead Cost

ADMINISTRATIVE SECTOR											
OFFICE OF THE CHAIRMAN											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11001001	22020101	70111	2101		2	Travel & Transport	6,931,000.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	55,000.00			
01	11001001	22020301	70111	2101		5	Stationary	494,000.00			
01	11001001	22020402	70111	2101		6	Maintenance of office	284,000.00			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	-			
01	11001001	22020701	70111	2101		8	Consultancy Services	2,920,000.00			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	2,922,500.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	-			
							PROVISION OF SERVICE MATERIALS	40,470,100.00			
							TOTAL	54,076,600.00			
THE COUNCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	3,876,000.00			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	100,000.00			
01	12003001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	4,100,000.00			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles andCapital assets	-			
01	12003001	22020701	70111	2101		8	Consultancy Services	-			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	12003001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	236,500.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	5,896,000.00			
							PROVISION FOR SERVICEABLE	-			
							TOTAL	14,208,500.00			

OFFICE OF THE SECRETARY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11013001	22020101	70111	2101		2	Travel & Transport	1,475,000.00			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	100,000.00			
01	11013001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	-			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	-			
01	11013001	22020701	70111	2101		8	Consultancy Services	-			
01	11013001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11013001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11013001	22021001	70111	2101		11	Entertainment & Hospitality	472,200.00			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	3,721,000.00			
							TOTAL	5,768,200.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	1,994,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	465,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of officefurniture & equipment	250,000.00			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	-			
01	25001001	22020701	70131	2101		8	Consultancy Services	-			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	-			
01	25001001	22020501	70131	2101		10	Training and staff Development	1,940,000.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	611,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	2,703,000.00			
							TOTAL	7,963,000.00			
							TOTAL ADMIN MINISTIES	82,016,300.00	#REF!	#REF!	#REF!

ECONOMIC SECTOR											
FINANCE AND SUPPLY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	20001001	22020101	70112	2101		2	Travel & Transport	2,980,635.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	1,829,500.00			
02	20001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	450,000.00			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	20001001	22020701	70112	2101		8	Consultancy Services	-			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	11,400,000.00			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	174,000.00			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	928,000.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	2,450,674.50			
							TOTAL	20,212,809.50			
BUDGET;PLANNING & RESEARCH											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	38001001	22020101	70112	2101		2	Travel & Transport	954,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	472,000.00			
02	38001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	38001001	22020701	70112	2101		8	Consultancy Services	-			
02	38001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	38001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	38001001	22021001	70112	2101		11	Entertainment & Hospitality	100,000.00			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	1,531,000.00			
							TOTAL	3,057,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	790,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	-			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	-			
02	34001001	22020402	70451	2101		6	Maintenance of officefurniture & equipment	400,000.00			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	7,204,775.00			
02	34001001	22020701	70451	2101		8	Consultancy Services	-			
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	-			
02	34001001	22020501	70451	2101		10	Short term Training and Consultancy	-			
02	34001001	22021001	70451	2101		11	Entertament & Hospitality	150,000.00			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	1,298,500.00			
							TOTAL	9,843,275.00			
AGRICULTURE AND NATURAL RESURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	485,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	2,000.00			
02	15001001	22020402	70421	2101		6	Maintenance of officefurniture & equipment	270,000.00			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	430,000.00			
02	15001001	22020701	70421	2101		8	Consultancy Services	-			
02	15001001	22040109	70421	2101		9	Grants, Contributions & Subventions	-			
02	15001001	22020501	70421	2101		10	Training and staff Development	-			
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	192,000.00			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	1,082,000.00			
							PROVISION OF SERVICEABLE	1,150,000.00			
							TOTAL	3,611,000.00			
							TOTAL ECONOMIC SECTOR	36,724,084.50			

SOCIAL SECTOR											
ADULT EDUCATION											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	17001001	22020101	70922	2101		2	Travel & Transport	1,886,000.00			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	284,000.00			
05	17001001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	17001001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	17001001	22020701	70922	2101		8	Consultancy Services	-			
05	17001001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	17001001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	478,000.00			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	4,974,000.00			
							TOTAL	7,622,000.00			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport	-			
05	51003001	22020201	70922	2101		3	Utility Services	-			
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	51003001	22020301	70922	2101		5	Stationary	-			
05	51003001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	51003001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51003001	22020701	70922	2101		8	Consultancy Services	-			
05	51003001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	51003001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	51003001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	-			

PRIMARY HEALTH CARE											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	21001001	22020101	70731	2101		2	Travel & Transport	463,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	450,000.00			
05	21001001	22020402	70731	2101		6	Maintenance of officefurniture & equipment	-			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	-			
05	21001001	22020701	70731	2101		8	Consultancy Services	-			
05	21001001	22020501	70731	2101		10	Training and staff Development	-			
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	280,000.00			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	2,509,000.00			
							PROVISION OF SERVICEABLE	1,000,000.00			
							TOTAL	4,702,000.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	420,000.00			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	-			
05	51002002	22020402	70180	2101		6	Maintenance of officefurniture & equipment	-			
05	51002002	22020401	70180	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51002002	22020701	70180	2101		8	Consultancy Services	-			
05	51002002	22040109	70180	2101		9	Grants, Contribution & Subvention	-			
05	51002002	22020501	70180	2101		10	Training and staff Development	-			
05	51002002	22021001	70180	2101		11	Entertainment & Hospitality	150,000.00			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	780,000.00			
							TOTAL	1,350,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	13,674,000.00			
							TOTAL FOR ALL SECTORS	132,414,384.50			

Note 5: Consolidated Revenue Charges

A-- PENSION AND GRATUITIES STATUTORY BOARD MINNA										
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	DETAILS	ACTUAL EXPENDITURE	APPROVED	REVISED BUDGET	VARIANCE ON REVISED BUDGET
01	25001001	22010102	70131	02101		Pension Statutory	24,386,910.99			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	29,100,399.97			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	-			
01	25001002	22020902	70132	02102		Insurance Premium	-			
01	25001001	22010106	70131	02101		Acturial Valuation	-			
01	25001001	22010107	70131	02101		Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-			
						Deceased 3rd Annual Emolument (CPS)	-			
						TOTAL	53,487,310.96			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	53,487,310.96			

Note 6: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,600,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	8,300,000.00
TOTAL	25,100,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	485,343,545.74
TOTAL CONTRIBUTIONS	514,143,545.74

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECONOMIC	FUNCTION	PROGRAMME	FUND	GEO CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2018	2018 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616	03005			GENERAL ADMINISTRATION	1,500,000.00			
1	11033001								-			
1	11033001								-			
								TOTAL FOR ADMIN SECTOR	1,500,000.00			
ECONOMIC SECTOR												-
2	20001001				03005			AGRIC & RURAL DEVELOPMENT	6,000,000.00			
2								LIVESTOCK	6,000,000.00			(6,000,000.00)
								FINANCE	2,500,000.00			
								TRANSPORT	28,960,000.00			
								WATER RESOURCES	6,265,000.00			
2								ECONOMIC SECTOR TOTAL	49,725,000.00	-	-	(6,000,000.00)
												-
SOCIAL SECTOR												-
5			70422	70900002606	03005			RURAL ELECTRIFICATION	2,000,000.00			
								HEALTH	5,000,000.00			
								ENVIRONMENTAL	8,199,000.00			
								COMMUNITY DEVELOPMENT	2,000,000.00			
								SOCIAL SECTOR TOTAL	17,199,000.00	-	-	-
								TOTAL FOR ALL SECTORS	68,424,000.00			#REF!

Note 9: Closing Cash Book/Bank Balances as at 31st December, 2019

ACCOUNT TYPE		AMOUNT
UNITY BANK BIDA		10,049,848.14
UBA BIDA		822.50
UBA KUTIGI I		66,080.75
UBA KUTIGI II		53,714.98
UBA KUTIGI III		33,454.45
UBA KUTIGI IV		30.00
UBA KUTIGI V		5,289.19
ZENITH BANK BIDA		23,685.19
ACCESS BANK BIDA		46,124.69
TOTAL		10,279,049.89

Note 10: Investment

INVESTMENTS				
Investments in Companies				
	STOCK	HOLDING	PRICE	MARKET VALUE(N)
	TOTAL INVESTMENT			-

Note 11: Development Loan Stock

List the Loans	Balance as at 01/01/2019	ADDITIONAL LOAN	PRINCIPAL REPAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	BALANCE ON PRINCIPAL
BANK LOAN						
TOTAL						

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS		AMOUNT
5% VAT DEDUCTION		4,677,610.85
5% TAX DEDUCTION		4,275,110.85
1% STAMP DUTY CHARGES		-
TOTAL		8,952,721.70

**MANAGEMENT REPORT ON AUDITED
ANNUAL FINANCIAL STATEMENT FOR THE
YEAR ENDED 31ST DECEMBER, 2018**

1. SCOPE OF THE AUDIT

The Accounts and Records maintained by Edati Local Government Council and Financial Statement produced for audit in respect of the year ended 31st December, 2018 have been examined and all the information that were provided and gathered in respect of monies received and expended have been certified. All the books of account from the book of original entry, General ledger to subsidiary ledger were checked and certified by our team.

2.0 GENERAL STATE OF ACCOUNTS AND RECORD KEEPING

The pattern and manner of keeping and rendering accounting books and records as observed in the Local Governments Councils were inadequate as highlighted in this report and are stated below:

- Most of the payment vouchers raised were not having documentary evidences to justify the payments made.
- Most of the purchases made lacked essential documentary evidence such as Receipt Vouchers, and Store Issue Vouchers which shows that they were not supplied or supplied but not taken charge.
- In some cases, approvals in respect of expenditure incurred were not presented for audit.
- Deductions made for WHT and VAT were in some cases not remitted to the appropriate tax authorities within time.
- Some payment vouchers were not checked and passed by the Internal Audit Unit.
- Absence of signatures of relevant parties to Payment Vouchers.

- Lack of adequate budgetary discipline.
- Non-maintenance of Fixed/Moveable Asset register.

2.1 GENERAL RECOMMENDATION

- All Directors should ensure that they maintain their Departmental Vote Expenditure Account Books and reconcile same monthly.
- All supplies made to Departments should be received from the suppliers in the presence of the Internal Auditor, for certification of the prime, completeness, and validity of the goods supplied.
- All payment vouchers must contain authenticated documents duly signed by the respective officials and the supplier.
- No payment vouchers should be entertained by the Internal Auditor if it is not accompanied with Departmental Vote Expenditure Account Book (D.V.E.A) and Departmental Payment Voucher Register (D.P.V.R) in order to avoid over expenditure and omission of some payment vouchers and posted into D.V.E.A. Book.
- No voucher should be paid by the Cashier without being certified by the Internal Auditor and duly checked and passed by the Treasurer.
- Copies of contract awards documents must be sent to the office of the Internal Auditor for his awareness and record purposes.
- Payment for contract awards, being it part payment, must be accompanied with photocopies of the council's approval and award of contract forms. Final payment must be accompanied with the original copies of the contract agreement form and relevant supporting documents for payment.

- Appointment of employees, resignation of appointment, termination of appointment, retirement from service, suspension from work, dismissal from service and deaths should be notified to the Internal Auditor immediately.
- All expenditure account books must be promptly reconciled with the treasury books to maintain efficiency and accountability.
- Rubber Stamp marked “ENTERED INTO VOTE BOOK” should be impressed on any payment sent to the Treasury to ensure that the voucher has been entered into Vote Book.
- Tell Book should equally be maintained by the Cashier for the purpose of Daily Cash Balance or the day’s taking to ascertain the liquid cash available at the close of each day’s business transactions after balancing up the Revenue and Expenditure cash Book for the day.
- The Revenue Staff (Collectors) should ensure that all revenue earning books are returned to the officer in charge after they have completely been used off.
- Store Officers should ensure that they keep all records up-to-date should the Internal Auditor will be going round to check and examine the accounts.
- A Job Cost Book should be kept in the Works Department on form **LGT 97 (F.M. 33.6)**.

3. REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Edati Local Government Council for the year ended 31st December 2018 is shown in the table 1 below.

Table 1: Breakdown of revenues and Expenditures

TOTAL REVENUE		AMOUNT ₦	%
	Internally Generated Revenue	2,590,305.80	0.16
	Statutory Allocation	1,661,241,414.28	99.84
TOTAL		1,663,831,720.08	100.00
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	882,435,811.65	52.65
	Overhead Cost	132,414,384.50	7.90
	Consolidated Revenue Fund Charges	53,487,310.96	3.19
•	Contributions	514,143,545.74	30.68
•	Other Operating Activities	-	-
•	Other Transfers	25,100,000.00	1.50
•	Capital Expenditures	68,424,000.00	4.08
TOTAL		1,676,005,052.85	100.00

3.1 REVENUE

The sum of ₦1,663,831,720.08 accrued to Edati Local Government Councils as total receipts for the year ended 31st December 2018

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Edati Local Government Council amounted to ₦2,603,801.83 only for the year ended 31st December 2018 which represents 0.16% of the total accrued revenue of ₦1,663,831,720.08. This shows that the council solely depend on statutory allocation from the Federation Account for survival. This could result to non-survival of the Council if there is a decline of revenue from the Federation Account.

I advised the Local Government Council to take the following measures to boost their internally generated revenue collection.

- Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- Control over issuance of revenue receipts
- Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.

3.1.2 STATUTORY ALLOCATION

The sum of ₦1,661,241,414.28 was disbursed to Edati Local Governments Council for the year under review. Statutory allocation comprises VAT, Excess Crude and Statutory Allocation etc. The reporting framework provides that each revenue class is reported separately in the financial statements and the notes thereto.

It was, however, noted that these classes of revenue are only identified at the Ministry for Local Government (Joint Account) while the disbursements to Local Government Councils are only classified as Statutory Allocation.

This makes it difficult to trace and account for each revenue classes at the Local Government Council level and possibly reconciliation of disbursement from the Federation Account and the receipts by the Local Government Council.

I advised the Ministry for Local Governments to share with the Local Government councils the breakdown of revenues from the Federation Accounts to ensure that they are correctly reported by the Councils.

3.2 CASH AND BANK BALANCES

The total cash balances stood at ₦0.00 in respect of Edati Local Government Council at the end of the financial year ended 31st December 2018.

While the total bank balances stood at ₦10,279,049.89 in respect of Edati Local Government Council as at the end of the financial year ended 31st December 2018

4. INTERNAL CONTROL

During the course of our audit exercise, it was observed that despite reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued. The non-compliance was evidenced by the Payment Vouchers been prepared and paid out without being endorsed by the Internal Audit Units, the non-endorsement of Officer Controlling the Vote, and Checks by the respective accounting Officers.

Also evidenced is lack of Asset Register to ascertain the Assets, their Condition, their Location and values of such assets. And all efforts made by my Office to ensure the maintenance of the Register are not encouraging.

In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that henceforth all Payment Vouchers raised are passed through Internal Audit Unit for certification before such payment are effected and equally ensure the maintenance of Asset Register before my next audit.

4.1 RECOMMENDATION

- It is recommended that the Internal Control System in existence has to be strengthened, proper record keeping and documentation of all financial transactions so as to enhance proper accountability.

5. BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦10,771,000.35 was generated as Internally Generated Revenue which represents 34.94% when compared with the total budgeted Internally Generated Revenue amounting to ₦30,823,000.00 during the year under review. This is a poor performance.

5.1 RECOMMENDATION

- It is recommended that preparation of cash flow statement should be adequately monitored to reduce the unnecessary expenditure on overhead and given priority to project execution.
- More efforts should be made so as to attain the target set on revenue generation internally in the next financial year. This will reduce over dependence of the Council on Statutory Allocation from Federation Accounts which is no longer attainable.

6. PERSONNEL COST

It was observed that the total sum of ₦882,435,811.65 and ₦390,559,340 was spent as total personnel cost for the year 2018 and 2017 respectively with an increase of ₦491,876,471.65 over the previous year. This is as a result of salary increase made by the state government during the year under review.

7. CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No 5 of Revenue and Expenditure revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦644,983,782.00 and only the sum of ₦68,424,000.00 representing 10.61% was spent leaving the balance of ₦576,559,782.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	141,394,199.00	1,500,000.	139,894,199.00
02	Economic Sector	368,721,177.00	49,725,000.00	318,996,177.00
05	Social Sector	134,868,406.00	17,199,000.00	117,669,406.00
TOTAL		<u>644,983,782.00</u>	<u>68,424,000.00</u>	<u>576,559,782.00</u>

7.1 RECOMMENDATION

- It is recommended that the previous statistical data should be used in the preparation of a reliable budget that could be attainable.
- Also, Capital projects should be encouraged and priority should be given to its execution as it has direct bearing to the grass roots development.

8. PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No. 3 revealed that the Total Revenue stood at ₦1,663,831,720.08 with a Total Expenditure of ₦1,676,005,052.85 and close with a surplus balance of (₦12,173,332.77) This is un healthy statement of account.

9.0 DEPOSITS

Deposits comprise statutory deductions which relate to contracts awarded (Value Added Tax (VAT) and Withholding Tax (WHT)) and employment which are deducted at source by the Local Government Council and are supposed to be remitted to the relevant tax collecting bodies in accordance with relevant legislation. I observed that a total of ₦8,952,721.70 stood as outstanding consolidated deposit balances as at the end of the period under review. Table below shows the list of the outstanding deposits as at 31st December 2018.

Outstanding deductions as at 31 December 2019

DETAILS	AMOUNT ₦
5% VAT	4,677,610.85
5% Withholding Tax	4,275,110.85
1% Stamp Duty Charges	-
TOTAL	8,952,721.59

From the above table, the Councils recorded outstanding VAT amounting to ₦4,677,110.85 and WHT of ₦4,275,110.85 as at 31st December, 2018.

Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that the outstanding balance may be deducted from the Statutory allocations due to the Councils and in addition the councils may be fined and penalized for delayed remittance and hence affect the amount of money meant for developmental activities.

I advised the Local Government Councils to take steps to remit the outstanding deductions to the relevant authorities as a matter of urgency to avoid fines and penalties. I also advised the councils comply with the legislation in regard to future deductions.

10. OUTSTANDING AUDIT INSPECTION

AGX/FO.18/TA/EDT/VOL.1 Dated: 29th July,2019

- (i) Presidential Election Welfare ₦1,200,00.00
- (ii) Irregular Payment ₦2,000,000.00

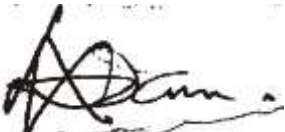
10.1 REQUIRED

The council is required to response to the outstanding Inspection Report or else necessary action and sanction will be taken.

11. CONCLUSION

We wish to use this medium to express our appreciation to the Chairman and the entire staff of Local Government for the cooperation given to the staff of this Office to carry out the Audit exercise.

It is our sincere hope that you would not hesitate to contact this Office for further clarification and explanations you might require in connection with the Audited Annual Financial Statement and Management Reports.



LAWAL ADAMU
Director Statutory and Special Operations,
For: Auditor General

NIGER STATE OF NIGERIA
GBAKO LOCAL GOVERNMENT COUNCIL
LEMU



AUDITED ACCOUNTS
FOR

**THE YEAR ENDED
31ST DECEMBER 2018**

**AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
P. M. B. 53, MINNA
NIGER STATE**

PERSONALITY PROFILE

A. FINANCIAL STATEMENT

Statement of Financial Responsibility

Council Officials

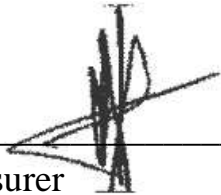
Auditor General's Opinion

B. AUDIT REPORT

- Cash Flow Statements
- Statement of Assets & Liabilities
- Statement of Consolidated Revenue Funds
- State of Capital Development Funds
- Notes to the Accounts.
- Statement of Accounting Policies
- Scope of Audit
- General State of Accounts and Records Keeping
- General Recommendation
- Review of Financial Statement
- Internal Control
- Budgetary Control
- Personnel Cost
- Capital Expenditure
- Performance of Operation Activities
- Deposits
- Outstanding Audit Inspection
- Conclusion

STATEMENT OF FINANCIAL RESPONSIBILITY

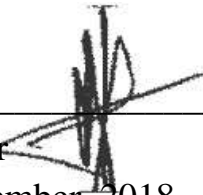
These Financial Statements have been prepared by the Treasurer of Gbako Local Government Council in accordance with the provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements complied with generally accepted accounting practices. The Treasury is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper records, the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of Internal Control has operated adequately throughout the reporting period.



Treasurer

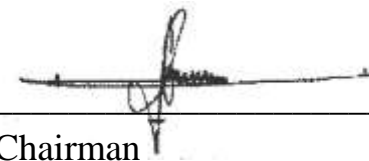
31st December, 2018

We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended. In our opinion, these financial statements fairly reflect the financial position of Gbako Local Governments as at 31st December, 2018 and its operations for the year ended on the date.



Treasurer

31st December, 2018



Chairman

31st December, 2018

COUNCIL OFFICIALS

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Hussaini A. Lemu	Executive Chairman
Honourable Mohammed Ndako Wachico	Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:	DEPARTMENTS	DESIGNATION
Alh. Mohammed Isah Yelwa	Personnel Management	H. O. D
Alhaji Abdullahi Aliyu Katun	Finance and Supply	H. O. D
Legbo Yelwa Gimba	Primary Health Care	H. O. D
Alhaji Baba Isah Bida	Agriculture and Natural Resources	H. O. D
Musa Mohammed	Works and Housing	H. O. D
Hajiya Fatima Alhassan	Budget and Planning	H. O. D
Mr. Jacob Legbo	Social Development	H. O. D

- **BANKERS**

	ADDRESS
Unity Bank	Bida Branch
Zenith Bank Plc.	Bida Branch
UBA Plc.	Wushishi Branch

- **AUDITORS**

Auditor General
Office of the Auditor General for Local Governments
P.M.B. 53 Minna,
Niger State.

AUDITOR GENERAL'S OPINION

I have examined the financial statement which have been prepared in accordance with standardized Local Government Treasury Procedures, Financial Memoranda and Circular guidelines. I obtained all information and explanations which I requested for the purpose of my Audit.

In my opinion, the accounts readable in conjunction with notes subject to the issues raised in the management report issued separately with this account gives a true and fair view of affairs of the Council as at 31st December, 2018 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.



Ibrahim Ahmed, B. Sc, MPA, FCNA, FCTI, CPA
Auditor General for Local Governments

1: Cash Flow Statement for the Year Ended 31st December, 2018

ANNUAL BUDGET 2018		NOTES	ACTUAL YEAR 2018	PREVIOUS YEAR 2017
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
2,207,404,429.00	Statutory Allocations:FAAC	1	1,961,125,003.69	
	Value Added Tax Allocation	1		
2,207,404,429.00	Sub-total - Statutory Allocation		1,961,125,003.69	
1,250,000.00	Direct Taxes	2	877,960.00	
3,053,792.00	Licences & FEES	2	870,040.00	
	Mining Rents:	2		
500,000.00	RATES	2	85,000.00	
	Fees:	2		
	Fines	2		
	Sales	2		
2,370,000.00	Earnings :	2	652,200.12	
-	Sales/Rent of Government Buildings:	2	-	
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
	Interest Earned	2		
	Re-imbusement	2		
-	MISELLANEOUS	2	10,500.00	
7,173,792.00	Sub-total - Independent Revenue			
	Other Revenue Sources of the -Government	3		
7,173,792.00	TOTAL INDEPENDANT REVENUE		2,495,700.12	
	Commercial Bank Loan		-	
2,214,578,221.00	TOTAL RECEIPTS		1,963,620,703.81	
	Payments:			
644,444,974.00	Personnel Costs	3	1,165,565,437.36	
123,560,000.00	Overhead Charges:	4	104,443,158.50	
	Consolidated Revenue Fund Charges .	5	95,349,316.96	
	contributions	7	547,816,388.14	
	Other Operating Activities		-	
	Financial Charges		-	
-	Other Transfers	6	25,100,000.00	
768,004,974.00	Total Payments		1,938,274,300.96	1,938,274,300.96
				14,160,000.00
1,446,573,247.00	Net Cash Flow from Operating Activities		25,346,402.85	1,952,434,300.96
				1,200,966.79

	CashFlows from Investment Activities:			
	Capital Expenditure:Administrative Sector:	8	10,360,000.00	
	Capital Expenditure: Economic Sector:	8	1,700,000.00	
	capital expenditure: Social Service Sector:	8	2,100,000.00	
	Capital Expenditure: Funded from Aid and Grants:		-	
721,821,325.00	Total Cash Flow from Investment Activities:		14,160,000.00	
724,751,922.00	Net Cash Flow from Investment Activities:		11,186,402.85	
	CashFlows from Financing Activities:			
	Proceeds from Aid and Grants		-	
	Proceeds from ExternaL Loan :		-	
	Proceeds from Internal Loans: Bonds :		-	
	Proceeds from Development loan stock		-	
	Proceeds of Loans from Other Funds		-	
	Repayment of External Loans (Including Servicing)		-	
	Repayment of Treasury Bonds :		-	
	Repayment of Loans from Development loan stock		-	
-	Repayment of Loans from Other Funds	11	-	
-	Total Cash Flow from Financing Activities:		-	
724,751,922.00	Net Cash Flow from Financing Activities:		11,186,402.85	
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	
	Net (Increase)/Decrease in Other Cash Equivalents:		-	
	Total Cashflow from other Cash equivalent Accounts		-	
	Net Cash for the year		11,186,402.85	
	Cash & Its Equivalent as at 1st January, 2018		(3,590,284.02)	
	Cash & Its Equivalent as at 31st December, 2018	9	7,596,118.83	

2: Statement of Assets and Liabilities as at 31st December, 2018

	NOTES	CURRENT YEAR 2018		PREVIOUS YEAR 2017
CURRENT ASSETS:-		₦		₦
Liquid Assets:-				
Cash Held by AGNS:				
CASH AT HAND		2,595.00		
CASH AT BANK	9	7,593,523.83		
TOTAL LIQUID ASSETS		7,596,118.83		
NON CURRENT ASSETS:				
	10	-		
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-		
TOTAL ASSETS		7,596,118.83		
LIABILITIES OVER ASSETS		2,089,127.50		
TOTAL		9,685,246.33		
LIABILITIES:-				
PUBLIC FUNDS				
Consolidated Revenue Fund:	CRF	7,596,118.83		
Capital Development Fund:		-		
TOTAL PUBLIC FUNDS		7,596,118.83		
		-		
EXTERNAL AND INTERNAL LOANS				
BANK LOANS	11	-		
		-		
		-		
		-		
TOTAL EXTERNAL AND INTERNAL LOANS		-		
OTHER LIABILITIES		-		
OVER DRAWN :		-		
UNREMITWD DEDUCTIONS:				
5% WHT TAX	12	435,000.00		
5% VAT	12	435,000.00		
PHC COOPERATIVE	12	237,000.00		

AGRIC COOPERATIVE	12	282,125.00	
YABOSOKO	12	336,010.00	
DRF COOPERATIVE	12	15,000.00	
MHWU COOPERATIVE	12	35,750.00	
SAMCO COOPERATIVE	12	231,117.50	
ALHERI COOPERATIVE	12	28,500.00	
NULGE	12	53,625.00	
TOTAL LIABILITIES		2,089,127.50	
TOTAL LIABILITIES AND PUBLIC FOUNDS		9,685,246.33	

3: Statement of Consolidated Revenue for the year ended 31st December, 2018

ACTUAL PREVIOUS YEAR 2017		NOTES	ACTUAL YEAR 2018	FINAL BUDGET 2018	INITIAL/ORIGINAL BUDGET 2018
N			N	N	N
	Opening Balance:		(3,590,284.02)		
	ADD: REVENUE				
	Statutory Allocations:FAAC	1	1,961,125,003.69	2,207,404,429.00	
	Value Added Tax Allocation	1	-		
	Sub-Total - Statutory Allocation		1,961,125,003.69	2,207,404,429.00	
	Direct Taxes	2	877,960.00	1,250,000.00	
	Licences	2	870,040.00	3,053,792.00	
	RATES	2	85,000.00	500,000.00	
	Fees:	2	-		
	Fines	2	-		
	Sales	2	-		
	Earnings :	2	652,200.12	2,370,000.00	
	Sales/Rent of Government Buildings:	2	-		
	Sale/Rent on Lands and Others:	2	-		
	MISCELLANEOUS	2	-	-	
	Investment Income	2	-		
	Interest Earned	2	-	-	
	Re-Imbursements	2	-		
	MISCELLANEOUS	2	10,500.00		
	Sub-Total - Independent Revenue		2,495,700.12	7,173,792.00	
	Other Revenue Sources of the ---Government				
	TOTAL REVENUE:		1,960,030,419.79	2,214,578,221.00	
	LESS:EXPENDITURE				
	Personnel Costs:	3	1,165,565,437.36	644,444,974.00	
	Overhead Charges:	4	104,443,158.50	123,560,000.00	
	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	95,349,316.96		
	contributions	7	547,816,388.14		
	Other Operating Activities		-		
	Financial Charges.		-		
	Other Transfers	6	25,100,000.00		
	TOTAL EXPENDITURE:		1,938,274,300.96	768,004,974.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
	Repayments:External Loans:States			-	
	Repayments:States Bonds.			-	
	Repayments:Development Loan Stock			-	
	Repayments:Internal Loans from Other Funds	11		-	
	TOTAL EXPENDITURE:			-	
	OPERATING BALANCE:			21,756,118.83	
	APPROPRIATIONS/TRANSFERS:				
	Transfer to Capital Development Fund:			14,160,000.00	
	Closing Balance:			7,596,118.83	

4: Statement of Capital Development Fund for the year ended 31st December, 2018

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2017			EXPENDITURE 2018	BUDGET 2018	BUDGET 2018	BUDGET 2018
₦			₦	₦	₦	₦
	Opening Balance:		-			
	ADD: REVENUE					
	Transfer from Consolidated Revenue Fund:		14,160,000.00			
	Aid and Grants		-			
	TOTAL REVENUE AVAILABLE:		14,160,000.00			
	LESS: CAPITAL EXPENDITURE					
	Capital Expenditure:Administrative Sector:	10	10,360,000.00			
	Capital Expenditure: Economic Sector:	10	1,700,000.00			
	Capital Expenditure: Social Service Sector:	10	2,100,000.00			
	Capital Expenditure: Funded from Aid and Grants:		-			
	TOTAL CAPITAL EXPENDITURE:		14,160,000.00	721,821,325.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2018

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₦	₦
Net Share of Statutory Allocation from FAAC	A	756,222,159.17	
Add :Deduction at source for Loan Repayment	B	1,204,902,844.52	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			1,961,125,003.69
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₦	₦	₦
TAXES	877,960.00		
RATES	85,000.00		
LINCENCES & FEES	870,040.00		
EARNING FROM COMMERCIAL UNDERTAKING	652,200.12		
RENT ON LOCAL GOVERNMENT PROPERTY	-		
MISELLANEOUS	10,500.00		
TOTAL I G R	2,495,700.12		

Note 3: Personnel Cost

ADMINISTRATIVE SECTOR										
SECTOR	Admin	Economic	Function	Fund	GEO CODE		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
OFFICE OF THE CHAIRMAN										
01	11001001	21010101	70111	2101		TOTAL PERSONNEL COST	5,042,543.01			
THE COUNCCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	21,286,041.86			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	1,910,219.22			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	75,963,979.38			
TOTAL ADMIN SECTOR							104,202,783.47			
ECONOMIC SECTOR										
Sector	Admin	Economic	Function	Fund			ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	52,713,680.22			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	-			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	44,704,603.55			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	43,710,787.60			
TOTAL ECONOMIC SECTOR							141,129,071.37			

SOCIAL SECTOR									
Sector	Admin	Economic	Function	Fund		ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
ADULT EDUCATION									
05	17001001	21010101	70960	2101	TOTAL PERSONNEL COST	72,442,817.44			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	222,196,212.71			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	87,756,446.16			
TOTAL SOCIAL SECTOR						382,395,476.31			
TOTAL FOR ALL SECTORS						627,727,331.15			
ADJUSTMENT :									
PAYEE						16,870,366.58			
PAYEE (POLITICAL OFFICE						3,809,094.00			
UNION DUES						29,942,014.77			
NHF(2,5%)						4,185,046.76			
EMIRATE COUNCIL						37,711,638.84			
PRIMARY EDUCATION						445,319,945.26			
TOTAL PERSONNEL COST FOR ALL SECTORS						1,165,565,437.36			

Note 4: Overhead Cost

ADMINISTRATIVE SECTOR											
OFFICE OF THE CHAIRMAN											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11001001	22020101	70111	2101		2	Travel & Transport	4,486,000.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	-			
01	11001001	22020402	70111	2101		6	Maintenance of office	-			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	400,000.00			
01	11001001	22020701	70111	2101		8	Consultancy Services	-			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	48,213,804.35			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	500,000.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	15,825,895.15			
							TOTAL	69,425,699.50			
THE COUNCCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	3,900,000.00			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	-			
01	12003001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles andCapital assets	-			
01	12003001	22020701	70111	2101		8	Consultancy Services	-			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	12003001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	7,300,000.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	4,380,000.00			
							TOTAL	15,580,000.00			

OFFICE OF THE SECRETARY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11013001	22020101	70111	2101		2	Travel & Transport	700,000.00			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	-			
01	11013001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	200,000.00			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	-			
01	11013001	22020701	70111	2101		8	Consultancy Services	-			
01	11013001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11013001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11013001	22021001	70111	2101		11	Entertainment & Hospitality	940,000.00			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	1,440,000.00			
							TOTAL	3,280,000.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	810,500.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	330,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of officefurniture & equipment	55,000.00			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	-			
01	25001001	22020701	70131	2101		8	Consultancy Services	-			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	-			
01	25001001	22020501	70131	2101		10	Training and staff Development	-			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	485,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	879,000.00			
							TOTAL	2,559,500.00			
							TOTAL ADMIN MINISTIES	90,845,199.50	-	-	-

ECONOMIC SECTOR											
FINANCE AND SUPPLY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	20001001	22020101	70112	2101		2	Travel & Transport	354,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	968,760.00			
02	20001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	1,015,199.00			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	20001001	22020701	70112	2101		8	Consultancy Services	-			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	443,000.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	1,043,000.00			
							TOTAL	3,823,959.00			
BUDGET;PLANNING & RESEARCH											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	38001001	22020101	70112	2101		2	Travel & Transport	-			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	-			
02	38001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	38001001	22020701	70112	2101		8	Consultancy Services	-			
02	38001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	38001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	38001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	-			
							TOTAL	-			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	155,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	80,000.00			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	-			
02	34001001	22020402	70451	2101		6	Maintenance of officefurniture & equipment	1,940,000.00			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	305,000.00			
02	34001001	22020701	70451	2101		8	Consultancy Services	-			
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	-			
02	34001001	22020501	70451	2101		10	Short term Training and Consultancy	-			
02	34001001	22021001	70451	2101		11	Entertament & Hospitality	-			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	90,000.00			
							TOTAL	2,570,000.00			
AGRICULTURE AND NATURAL RESURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	55,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	-			
02	15001001	22020402	70421	2101		6	Maintenance of officefurniture & equipment	280,000.00			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	1,500,000.00			
02	15001001	22020701	70421	2101		8	Consultancy Services	-			
02	15001001	22040109	70421	2101		9	Grants, Contributions & Subventions	-			
02	15001001	22020501	70421	2101		10	Training and staff Development	-			
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	-			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	2,100,000.00			
							TOTAL	3,935,000.00			
							TOTAL ECONOMIC SECTOR MINISTRY	10,328,959.00	-	-	-

SOCIAL SECTOR											
ADULT EDUCATION											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	17001001	22020101	70922	2101		2	Travel & Transport	480,000.00			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	-			
05	17001001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	230,000.00			
05	17001001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	17001001	22020701	70922	2101		8	Consultancy Services	-			
05	17001001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	17001001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	620,000.00			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	1,020,000.00			
							TOTAL	2,350,000.00			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport	-			
05	51003001	22020201	70922	2101		3	Utility Services	-			
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	51003001	22020301	70922	2101		5	Stationary	-			
05	51003001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	51003001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51003001	22020701	70922	2101		8	Consultancy Services	-			
05	51003001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	51003001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	51003001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	-			

PRIMARY HEALTH CARE											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	21001001	22020101	70731	2101		2	Travel & Transport	489,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	-			
05	21001001	22020402	70731	2101		6	Maintenance of officefurniture & equipment	-			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	-			
05	21001001	22020701	70731	2101		8	Consultancy Services	-			
05	21001001	22020501	70731	2101		10	Training and staff Development	-			
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	-			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	430,000.00			
							TOTAL	919,000.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	-			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	-			
05	51002002	22020402	70180	2101		6	Maintenance of officefurniture & equipment	-			
05	51002002	22020401	70180	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51002002	22020701	70180	2101		8	Consultancy Services	-			
05	51002002	22040109	70180	2101		9	Grants, Contribution & Subvention	-			
05	51002002	22020501	70180	2101		10	Training and staff Development	-			
05	51002002	22021001	70180	2101		11	Entertainment & Hospitality	-			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	-			
							TOTAL	-			
							TOTAL SOCIAL SECTOR MINISTRY	3,269,000.00			
							TOTAL FOR ALL SECTORS	104,443,158.50			

Note 5: Consolidated Revenue Charges

A-- PENSION AND GRATUITIES STATUTORY BOARD MINNA										
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	DETAILS	ACTUAL EXPENDITURE	APPROVED	REVISED BUDGET	VARIANCE ON REVISED BUDGET
01	25001001	22010102	70131	02101		Pension Statutory	47,211,858.31			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	46,936,491.86			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	-			
01	25001002	22020902	70132	02102		Insurance Premium	-			
01	25001001	22010106	70131	02101		Acturial Valuation	-			
01	25001001	22010107	70131	02101		Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-			
						Deceased 3rd Annual Emolument (CPS)	-			
						TOTAL	94,148,350.17			
B--STATUTORY OFFICERS SALARY						STATUTORY OFFICERS SALARY	-			
						TOTAL CRF	94,148,350.17			

Note 6: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,600,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	8,300,000.00
TOTAL	25,100,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	519,016,388.14
TOTAL CONTRIBUTIONS	547,816,388.14

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR													
SECTOR	ADMIN	ECONOMIC	FUNCTION	PROGRAMME		FUND	GEO CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2018	2018 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
									INTERVENTION PRIJECTS	10,360,000.00			
									TOTAL FOR ADMIN SECTOR	10,360,000.00			
													-
ECONOMIC SECTOR													-
						03005			CONSTRUCTION OF CULVERTS	1,700,000.00			
													-
									ECONOMIC SECTOR TOTAL	1,700,000.00	-	-	-
													-
SOCIAL SECTOR													-
									REPAIRS OF BOREHOLES	2,100,000.00			
									SOCIAL SECTOR TOTAL	2,100,000.00	-	-	-
									TOTAL FOR ALL SECTORS	14,160,000.00			#REF!

Note 9: Closing Cash Book/Bank Balances as at 31st December, 2019

ACCOUNT TYPE		AMOUNT
UNITY BANK		7,538,722.10
ZENITH BANK		52,206.73
TOTAL		7,590,928.83

Note 10: Investment

INVESTMENTS				
Investments in Companies				
	STOCK	HOLDING	PRICE	MARKET VALUE(N)
	TOTAL INVESTMENT			-

Note 11: Development Loan Stock

List the Loans	Balance as at 01/01/2019	ADDITIONAL LOAN	PRINCIPAL REPAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	BALANCE ON PRINCIPAL
BANK LOAN						
TOTAL						

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS		AMOUNT
5% WHT TAX		435,000.00
5% VAT		435,000.00
PHC COOPERATIVE		237,000.00
AGRIC COOPERATIVE		282,125.00
YABOSOKO		336,010.00
DRF COOPERATIVE		15,000.00
MHWU COOPERATIVE		35,750.00
SAMCO COOPERATIVE		231,117.50
ALHERI COOPERATIVE		28,500.00
NULGE		53,625.00
TOTAL		2,089,127.50

**MANAGEMENT REPORT ON AUDITED
ANNUAL FINANCIAL STATEMENT FOR THE
YEAR ENDED 31ST DECEMBER, 2018**

1. SCOPE OF THE AUDIT

The Accounts and Records maintained by Gbako Local Government Council and Financial Statement produced for audit in respect of the year ended 31st December, 2018 have been examined and all the information that were provided and gathered in respect of monies received and expended have been certified. All the books of account from the book of original entry, General ledger to subsidiary ledger were checked and certified by our team.

2.0 GENERAL STATE OF ACCOUNTS AND RECORD KEEPING

The pattern and manner of keeping and rendering accounting books and records as observed in the Local Governments Councils were inadequate as highlighted in this report and are stated below:

- Most of the payment vouchers raised were not having documentary evidences to justify the payments made.
- Most of the purchases made lacked essential documentary evidence such as Receipt Vouchers, and Store Issue Vouchers which shows that they were not supplied or supplied but not taken charge.
- In some cases, approvals in respect of expenditure incurred were not presented for audit.
- Deductions made for WHT and VAT were in some cases not remitted to the appropriate tax authorities within time.
- Some payment vouchers were not checked and passed by the Internal Audit Unit.
- Absence of signatures of relevant parties to Payment Vouchers.

- Lack of adequate budgetary discipline.
- Non-maintenance of Fixed/Moveable Asset register.

2.1 GENERAL RECOMMENDATION

- All Directors should ensure that they maintain their Departmental Vote Expenditure Account Books and reconcile same monthly.
- All supplies made to Departments should be received from the suppliers in the presence of the Internal Auditor, for certification of the prime, completeness, and validity of the goods supplied.
- All payment vouchers must contain authenticated documents duly signed by the respective officials and the supplier.
- No payment vouchers should be entertained by the Internal Auditor if it is not accompanied with Departmental Vote Expenditure Account Book (D.V.E.A) and Departmental Payment Voucher Register (D.P.V.R) in order to avoid over expenditure and omission of some payment vouchers and posted into D.V.E.A. Book.
- No voucher should be paid by the Cashier without being certified by the Internal Auditor and duly checked and passed by the Treasurer.
- Copies of contract awards documents must be sent to the office of the Internal Auditor for his awareness and record purposes.
- Payment for contract awards, being it part payment, must be accompanied with photocopies of the council's approval and award of contract forms. Final payment must be accompanied with the original copies of the contract agreement form and relevant supporting documents for payment.

- Appointment of employees, resignation of appointment, termination of appointment, retirement from service, suspension from work, dismissal from service and deaths should be notified to the Internal Auditor immediately.
- All expenditure account books must be promptly reconciled with the treasury books to maintain efficiency and accountability.
- Rubber Stamp marked “ENTERED INTO VOTE BOOK” should be impressed on any payment sent to the Treasury to ensure that the voucher has been entered into Vote Book.
- Tell Book should equally be maintained by the Cashier for the purpose of Daily Cash Balance or the day’s taking to ascertain the liquid cash available at the close of each day’s business transactions after balancing up the Revenue and Expenditure cash Book for the day.
- The Revenue Staff (Collectors) should ensure that all revenue earning books are returned to the officer in charge after they have completely been used off.
- Store Officers should ensure that they keep all records up-to-date should the Internal Auditor will be going round to check and examine the accounts.
- A Job Cost Book should be kept in the Works Department on form **LGT 97 (F.M. 33.6)**.

3. REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Gbako Local Government Council for the year ended 31st December 2018 is shown in the table 1 below.

Table 1: Breakdown of revenues and Expenditures

TOTAL REVENUE		AMOUNT ₦	%
	Internally Generated Revenue	2,495,700.12	0.13
	Statutory Allocation	1,961,125,003.69	99.87
TOTAL		1,963,620,703.81	100.00
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	1,165,565,437.36	59.70
	Overhead Cost	104,443,158.50	5.35
	Consolidated Revenue Fund Charges	95,349,316.96	4.88
•	Contributions	547,816,388.14	28.06
•	Other Operating Activities	-	-
•	Other Transfers	25,100,000.00	1.29
•	Capital Expenditures	14,160,000.00	0.72
TOTAL		1,952,434,300.96	100.00

3.1 REVENUE

The sum of ₦1,963,620,703.81 accrued to Gbako Local Government Councils as total receipts for the year ended 31st December 2018

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Gbako Local Government Council amounted to ₦3,997,108.81 only for the year ended 31st December 2018 which represents 0.40% of the total accrued revenue of ₦1,963,620,703.81. This shows that the council solely depend on statutory allocation from the Federation Account for survival. This could result to non-survival of the Council if there is a decline of revenue from the Federation Account.

I advised the Local Government Council to take the following measures to boost their internally generated revenue collection.

- Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- Control over issuance of revenue receipts
- Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.

3.1.2 STATUTORY ALLOCATION

The sum of ₦1,961,125,003.69 was disbursed to Gbako Local Governments Council for the year under review. Statutory allocation comprises VAT, Excess Crude and Statutory Allocation etc. The reporting framework provides that each revenue class is reported separately in the financial statements and the notes thereto.

It was, however, noted that these classes of revenue are only identified at the Ministry for Local Government (Joint Account) while the disbursements to Local Government Councils are only classified as Statutory Allocation.

This makes it difficult to trace and account for each revenue classes at the Local Government Council level and possibly reconciliation of disbursement from the Federation Account and the receipts by the Local Government Council.

I advised the Ministry for Local Governments to share with the Local Government councils the breakdown of revenues from the Federation Accounts to ensure that they are correctly reported by the Councils.

3.2 CASH AND BANK BALANCES

The total cash balances stood at ₦2,595.00 in respect of Gbako Local Government Council at the end of the financial year ended 31st December 2018.

While the total bank balances stood at ₦7,593,523.83 in respect of Gbako Local Government Council as at the end of the financial year ended 31st December 2018

4. INTERNAL CONTROL

During the course of our audit exercise, it was observed that despite reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued. The non-compliance was evidenced by the Payment Vouchers been prepared and paid out without being endorsed by the Internal Audit Units, the non-endorsement of Officer Controlling the Vote, and Checks by the respective accounting Officers.

Also evidenced is lack of Asset Register to ascertain the Assets, their Condition, their Location and values of such assets. And all efforts made by my Office to ensure the maintenance of the Register are not encouraging.

In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that henceforth all Payment Vouchers raised are passed through Internal Audit Unit for certification before such payment are effected and equally ensure the maintenance of Asset Register before my next audit.

4.1 RECOMMENDATION

- It is recommended that the Internal Control System in existence has to be strengthened, proper record keeping and documentation of all financial transactions so as to enhance proper accountability.

5. BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦2,495,700.12 was generated as Internally Generated Revenue which represents 34.79% when compared with the total budgeted Internally Generated Revenue amounting to ₦7,173,792.00 during the year under review. This is a poor performance.

5.1 RECOMMENDATION

- It is recommended that preparation of cash flow statement should be adequately monitored to reduce the unnecessary expenditure on overhead and given priority to project execution.
- More efforts should be made so as to attain the target set on revenue generation internally in the next financial year. This will reduce over dependence of the Council on Statutory Allocation from Federation Accounts which is no longer attainable.

6. PERSONNEL COST

It was observed that the total sum of ₦1,165,565,437.36 and ₦390,789,116.77 was spent as total personnel cost for the year 2018 and 2017 respectively with an increase of ₦774,776,320.59 over the previous year. This is as a result of salary increase made by the state government during the year under review.

7. CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No 5 of Revenue and Expenditure revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦721,821,325.00 and only the sum of ₦14,160,000.00 representing 1.96% was spent leaving the balance of ₦707,661,325.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	52,112,212.00	10,360,000.00	517,752,212.00
02	Economic Sector	86,659,339.00	1,700,000.00	84,959,339.00
05	Social Sector	107049,774.00,	2,100,000.00	104,949,774.00
TOTAL		<u>721,821,325.00</u>	<u>14,160,000.00</u>	<u>707,661,325.00</u>

7.1 RECOMMENDATION-

- It is recommended that the previous statistical data should be used in the preparation of a reliable budget that could be attainable.
- Also, Capital projects should be encouraged and priority should be given to its execution as it has direct bearing to the grass roots development.

8. PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No.3 revealed that the Total Revenue stood at ₦1,963,620,703.81 with a Total Expenditure of ₦1,952,434,300.96 and close with a surplus balance of ₦11,186,402.85 This is a healthy statement of account.

9. 0 DEPOSITS

Deposits comprise statutory deductions which relate to contracts awarded (Value Added Tax (VAT) and Withholding Tax (WHT)) and employment which are deducted at source by the Local Government Council and are supposed to be remitted to the relevant tax collecting bodies in accordance with relevant legislation. I observed that a total of ₦3,296,227.50 stood as outstanding consolidated deposit balances as at the end of the period under review. Table below shows the list of the outstanding deposits as at 31st December 2019.

Outstanding deductions as at 31 December 2019

DETAILS	AMOUNT ₦
5% VAT	435,000.00
5% Withholding Tax	435,000.00
PHC Cooperative	237,215.00
Agriculture Cooperative	282,125.00
DRF Cooperative	15,000.00
MHWU Cooperative	35,750.00
NULGE Cooperative	53,625.00
SAMCO COOPERATIVE	231,117.50
ALHERI COOPERATIVE	28,500.00
Yabo Soko Cooperative	336,010.00
TOTAL	2,089,127.50

From the above table, the Councils recorded outstanding VAT amounting to ₦435,000.00 and WHT of ₦435,000.00 as at 31st December, 2018.

Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that the outstanding balance may be deducted from the Statutory allocations due to the Councils and in addition the councils may be fined and penalized for delayed remittance and hence affect the amount of money meant for developmental activities.

I advised the Local Government Councils to take steps to remit the outstanding deductions to the relevant authorities as a matter of urgency to avoid fines and penalties. I also advised the councils comply with the legislation in regard to future deductions.

10. OUTSTANDING AUDIT INSPECTION

AGX/FO.18/TA/GBK/VOL.1 Dated: 3rd July 2019

(i)	Internally Generated Revenue not taken to the Bank for lodgement	₦523,820.00
(ii)	Repairs of vehicles suspected not have been carry out	₦2,550,000.00

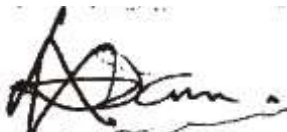
10.1 REQUIRED

The council is required to response to the outstanding Inspection Report or else necessary action and sanction will be taken.

11. CONCLUSION

We wish to use this medium to express our appreciation to the Chairman and the entire staff of Local Government for the cooperation given to the staff of this Office to carry out the Audit exercise.

It is our sincere hope that you would not hesitate to contact this Office for further clarification and explanations you might require in connection with the Audited Annual Financial Statement and Management Reports.



LAWAL ADAMU
Director Statutory and Special Operations,
For: Auditor General

NIGER STATE OF NIGERIA
GURARA LOCAL GOVERNMENT COUNCIL
GAWU BABANGIGDA



**AUDITED ACCOUNTS
FOR
THE YEAR ENDED
31ST DECEMBER 2018**

**AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
P. M. B. 53, MINNA
NIGER STATE**

PERSONALITY PROFILE

A. FINANCIAL STATEMENT

Statement of Financial Responsibility

Council Officials

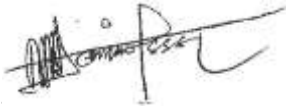
Auditor General's Opinion

B. AUDIT REPORT

- Cash Flow Statements
- Statement of Assets & Liabilities
- Statement of Consolidated Revenue Funds
- State of Capital Development Funds
- Notes to the Accounts.
- Statement of Accounting Policies
- Scope of Audit
- General State of Accounts and Records Keeping
- General Recommendation
- Review of Financial Statement
- Internal Control
- Budgetary Control
- Personnel Cost
- Capital Expenditure
- Performance of Operation Activities
- Deposits
- Outstanding Audit Inspection
- Conclusion

STATEMENT OF FINANCIAL RESPONSIBILITY

These Financial Statements have been prepared by the Treasurer of Gurara Local Government Council in accordance with the provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements complied with generally accepted accounting practices. The Treasury is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper records, the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of Internal Control has operated adequately throughout the reporting period.



Treasurer

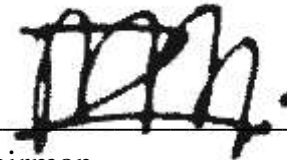
31st December, 2018

We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended. In our opinion, these financial statements fairly reflect the financial position of Gurara Local Governments as at 31st December, 2018 and its operations for the year ended on the date.



Treasurer

31st December, 2018



Chairman

31st December, 2018

COUNCIL OFFICIALS

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Yusuf Walli Gawu Executive Chairman

Honourable Nasiru Adamu Shako Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:	DEPARTMENTS	DESIGNATION
Mr. Ladi Shadalo Gambo	Personnel Management	H. O. D
Alhaji Musa Sarki Abubakar	Finance and Supply	H. O. D
Abdul T. Ahmed	Primary Health Care	H. O. D
Ishaq Idris	Agriculture and Natural Resources	H. O. D
Suleiman A. Ladan	Works and Housing	H. O. D
Aliyu Shuaibu	Budget and Planning	H. O. D
Musa Ibrahim Izom	Social Development	H. O. D

- **BANKERS**

ADDRESS

Bmazazhim Micro Finance Bank Gawu-Babangida Branch
UBA Bank Plc. Lapai Branch
UBA Bank Plc. Suleja Branch

- **AUDITORS**

Auditor General
Office of the Auditor General for Local Governments
P.M.B. 53 Minna,
Niger State.

AUDITOR GENERAL'S OPINION

I have examined the financial statement which have been prepared in accordance with standardized Local Government Treasury Procedures, Financial Memoranda and Circular guidelines. I obtained all information and explanations which I requested for the purpose of my Audit.

In my opinion, the accounts readable in conjunction with notes subject to the issues raised in the management report issued separately with this account gives a true and fair view of affairs of the Council as at 31st December, 2018 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.



Ibrahim Ahmed, B. Sc, MPA, FCNA, FCTI, CPA
Auditor General for Local Governments

1: Cash Flow Statement for the Year Ended 31st December, 2018

ANNUAL BUDGET 2018		NOTES	ACTUAL YEAR 2018	PREVIOUS YEAR 2017
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,348,774,295.00	Statutory Allocations:FAAC	1	1,755,114,589.62	
	Value Added Tax Allocation	1		
1,348,774,295.00	Sub-total - Statutory Allocation		1,755,114,589.62	
1,300,000.00	Direct Taxes	2	-	
10,865,000.00	Licences & FEES	2	1,774,890.00	
	Mining Rents:	2		
15,720,181.00	RATES	2	589,500.00	
	Fees:	2		
	Fines	2		
	Sales	2		
12,253,101.00	Earnings :	2	383,800.00	
1,700,000.00	Sales/Rent of Government Buildings:	2	6,669,007.00	
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
	Interest Earned	2		2,568,530,528.54
	Re-imbusement	2		65,175,000.00
1,300,000.00	MISELLANEOUS	2	50,000.00	2,633,705,528.54
	Sub-total - Independent Revenue			
	Other Revenue Sources of the -Government	3		
43,138,282.00	TOTAL INDEPENDANT REVENUE		9,467,197.00	
-	Commercial Bank Loan		-	
1,391,912,577.00	TOTAL RECEIPTS		1,764,581,786.62	
	Payments:			
520,491,329.00	Personnel Costs	3	912,559,195.17	
224,593,787.00	Overhead Charges:	4	172,503,181.13	2,631,005,465.16
	Consolidated Revenue Fund Charges .	5	79,090,962.31	2,633,805,528.54
	contributions	7	529,351,132.12	(2,800,063.38)
	Other Operating Activities		-	
	Financial Charges		-	
-	Other Transfers	6	25,100,000.00	
745,085,116.00	Total Payments		1,718,604,470.73	
646,827,461.00	Net Cash Flow from Operating Activities		45,977,315.89	

	CashFlows from Investment Activities:			
	Capital Expenditure:Administrative Sector:	8	-	
	Capital Expenditure: Economic Sector:	8	-	
	capital expenditure: Social Service Sector:	8	16,236,200.00	
	Capital Expenditure: Funded from Aid and Grants:		-	
475,567,046.00	Total Cash Flow from Investment Activities:		16,236,200.00	
171,260,415.00	Net Cash Flow from Investment Activities:		29,741,115.89	
	CashFlows from Financing Activities:			
	Proceeds from Aid and Grants		-	
	Proceeds from ExternaL Loan :		-	
	Proceeds from Internal Loans: Bonds :		-	
	Proceeds from Development loan stock		-	
	Proceeds of Loans from Other Funds		-	
	Repayment of External Loans (Including Servicing)		-	
	Repayment of Treasury Bonds :		-	
	Repayment of Loans from Development loan stock		-	
-	Repayment of Loans from Other Funds	11	-	
-	Total Cash Flow from Financing Activities:		-	
171,260,415.00	Net Cash Flow from Financing Activities:		29,741,115.89	
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	
	Net (Increase)/Decrease in Other Cash Equivalents:		-	
	Total Cashflow from other Cash equivalent Accounts		-	
	Net Cash for the year		29,741,115.89	
	Cash & Its Equivalent as at 1st January, 2018		775,968.57	
	Cash & Its Equivalent as at 31st December, 2018	9	30,517,084.46	

2: Statement of Assets and Liabilities as at 31st December, 2018

	NOTES	CURRENT YEAR 2018	PREVIOUS YEAR 2017
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash a Hand		700.00	
CASH AT BANK	9	30,516,384.46	
TOTAL LIQUID ASSETS		30,517,084.46	
NON CURRENT ASSETS:			
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	
TOTAL ASSETS		30,517,084.46	
LIABILITIES OVER ASSETS		811,759.40	
TOTAL		31,328,843.86	
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	30,517,084.46	
Capital Development Fund:		-	
TOTAL PUBLIC FUNDS		30,517,084.46	
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	-	
		-	
		-	
		-	
TOTAL EXTERNAL AND INTERNAL LOANS		-	
OTHER LIABILITIES			
UNREMITTED DEDUCTIONS			
5% VAT	12	811,759.40	
TOTAL LIABILITIES		811,759.40	
TOTAL LIABILITIES AND PUBLIC FOUNDS		31,328,843.86	

3: Statement of Consolidated Revenue for the year ended 31st December, 2018

ACTUAL PREVIOUS YEAR 2017		NOTES	ACTUAL YEAR 2018	FINAL BUDGET 2018	INITIAL/ORIGINAL BUDGET 2018
₦			₦	₦	₦
	Opening Balance:		775,968.57		
	ADD: REVENUE				
	Statutory Allocations:FAAC	1	1,755,114,589.62	1,348,774,295.00	
	Value Added Tax Allocation	1	-		
	Sub-Total - Statutory Allocation		1,755,114,589.62	1,348,774,295.00	
	Direct Taxes	2	-	1,300,000.00	
	Licences	2	1,774,890.00	10,865,000.00	
	RATES	2	589,500.00	15,720,181.00	
	Fees:	2	-		
	Fines	2	-		
	Sales	2	-		
	Earnings :	2	383,800.00	12,253,101.00	
	Sales/Rent of Government Buildings:	2	6,669,007.00	1,700,000.00	
	Sale/Rent on Lands and Others:	2	-		
	MISCELLANEOUS	2	50,000.00		
	Investment Income	2	-		
	Interest Earned	2	-		
	Re-Imbursements	2	-		
	Sub-Total - Independent Revenue		9,467,197.00	41,838,282.00	
	Other Revenue Sources of the ---Government		-	-	
	TOTAL REVENUE:		1,765,357,755.19	1,390,612,577.00	
	LESS:EXPENDITURE				
	Personnel Costs:	3	912,559,195.17	520,491,329.00	
	Overhead Charges:	4	172,503,181.13	224,593,787.00	
	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	79,090,962.31		
	contributions	7	529,351,132.12		
	Other Operating Activities		-		
	Financial Charges.		-		
	Other Transfers	6	25,100,000.00		
	TOTAL EXPENDITURE:		1,718,604,470.73	745,085,116.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
	Repayments:External Loans:States			-	
	Repayments:States Bonds.			-	
	Repayments:Development Loan Stock			-	
	Repayments:Internal Loans from Other Funds	11		-	
	TOTAL EXPENDITURE:			-	
	OPERATING BALANCE:			46,753,284.46	
	APPROPRIATIONS/TRANSFERS:				
	Transfer to Capital Development Fund:			16,236,200.00	
	Closing Balance:			30,517,084.46	

4: Statement of Capital Development Fund for the year ended 31st December, 2018

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2017			EXPENDITURE 2018	BUDGET 2018	BUDGET 2018	BUDGET 2018
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
	Transfer from Consolidated Revenue Fund:		16,236,200.00			
	Aid and Grants		-			
	TOTAL REVENUE AVAILIABLE:		16,236,200.00			
	LESS: CAPITAL EXPENDITURE					
	Capital Expenditure: Administrative Sector:	10	-			
	Capital Expenditure: Economic Sector:	10	-			
	Capital Expenditure: Social Service Sector:	10	16,236,200.00			
	Capital Expenditure: Funded from Aid and Grants:		-			
	TOTAL CAPITAL EXPENDITURE:		16,236,200.00	16,236,200.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2018

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₱	₱
Net Share of Statutory Allocation from FAAC	A	565,687,380.41	
Add :Deduction at source for Loan Repayment	B	1,189,427,209.21	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			1,755,114,589.62
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₱	₱	₱
TAXES	-	1,300,000.00	1,300,000.00
RATES	589,500.00	15,720,181.00	15,130,681.00
LINCENCES & FEES	1,774,890.00	10,865,000.00	9,090,110.00
EARNING FROM COMMERCIAL UNDERTAKING	383,800.00	12,253,101.00	11,869,301.00
RENT ON LOCAL GOVERNMENT PROPERTY	6,669,007.00	1,700,000.00	(4,969,007.00)
INTREST AND DIVIDEND	-	-	-
MISELLANEOUS	50,000.00	1,300,000.00	1,250,000.00
TOTAL I G R	9,467,197.00	43,138,282.00	33,671,085.00

Note 3: Personnel Cost

ADMINISTRATIVE SECTOR										
SECTOR	Admin	Economic	Function	Fund	GEO CODE		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
OFFICE OF THE CHAIRMAN										
01	11001001	21010101	70111	2101		TOTAL PERSONNEL COST	10,007,252.96			
THE COUNCCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	23,778,592.96			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	2,436,874.96			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	35,761,227.20			
TOTAL ADMIN SECTOR							71,983,948.08			
ECONOMIC SECTOR										
Sector	Admin	Economic	Function	Fund			ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	22,851,766.97			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	2,505,945.56			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	31,521,475.00			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	43,176,691.32			
TOTAL ECONOMIC SECTOR							100,055,878.85			

SOCIAL SECTOR									
Sector	Admin	Economic	Function	Fund		ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
ADULT EDUCATION									
05	17001001	21010101	70960	2101	TOTAL PERSONNEL COST	17,776,483.08			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	143,081,565.46			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	23,776,204.92			
TOTAL SOCIAL SECTOR						184,634,253.46			
TOTAL FOR ALL SECTORS						356,674,080.39			
ADJUSTMENT :									
PAYEE						14,852,460.12			
PAYEE (POLITICAL OFFICE						3,809,094.00			
UNION DUES						24,932,979.00			
NHF(2,5%)						2,716,182.46			
EMIRATE COUNCIL						46,448,974.32			
PRIMARY EDUCATION						463,125,424.88			
						-			
TOTAL PERSONNEL COST FOR ALL SECTORS						912,559,195.17			

Note 4: Overhead Cost

ADMINISTRATIVE SECTOR											
OFFICE OF THE CHAIRMAN											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11001001	22020101	70111	2101		2	Travel & Transport	20,592,200.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	269,992.71			
01	11001001	22020402	70111	2101		6	Maintenance of office	-			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	-			
01	11001001	22020701	70111	2101		8	Consultancy Services	-			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	39,223,600.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	13,641,790.00			
							Provision of Servicable Materials	-			
							TOTAL	73,727,582.71			
THE COUNCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	16,291,870.00			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	-			
01	12003001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	16,544,000.00			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles andCapital assets	-			
01	12003001	22020701	70111	2101		8	Consultancy Services	-			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	12003001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	-			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	19,210,930.00			
							TOTAL	52,046,800.00			

OFFICE OF THE SECRETARY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11013001	22020101	70111	2101		2	Travel & Transport	2,791,870.00			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	-			
01	11013001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	-			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	-			
01	11013001	22020701	70111	2101		8	Consultancy Services	-			
01	11013001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11013001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11013001	22021001	70111	2101		11	Entertainment & Hospitality	-			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	1,042,000.00			
							TOTAL	3,833,870.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	2,175,200.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	-			
01	25001001	22020402	70131	2101		6	Maintenance of officefurniture & equipment	-			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	-			
01	25001001	22020701	70131	2101		8	Consultancy Services	-			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	-			
01	25001001	22020501	70131	2101		10	Training and staff Development	2,364,240.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	-			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	1,808,320.00			
							TOTAL	6,347,760.00			
							TOTAL ADMIN MINISTIES	135,956,012.71	-	-	-

ECONOMIC SECTOR											
FINANCE AND SUPPLY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	20001001	22020101	70112	2101		2	Travel & Transport	2,957,910.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	1,535,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	950,000.00			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	20001001	22020701	70112	2101		8	Consultancy Services	-			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	450,000.00			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	2,536,876.71			
							TOTAL	8,429,786.71			
BUDGET;PLANNING & RESEARCH											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	38001001	22020101	70112	2101		2	Travel & Transport	702,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	-			
02	38001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	38001001	22020701	70112	2101		8	Consultancy Services	-			
02	38001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	38001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	38001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	284,000.00			
							TOTAL	986,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	585,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	-			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	-			
02	34001001	22020402	70451	2101		6	Maintenance of officefurniture & equipment	-			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	7,737,258.00			
02	34001001	22020701	70451	2101		8	Consultancy Services	-			
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	-			
02	34001001	22020501	70451	2101		10	Short term Training and Consultancy	-			
02	34001001	22021001	70451	2101		11	Entertainment & Hospitality	661,000.00			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	900,281.00			
							TOTAL	9,883,539.00			
AGRICULTURE AND NATURAL RESURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	848,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	-			
02	15001001	22020402	70421	2101		6	Maintenance of officefurniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	-			
02	15001001	22020701	70421	2101		8	Consultancy Services	-			
02	15001001	22040109	70421	2101		9	Grants, Contributions & Subventions	-			
02	15001001	22020501	70421	2101		10	Training and staff Development	-			
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	-			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	12,324,842.71			
							Provision of Servicable Materials	-			
							TOTAL	13,172,842.71			
							TOTAL ECONOMIC SECTOR MINISTRY	32,472,168.42	-	-	-

SOCIAL SECTOR											
ADULT EDUCATION											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	17001001	22020101	70922	2101		2	Travel & Transport	-			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	-			
05	17001001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	17001001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	17001001	22020701	70922	2101		8	Consultancy Services	-			
05	17001001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	17001001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	-			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport	1,060,000.00			
05	51003001	22020201	70922	2101		3	Utility Services	-			
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	51003001	22020301	70922	2101		5	Stationary	-			
05	51003001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	51003001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51003001	22020701	70922	2101		8	Consultancy Services	-			
05	51003001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	51003001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	51003001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	510,000.00			
							TOTAL	1,570,000.00			

PRIMARY HEALTH CARE											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	21001001	22020101	70731	2101		2	Travel & Transport	600,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	-			
05	21001001	22020402	70731	2101		6	Maintenance of officefurniture & equipment	-			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	-			
05	21001001	22020701	70731	2101		8	Consultancy Services	-			
05	21001001	22020501	70731	2101		10	Training and staff Development	-			
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	-			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	775,000.00			
							Provision of Servicable Materials	-			
							TOTAL	1,375,000.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	-			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	-			
05	51002002	22020402	70180	2101		6	Maintenance of officefurniture & equipment	-			
05	51002002	22020401	70180	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51002002	22020701	70180	2101		8	Consultancy Services	-			
05	51002002	22040109	70180	2101		9	Grants, Contribution & Subvention	-			
05	51002002	22020501	70180	2101		10	Training and staff Development	-			
05	51002002	22021001	70180	2101		11	Entertainment & Hospitality	-			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	1,130,000.00			
							TOTAL	1,130,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	4,075,000.00	-	-	-
							TOTAL FOR ALL SECTORS	172,503,181.13	-	-	-

Note 5: Consolidated Revenue Charges

A-- PENSION AND GRATUITIES STATUTORY BOARD MINNA										
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	DETAILS	ACTUAL EXPENDITURE	APPROVED	REVISED BUDGET	VARIANCE ON REVISED BUDGET
01	25001001	22010102	70131	02101		Pension Statutory	33,361,241.67			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	45,729,720.64			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	-			
01	25001002	22020902	70132	02102		Insurance Premium	-			
01	25001001	22010106	70131	02101		Acturial Valuation	-			
01	25001001	22010107	70131	02101		Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-			
						Deceased 3rd Annual Emolument (CPS)	-			
						TOTAL	79,090,962.31			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	79,090,962.31			

Note 6: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,600,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	8,300,000.00
TOTAL	25,100,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	500,551,132.12
TOTAL CONTRIBUTIONS	529,351,132.12

-

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR													
SECTOR	ADMIN	ECONOMIC	FUNCTION	PROGRAMME		FUND	GEO CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2018	2018 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
01	11033001	23010122	70722	010400009616		03005	12620500			-			
01	11033001	23010122	70722	010400009616		03005	12620500			-			
01	11033001	23010122	70722	010400009616		03005	12620500			-			
										-			
									TOTAL FOR ADMIN SECTOR	-			
ECONOMIC SECTOR													-
02	20001001					03005	12620500			-			
02										-			-
02										-			
02										-			
02									ECONOMIC SECTOR TOTAL	-	-	-	-
													-
SOCIAL SECTOR													
05			70422	70900002606		03005	12620500		SOCIAL SECTOR	16,236,200.00			
										-			
									SOCIAL SECTOR TOTAL	16,236,200.00	-	-	-
									TOTAL FOR ALL SECTORS	16,236,200.00			-

Note 9: Closing Cash Book/Bank Balances as at 31st December, 2019

ACCOUNT TYPE		AMOUNT
UNITY BANK PLC (SALARY ACCT)		33,984.38
UNITY BANK PLC (PROJECT ACCT)		30,115,159.78
UNITY BANK PLC (O/H ACCT)		3,906.33
UNITY BANK PLC (PROJECT ACCT)		22,108.03
BMAZZAZHIN MFB (T H U ACCT)		4,115.60
BMAZZAZHIN MFB (REVENUE ACCT)		333,190.54
STANBIC IBTC (SURE-P))		1,067.54
STANBIC IBTC (10KM ROADS)		2,852.26
TOTAL		30,516,384.46

Note 10: Investment

INVESTMENTS				
Investments in Companies				
	STOCK	HOLDING	PRICE	MARKET VALUE(N)
	TOTAL INVESTMENT			-

Note 11: Development Loan Stock

List the Loans	Balance as at 01/01/2019	ADDITIONAL LOAN	PRINCIPAL REPAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	BALANCE ON PRINCIPAL
BANK LOAN						
TOTAL						

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS		AMOUNT
5% VAT		811,759.40
TOTAL LIABILITIES		811,759.40

**MANAGEMENT REPORT ON AUDITED
ANNUAL FINANCIAL STATEMENT FOR THE
YEAR ENDED 31ST DECEMBER, 2018**

1. SCOPE OF THE AUDIT

The Accounts and Records maintained by Gurara Local Government Council and Financial Statement produced for audit in respect of the year ended 31st December, 2018 have been examined and all the information that were provided and gathered in respect of monies received and expended have been certified. All the books of account from the book of original entry, General ledger to subsidiary ledger were checked and certified by our team.

2.0 GENERAL STATE OF ACCOUNTS AND RECORD KEEPING

The pattern and manner of keeping and rendering accounting books and records as observed in the Local Governments Councils were inadequate as highlighted in this report and are stated below:

- Most of the payment vouchers raised were not having documentary evidences to justify the payments made.
- Most of the purchases made lacked essential documentary evidence such as Receipt Vouchers, and Store Issue Vouchers which shows that they were not supplied or supplied but not taken charge.
- In some cases, approvals in respect of expenditure incurred were not presented for audit.
- Deductions made for WHT and VAT were in some cases not remitted to the appropriate tax authorities within time.
- Some payment vouchers were not checked and passed by the Internal Audit Unit.
- Absence of signatures of relevant parties to Payment Vouchers.

- Lack of adequate budgetary discipline.
- Non-maintenance of Fixed/Moveable Asset register.

2.1 GENERAL RECOMMENDATION

- All Directors should ensure that they maintain their Departmental Vote Expenditure Account Books and reconcile same monthly.
- All supplies made to Departments should be received from the suppliers in the presence of the Internal Auditor, for certification of the prime, completeness, and validity of the goods supplied.
- All payment vouchers must contain authenticated documents duly signed by the respective officials and the supplier.
- No payment vouchers should be entertained by the Internal Auditor if it is not accompanied with Departmental Vote Expenditure Account Book (D.V.E.A) and Departmental Payment Voucher Register (D.P.V.R) in order to avoid over expenditure and omission of some payment vouchers and posted into D.V.E.A. Book.
- No voucher should be paid by the Cashier without being certified by the Internal Auditor and duly checked and passed by the Treasurer.
- Copies of contract awards documents must be sent to the office of the Internal Auditor for his awareness and record purposes.
- Payment for contract awards, being it part payment, must be accompanied with photocopies of the council's approval and award of contract forms. Final payment must be accompanied with the original copies of the contract agreement form and relevant supporting documents for payment.

- Appointment of employees, resignation of appointment, termination of appointment, retirement from service, suspension from work, dismissal from service and deaths should be notified to the Internal Auditor immediately.
- All expenditure account books must be promptly reconciled with the treasury books to maintain efficiency and accountability.
- Rubber Stamp marked “ENTERED INTO VOTE BOOK” should be impressed on any payment sent to the Treasury to ensure that the voucher has been entered into Vote Book.
- Tell Book should equally be maintained by the Cashier for the purpose of Daily Cash Balance or the day’s taking to ascertain the liquid cash available at the close of each day’s business transactions after balancing up the Revenue and Expenditure cash Book for the day.
- The Revenue Staff (Collectors) should ensure that all revenue earning books are returned to the officer in charge after they have completely been used off.
- Store Officers should ensure that they keep all records up-to-date should the Internal Auditor will be going round to check and examine the accounts.
- A Job Cost Book should be kept in the Works Department on form **LGT 97 (F.M. 33.6)**.

3. REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Gurara Local Government Council for the year ended 31st December 2018 is shown in the table 1 below.

Table 1: Breakdown of revenues and Expenditures

TOTAL REVENUE		AMOUNT ₦	%
	Internally Generated Revenue	9,467,197.00	0.54
	Statutory Allocation	1,755,114,589.62	99.46
TOTAL		1,764,581,786.62	100.00
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	912,559,195.17	52.60
	Overhead Cost	172,503,181.13	9.94
	Consolidated Revenue Fund Charges	79,090,962.31	4.56
•	Contributions	529,351,132.12	30.51
•	Other Operating Activities	-	-
•	Other Transfers	25,100,000.00	1.45
•	Capital Expenditures	16,236,200.00	0.94
TOTAL		1,734,840,670.73	100.00

3.1 REVENUE

The sum of ₦1,764,581,786.62 accrued to Gurara Local Government Councils as total receipts for the year ended 31st December 2018

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Gurara Local Government Council amounted to ₦9,467,197.00 only for the year ended 31st December 2018 which represents 0.68% of the total accrued revenue of ₦1,764,581,786.62. This shows that the council solely depend on statutory allocation from the Federation Account for survival. This could result to non-survival of the Council if there is a decline of revenue from the Federation Account.

I advised the Local Government Council to take the following measures to boost their internally generated revenue collection.

- Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- Control over issuance of revenue receipts
- Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.

3.1.2 STATUTORY ALLOCATION

The sum of ₦1,755,114,589.62 was disbursed to Gurara Local Governments Council for the year under review. Statutory allocation comprises VAT, Excess Crude and Statutory Allocation etc. The reporting framework provides that each revenue class is reported separately in the financial statements and the notes thereto.

It was, however, noted that these classes of revenue are only identified at the Ministry for Local Government (Joint Account) while the disbursements to Local Government Councils are only classified as Statutory Allocation.

This makes it difficult to trace and account for each revenue classes at the Local Government Council level and possibly reconciliation of disbursement from the Federation Account and the receipts by the Local Government Council.

I advised the Ministry for Local Governments to share with the Local Government councils the breakdown of revenues from the Federation Accounts to ensure that they are correctly reported by the Councils.

3.2 CASH AND BANK BALANCES

The total cash balances stood at ₦700.00 in respect of Gurara Local Government Council at the end of the financial year ended 31st December 2018.

While the total bank balances stood at ₦30,516,384.46 in respect of Gurara Local Government Council as at the end of the financial year ended 31st December 2018

4. INTERNAL CONTROL

During the course of our audit exercise, it was observed that despite reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued. The non-compliance was evidenced by the Payment Vouchers been prepared and paid out without being endorsed by the Internal Audit Units, the non-endorsement of Officer Controlling the Vote, and Checks by the respective accounting Officers.

Also evidenced is lack of Asset Register to ascertain the Assets, their Condition, their Location and values of such assets. And all efforts made by my Office to ensure the maintenance of the Register are not encouraging.

In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that henceforth all Payment Vouchers raised are passed through Internal Audit Unit for certification before such payment are effected and equally ensure the maintenance of Asset Register before my next audit.

4.1 RECOMMENDATION

- It is recommended that the Internal Control System in existence has to be strengthened, proper record keeping and documentation of all financial transactions so as to enhance proper accountability.

5. BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦9,467,197.00 was generated as Internally Generated Revenue which represents 21.95% when compared with the total budgeted Internally Generated Revenue amounting to ₦43,138,282.00 during the year under review. This is a poor performance.

5.1 RECOMMENDATION

- It is recommended that preparation of cash flow statement should be adequately monitored to reduce the unnecessary expenditure on overhead and given priority to project execution.
- More efforts should be made so as to attain the target set on revenue generation internally in the next financial year. This will reduce over dependence of the Council on Statutory Allocation from Federation Accounts which is no longer attainable.

6. PERSONNEL COST

It was observed that the total sum of ₦912,559,195.17 and ₦500,789,105.33 was spent as total personnel cost for the year 2018 and 2017 respectively with an increase of ₦411,770,089.84 over the previous year. This is as a result of salary increase made by the state government during the year under review.

7. CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No 5 of Revenue and Expenditure revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦475,567,046.00 and only the sum of ₦16,236,200 representing 7.83% was spent leaving the balance of ₦459,330,846.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	79,221,807.00	-	79,221,807.00
02	Economic Sector	158,443,615.00	-	158,443,615.00
05	Social Sector	237,901,624.00	16,236,200.00	221,665,424.00
TOTAL		475,567,046.00	16,236,200.00	459,330,846.00

7.1 RECOMMENDATION

- It is recommended that the previous statistical data should be used in the preparation of a reliable budget that could be attainable.
- Also, Capital projects should be encouraged and priority should be given to its execution as it has direct bearing to the grass roots development.

8. PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No. 3 revealed that the Total Revenue stood at ₦1,764,581,786.62 with a Total Expenditure of ₦1,734,840,670.73 and close with a surplus balance of ₦29,741,115.89 This is a healthy statement of account.

9.0 DEPOSITS

Deposits comprise statutory deductions which relate to contracts awarded (Value Added Tax (VAT) and Withholding Tax (WHT)) and employment which are deducted at source by the Local Government Council and are supposed to be remitted to the relevant tax collecting bodies in accordance with relevant legislation. I observed that a total of ₦811,759.40 stood as outstanding consolidated deposit balances as at the end of the period under review. Table below shows the outstanding deposits as at 31st December 2018.

Outstanding deductions as at 31 December 2018

DETAILS	AMOUNT ₦
5% VAT	811,759.40
5% WITHHOLDING TAX	-
1% STAMP DUTY	-
TOTAL	811,759.40

From the above table, the Councils recorded outstanding 5% VAT of ₦811,759,9.40 as at 31st December, 2018.

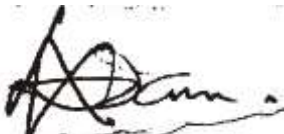
Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that the outstanding balance may be deducted from the Statutory allocations due to the Councils and in addition the councils may be fined and penalized for delayed remittance and hence affect the amount of money meant for developmental activities.

I advised the Local Government Councils to take steps to remit the outstanding deductions to the relevant authorities as a matter of urgency to avoid fines and penalties. I also advised the councils comply with the legislation in regard to future deductions.

10. CONCLUSION

We wish to use this medium to express our appreciation to the Chairman and the entire staff of Local Government for the cooperation given to the staff of this Office to carry out the Audit exercise.

It is our sincere hope that you would not hesitate to contact this Office for further clarification and explanations you might require in connection with the Audited Annual Financial Statement and Management Reports.



LAWAL ADAMU

Director Statutory and Special Operations,

For: Auditor General

NIGER STATE OF NIGERIA

**KATCHA LOCAL GOVERNMENT COUNCIL
KATCHA**

**AUDITED ACCOUNTS
FOR
THE YEAR ENDED
31ST DECEMBER 2018**

**AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
P. M. B. 53, MINNA
NIGER STATE**

PERSONALITY PROFILE

A. FINANCIAL STATEMENT

Statement of Financial Responsibility

Council Officials

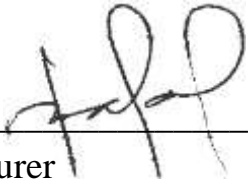
Auditor General's Opinion

B. AUDIT REPORT

- Cash Flow Statements
- Statement of Assets & Liabilities
- Statement of Consolidated Revenue Funds
- State of Capital Development Funds
- Notes to the Accounts.
- Statement of Accounting Policies
- Scope of Audit
- General State of Accounts and Records Keeping
- General Recommendation
- Review of Financial Statement
- Internal Control
- Budgetary Control
- Personnel Cost
- Capital Expenditure
- Performance of Operation Activities
- Deposits
- Outstanding Audit Inspection
- Conclusion

STATEMENT OF FINANCIAL RESPONSIBILITY

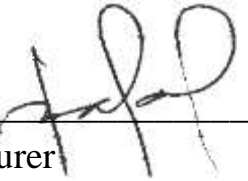
These Financial Statements have been prepared by the Treasurer of Katcha Local Government Council in accordance with the provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements complied with generally accepted accounting practices. The Treasury is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper records, the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of Internal Control has operated adequately throughout the reporting period.



Treasurer

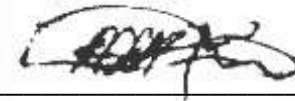
31st December, 2018

We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended. In our opinion, these financial statements fairly reflect the financial position of Katcha Local Governments as at 31st December, 2018 and its operations for the year ended on the date.



Treasurer

31st December, 2018



Chairman

31st December, 2018

COUNCIL OFFICIALS

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Muhammad Babanna Executive Chairman

Honourable Musa Isyaku Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:	DEPARTMENTS	DESIGNATION
Adamu G. Kpotun	Personnel Management	H. O. D
Alh. Abdullahi Moh'd Tanko	Finance and Supply	H. O. D
Hajiya Mairo Shehu	Primary Health Care	H. O. D
Mrs. Comfort Tsado	Agriculture and Natural Resources	H. O. D
Engr. Zakari Tsadu	Works and Housing	H. O. D
Moh'd Alh. Sadiq	Budget and Planning	H. O. D
Haj. Maryam Sheshi	Social Development	H. O. D

- **BANKERS**

	ADDRESS
First Bank of Nigeria Plc	Katcha Branch
First Bank of Nigeria Plc	Bida Branch
Unity Bank Plc	Bida Branch
Keystone Bank Plc.	Bida Branch

- **AUDITORS**

Auditor General
Office of the Auditor General for Local Governments
P.M.B. 53 Minna,
Niger State.

AUDITOR GENERAL'S OPINION

I have examined the financial statement which have been prepared in accordance with standardized Local Government Treasury Procedures, Financial Memoranda and Circular guidelines. I obtained all information and explanations which I requested for the purpose of my Audit.

In my opinion, the accounts readable in conjunction with notes subject to the issues raised in the management report issued separately with this account gives a true and fair view of affairs of the Council as at 31st December, 2018 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.



Ibrahim Ahmed, B. Sc, MPA, FCNA, FCTI, CPA
Auditor General for Local Governments

1: Cash Flow Statement for the Year Ended 31st December, 2018

ANNUAL BUDGET 2018		NOTES	ACTUAL YEAR 2018	PREVIOUS YEAR 2017
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,948,899,820.00	Statutory Allocations:FAAC	1	2,408,500,048.31	
	Value Added Tax Allocation	1		
1,948,899,820.00	Sub-total - Statutory Allocation		2,408,500,048.31	
350,000.00	Direct Taxes	2	-	
16,056,000.00	Licences & FEES	2	100,000.00	
	Mining Rents:	2		
400,000.00	RATES	2	5,205.00	
	Fees:	2		
	Fines	2		
	Sales	2		
12,694,000.00	Earnings :	2	1,119,280.00	
	Sales/Rent of Government Buildings:	2	2,144,680.00	
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
	Interest Earned	2		-
	Re-imbusement	2		-
	MISELLANEOUS	2	416,200.00	-
29,500,000.00	Sub-total - Independent Revenue			
	Other Revenue Sources of the -Government	3		
	TOTAL INDEPENDANT REVENUE		3,785,365.00	
	Commercial Bank Loan		-	
1,978,399,820.00	TOTAL RECEIPTS		2,412,285,413.31	
	Payments:			
670,524,422.00	Personnel Costs	3	1,608,451,694.25	
200,000,000.00	Overhead Charges:	4	136,514,338.51	-
	Consolidated Revenue Fund Charges.	5	83,514,209.47	-
	contributions	7	533,540,299.94	-
	Other Operating Activities		-	
	Financial Charges		-	
	Other Transfers	6	25,100,000.00	
870,524,422.00	Total Payments		2,387,120,542.17	
1,107,875,398.00	Net Cash Flow from Operating Activities		25,164,871.14	

	CashFlows from Investment Activities:			
	Capital Expenditure:Administrative Sector:	8	-	
	Capital Expenditure: Economic Sector:	8	-	
	capital expenditure: Social Service Sector:	8	18,320,000.00	
680,500,120.00	Capital Expenditure: Funded from Aid and Grants:		-	
	Total Cash Flow from Investment Activities:		18,320,000.00	
	Net Cash Flow from Investment Activities:		6,844,871.14	
	CashFlows from Financing Activities:			
	Proceeds from Aid and Grants		-	
	Proceeds from ExternaL Loan :		-	
	Proceeds from Internal Loans: Bonds :		-	
	Proceeds from Development loan stock		-	
	Proceeds of Loans from Other Funds		-	
	Repayment of External Loans (Including Servicing)		-	
	Repayment of Treasury Bonds :		-	
	Repayment of Loans from Development loan stock		-	
	Repayment of Loans from Other Funds	11	-	
	Total Cash Flow from Financing Activities:		-	
	Net Cash Flow from Financing Activities:		6,844,871.14	
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	
	Net (Increase)/Decrease in Other Cash Equivalents:		-	
	Total Cashflow from other Cash equivalent Accounts		-	
	Net Cash for the year		6,844,871.14	
	Cash & Its Equivalent as at 1st January, 2018		1,517,754.82	
	Cash & Its Equivalent as at 31st December, 2018	9	8,362,625.96	

2: Statement of Assets and Liabilities as at 31st December, 2018

	NOTES	CURRENT YEAR 2018	PREVIOUS YEAR 2017
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:			
CASH AT hand		1,630.66	
CASH AT BANK	9	8,360,995.30	
TOTAL LIQUID ASSETS		8,362,625.96	
NON CURRENT ASSETS:			
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	
TOTAL ASSETS		8,362,625.96	
LIABILITIES OVER ASSETS		3,267,342.41	
TOTAL		11,629,968.37	
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	8,362,625.96	
Capital Development Fund:		-	
TOTAL PUBLIC FUNDS		8,362,625.96	
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	-	
		-	
		-	
		-	
TOTAL EXTERNAL AND INTERNAL LOANS		-	
OTHER LIABILITIES			
OVER DRAWN :	12		
MICROFINANCE SURE-P	12	1,047,284.21	
MICROFINANCE	12	250,074.68	
UNREMITTED DEDUCTIONS	12	-	
5% Contract Tax	12	731,000.00	
5% Withholding Tax	12	591,000.00	
Development Levy	12	3,236.68	

CT & CS Co-operative	12	81,746.84	
Emirate Fund	12	4,500.00	
District Head Contribution	12	160,000.00	
Land loan (NULGE)	12	398,500.00	
TOTAL LIABILITIES		3,267,342.41	
TOTAL LIABILITIES AND PUBLIC FOUNDS		11,629,968.37	

3: Statement of Consolidated Revenue for the year ended 31st December, 2018

ACTUAL PREVIOUS YEAR 2017		NOTES	ACTUAL YEAR 2018	FINAL BUDGET 2018	INITIAL/ORIGINAL BUDGET 2018
N			N	N	N
	Opening Balance:		1,517,754.82		
	ADD: REVENUE				
	Statutory Allocations:FAAC	1	2,408,500,048.31	1,948,899,820.00	
	Value Added Tax Allocation	1	-		
	Sub-Total - Statutory Allocation		2,408,500,048.31	1,948,899,820.00	
	Direct Taxes	2	-	350,000.00	
	Licences	2	100,000.00	16,056,000.00	
	RATES	2	5,205.00	400,000.00	
	Fees:	2	-		
	Fines	2	-		
	Sales	2	-		
	Earnings :	2	1,119,280.00	12,694,000.00	
	Sales/Rent of Government Buildings:	2	2,144,680.00		
	Sale/Rent on Lands and Others:	2	-		
	MISCELLANEOUS	2	416,200.00		
	Investment Income	2	-		
	Interest Earned	2	-		
	Re-Imbursements	2	-		
	Sub-Total - Independent Revenue		3,785,365.00	29,500,000.00	
	Other Revenue Sources of the ---Government		-		
	TOTAL REVENUE:		2,413,803,168.13	1,978,399,820.00	
	LESS:EXPENDITURE				
	Personnel Costs:	3	1,608,451,694.25	670,524,422.00	
	Overhead Charges:	4	136,514,338.51	200,000,000.00	
	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	83,514,209.47		
	contributions	7	533,540,299.94		
	Other Operating Activities		-		
	Financial Charges.		-		
	Other Transfers	6	25,100,000.00		
	TOTAL EXPENDITURE:		2,387,120,542.17	870,524,422.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
	Repayments:External Loans:States			-	
	Repayments:States Bonds.			-	
	Repayments:Development Loan Stock			-	
	Repayments:Internal Loans from Other Funds	11		-	
	TOTAL EXPENDITURE:			-	
	OPERATING BALANCE:			26,682,625.96	
	APPROPRIATIONS/TRANSFERS:				
	Transfer to Capital Development Fund:			18,320,000.00	680,500,120.00
	Closing Balance:			8,362,625.96	

4: Statement of Capital Development Fund for the year ended 31st December, 2018

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2017			EXPENDITURE 2018	BUDGET 2018	BUDGET 2018	BUDGET 2018
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
	Transfer from Consolidated Revenue Fund:		18,320,000.00	680,500,120.00		
	Aid and Grants		-			
	TOTAL REVENUE AVAILABLE:		18,320,000.00	680,500,120.00		
	LESS: CAPITAL EXPENDITURE					
	Capital Expenditure:Administrative Sector:	10	-			
	Capital Expenditure: Economic Sector:	10	-			
	Capital Expenditure: Social Service Sector:	10	18,320,000.00			
	Capital Expenditure: Funded from Aid and Grants:		-			
	TOTAL CAPITAL EXPENDITURE:		18,320,000.00	680,500,120.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2018

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₱	₱
Net Share of Statutory Allocation from FAAC	A	848,682,958.42	
Add :Deduction at source for Loan Repayment	B	1,559,817,089.89	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			2,408,500,048.31
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)		Actual	Budget	Variance
		₱	₱	₱
TAXES				
RATES		5,205.00		
LINCENCES & FEES		100,000.00		
EARNING FROM COMMERCIAL UNDERTAKING		1,119,280.00		
RENT ON LOCAL GOVERNMENT PROPERTY		2,144,680.00		
MISELLANEOUS		416,200.00		
TOTAL I G R		3,785,365.00		

Note 3: Personnel Cost

ADMINISTRATIVE SECTOR										
SECTOR	Admin	Economic	Function	Fund	GEO CODE		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
OFFICE OF THE CHAIRMAN										
01	11001001	21010101	70111	2101		TOTAL PERSONNEL COST	16,586,776.24			
THE COUNCCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	28,379,358.86			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	2,496,596.20			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	58,864,346.53			
TOTAL ADMIN SECTOR							106,327,077.83			
ECONOMIC SECTOR										
Sector	Admin	Economic	Function	Fund			ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2018	REVISED BUDGET	VARIANCE ON REVISED BUDGET
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	68,495,154.31			
							-			
BUDGET;PLANNING & RESEARCH							-			
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	7,153,509.92			
							-			
WORKS & HOUSING							-			
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	83,969,309.01			
							-			
AGRICULTURE AND NATURAL RESURCES							-			
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	62,007,808.85			
TOTAL ECONOMIC SECTOR							221,625,782.09			

SOCIAL SECTOR									
Sector	Admin	Economic	Function	Fund		ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
ADULT EDUCATION									
05	17001001	21010101	70960	2101	TOTAL PERSONNEL COST	67,219,036.74			
						-			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	244,946,344.77			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	50,670,872.34			
TOTAL SOCIAL SECTOR						362,836,253.85			
TOTAL FOR ALL SECTORS						690,789,113.77			
ADJUSTMENT :									
PAYEE						22,372,028.01			
PAYEE (POLITICAL OFFICE						3,809,094.00			
UNION DUES						42,900,631.13			
NHF(2,5%)						5,093,897.40			
EMIRATE COUNCIL						37,711,638.84			
PRIMARY EDUCATION						805,775,291.10			
TOTAL PERSONNEL COST FOR ALL SECTORS						1,608,451,694.25			

Note 4: Overhead Cost

ADMINISTRATIVE SECTOR											
OFFICE OF THE CHAIRMAN											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11001001	22020101	70111	2101		2	Travel & Transport	104,000.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	255,000.00			
01	11001001	22020402	70111	2101		6	Maintenance of office	-			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	-			
01	11001001	22020701	70111	2101		8	Consultancy Services	996,225.20			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	47,355,236.58			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	-			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	19,716,000.00			
							TOTAL	68,426,461.78			
THE COUNCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	6,690,000.00			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	-			
01	12003001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles andCapital assets	-			
01	12003001	22020701	70111	2101		8	Consultancy Services	-			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	12003001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	-			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	-			
							TOTAL	6,690,000.00			

OFFICE OF THE SECRETARY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11013001	22020101	70111	2101		2	Travel & Transport	510,000.00			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	-			
01	11013001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	-			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	-			
01	11013001	22020701	70111	2101		8	Consultancy Services	-			
01	11013001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11013001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11013001	22021001	70111	2101		11	Entertainment & Hospitality	-			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	575,000.00			
							TOTAL	1,085,000.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	232,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	-			
01	25001001	22020402	70131	2101		6	Maintenance of officefurniture & equipment	721,000.00			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	-			
01	25001001	22020701	70131	2101		8	Consultancy Services	-			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	-			
01	25001001	22020501	70131	2101		10	Training and staff Development	122,000.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	-			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	487,000.00			
							TOTAL	1,562,000.00			
							TOTAL ADMIN	77,763,461.78			

ECONOMIC SECTOR											
FINANCE AND SUPPLY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	20001001	22020101	70112	2101		2	Travel & Transport	1,948,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	1,876,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	20001001	22020701	70112	2101		8	Consultancy Services	-			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	49,518,695.96			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	20,680.77			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	237,000.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	-			
							TOTAL	53,600,376.73			
BUDGET;PLANNING & RESEARCH											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	38001001	22020101	70112	2101		2	Travel & Transport	429,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	890,000.00			
02	38001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	38001001	22020701	70112	2101		8	Consultancy Services	-			
02	38001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	38001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	38001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	-			
							TOTAL	1,319,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	40,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	-			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	-			
02	34001001	22020402	70451	2101		6	Maintenance of officefurniture & equipment	-			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	986,500.00			
02	34001001	22020701	70451	2101		8	Consultancy Services	-			
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	-			
02	34001001	22020501	70451	2101		10	Short term Training and Consultancy	-			
02	34001001	22021001	70451	2101		11	Entertament & Hospitality	-			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	-			
							TOTAL	1,026,500.00			
AGRICULTURE AND NATURAL RESURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	135,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	270,000.00			
02	15001001	22020402	70421	2101		6	Maintenance of officefurniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	-			
02	15001001	22020701	70421	2101		8	Consultancy Services	-			
02	15001001	22040109	70421	2101		9	Grants, Contributions & Subventions	-			
02	15001001	22020501	70421	2101		10	Training and staff Development	-			
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	-			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	1,540,000.00			
							TOTAL	1,945,000.00			
							TOTAL ECONOMIC SECTOR	57,890,876.73			

SOCIAL SECTOR											
ADULT EDUCATION											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	17001001	22020101	70922	2101		2	Travel & Transport	130,000.00			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	110,000.00			
05	17001001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	210,000.00			
05	17001001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	17001001	22020701	70922	2101		8	Consultancy Services	-			
05	17001001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	17001001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	450,000.00			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport	-			
05	51003001	22020201	70922	2101		3	Utility Services	-			
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	51003001	22020301	70922	2101		5	Stationary	-			
05	51003001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	51003001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51003001	22020701	70922	2101		8	Consultancy Services	-			
05	51003001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	51003001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	51003001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	-			

PRIMARY HEALTH CARE											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	21001001	22020101	70731	2101		2	Travel & Transport	295,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	115,000.00			
05	21001001	22020402	70731	2101		6	Maintenance of officefurniture & equipment	-			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	-			
05	21001001	22020701	70731	2101		8	Consultancy Services	-			
05	21001001	22020501	70731	2101		10	Training and staff Development	-			
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	-			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	-			
							TOTAL	410,000.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	-			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	-			
05	51002002	22020402	70180	2101		6	Maintenance of officefurniture & equipment	-			
05	51002002	22020401	70180	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51002002	22020701	70180	2101		8	Consultancy Services	-			
05	51002002	22040109	70180	2101		9	Grants, Contribution & Subvention	-			
05	51002002	22020501	70180	2101		10	Training and staff Development	-			
05	51002002	22021001	70180	2101		11	Entertainment & Hospitality	-			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	-			
							TOTAL	-			
							TOTAL SOCIAL SECTOR	860,000.00			
							TOTAL FOR ALL SECTORS	136,514,338.51			

Note 5: Consolidated Revenue Charges

A-- PENSION AND GRATUITIES STATUTORY BOARD MINNA										
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	DETAILS	ACTUAL EXPENDITURE	APPROVED	REVISED BUDGET	VARIANCE ON REVISED BUDGET
01	25001001	22010102	70131	02101		Pension Statutory	34,003,528.71			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	49,510,680.76			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	-			
01	25001002	22020902	70132	02102		Insurance Premium	-			
01	25001001	22010106	70131	02101		Acturial Valuation	-			
01	25001001	22010107	70131	02101		Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-			
						Deceased 3rd Annual Emolument (CPS)	-			
						TOTAL	83,514,209.47			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	83,514,209.47			

Note 6: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,600,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	8,300,000.00
TOTAL	25,100,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	504,740,299.94
TOTAL CONTRIBUTIONS	533,540,299.94

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR													
SECTOR	ADMIN	ECONOMIC	FUNCTION	PROGRAMME		FUND	GEO CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2018	2018 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616		03005				-			
1	11033001									-			
1	11033001									-			
									TOTAL FOR ADMIN SECTOR	-			
													-
													-
ECONOMIC SECTOR													
2	20001001					03005				-			
2										-			-
2									ECONOMIC SECTOR TOTAL	-	-	-	-
													-
SOCIAL SECTOR													
5			70422	7E+10		03005			RENOVATION OF PRIMARY SCHOOLS	18,320,000.00			
										-			
										-			
										-			
									SOCIAL SECTOR TOTAL	18,320,000.00	-	-	-
									TOTAL FOR ALL SECTORS	18,320,000.00			

Note 9: Closing Cash Book/Bank Balances as at 31st December, 2019

ACCOUNT TYPE		AMOUNT
SALARY(FIRST BANK)		3,115.17
OVER HEAD(FIRST BANK)		8,352,671.41
PROJECT		1,699.00
10KM.PROJECT		7.57
OVER HEAD(UNITY BANK)		2,000.00
SALARY(UNITY BANK)		1106.61
WARD DEVELOPMENT		395.54
TOTAL		8,360,995.30
OVERDRAWN ACCOUNTS		
MICROFINANCE SURE-P		(1,047,284.21)
MICROFINANCE		(250,074.68)
TOTAL		(1,297,358.89)

Note 10: Investment

INVESTMENTS				
Investments in Companies				
	STOCK	HOLDING	PRICE	MARKET VALUE(N)
	TOTAL INVESTMENT			-

Note 11: Development Loan Stock

LIST THE LOANS	BALANCE AS AT 01/01/2019	ADDITIONAL LOAN	PRINCIPAL REPAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	BALANCE ON PRINCIPAL
BANK LOAN	1,297,358.89	-	-	-	-	1,297,358.89
TOTAL						1,297,358.89

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS	AMOUNT
5% CONTRACT TAX	731,000.00
5% WITHHOLDING TAX	591,000.00
DEVELOPMENT LEVY	3,236.68
CT & CS CO-OPERATIVE	81,746.84
EMIRATE FUND	4,500.00
DISTRICT HEAD CONTRIBUTION	160,000.00
LAND LOAN (NULGE)	398,500.00
TOTAL	1,969,983.52

**MANAGEMENT REPORT ON AUDITED
ANNUAL FINANCIAL STATEMENT FOR THE
YEAR ENDED 31ST DECEMBER, 2018**

1. SCOPE OF THE AUDIT

The Accounts and Records maintained by Katcha Local Government Council and Financial Statement produced for audit in respect of the year ended 31st December, 2019 have been examined and all the information that were provided and gathered in respect of monies received and expended have been certified. All the books of account from the book of original entry, General ledger to subsidiary ledger were checked and certified by our team.

2.0 GENERAL STATE OF ACCOUNTS AND RECORD KEEPING

The pattern and manner of keeping and rendering accounting books and records as observed in the Local Governments Councils were inadequate as highlighted in this report and are stated below:

- Most of the payment vouchers raised were not having documentary evidences to justify the payments made.
- Most of the purchases made lacked essential documentary evidence such as Receipt Vouchers, and Store Issue Vouchers which shows that they were not supplied or supplied but not taken charge.
- In some cases, approvals in respect of expenditure incurred were not presented for audit.
- Deductions made for WHT and VAT were in some cases not remitted to the appropriate tax authorities within time.
- Some payment vouchers were not checked and passed by the Internal Audit Unit.
- Absence of signatures of relevant parties to Payment Vouchers.

- Lack of adequate budgetary discipline.
- Non-maintenance of Fixed/Moveable Asset register.

2.1 GENERAL RECOMMENDATION

- All Directors should ensure that they maintain their Departmental Vote Expenditure Account Books and reconcile same monthly.
- All supplies made to Departments should be received from the suppliers in the presence of the Internal Auditor, for certification of the prime, completeness, and validity of the goods supplied.
- All payment vouchers must contain authenticated documents duly signed by the respective officials and the supplier.
- No payment vouchers should be entertained by the Internal Auditor if it is not accompanied with Departmental Vote Expenditure Account Book (D.V.E.A) and Departmental Payment Voucher Register (D.P.V.R) in order to avoid over expenditure and omission of some payment vouchers and posted into D.V.E.A. Book.
- No voucher should be paid by the Cashier without being certified by the Internal Auditor and duly checked and passed by the Treasurer.
- Copies of contract awards documents must be sent to the office of the Internal Auditor for his awareness and record purposes.

- Payment for contract awards, being it part payment, must be accompanied with photocopies of the council’s approval and award of contract forms. Final payment must be accompanied with the original copies of the contract agreement form and relevant supporting documents for payment.
- Appointment of employees, resignation of appointment, termination of appointment, retirement from service, suspension from work, dismissal from service and deaths should be notified to the Internal Auditor immediately.
- All expenditure account books must be promptly reconciled with the treasury books to maintain efficiency and accountability.
- Rubber Stamp marked “ENTERED INTO VOTE BOOK” should be impressed on any payment sent to the Treasury to ensure that the voucher has been entered into Vote Book.
- Tell Book should equally be maintained by the Cashier for the purpose of Daily Cash Balance or the day’s taking to ascertain the liquid cash available at the close of each day’s business transactions after balancing up the Revenue and Expenditure cash Book for the day.
- The Revenue Staff (Collectors) should ensure that all revenue earning books are returned to the officer in charge after they have completely been used off.
- Store Officers should ensure that they keep all records up-to-date should the Internal Auditor will be going round to check and examine the accounts.
- A Job Cost Book should be kept in the Works Department on form **LGT 97 (F.M. 33.6)**.

3. REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Katcha Local Government Council for the year ended 31st December 2018 is shown in the table 1 below.

Table 1: Breakdown of revenues and Expenditures

TOTAL REVENUE		AMOUNT ₦	%
	Internally Generated Revenue	3,785,365.00	0.16
	Statutory Allocation	2,408,500,048.31	99.84
	TOTAL	2,412,285,413.31	100
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	1,608,451,694.25	66.87
	Overhead Cost	136,514,338.51	5.68
	Consolidated Revenue Fund Charges	83,514,209.47	3.47
•	Contributions	533,540,299.94	22.18
•	Other Operating Activities	=	=
•	<u>Other Transfers</u>	251,00,000.00	1.04
•	<u>Capital Expenditures</u>	18,320,000.00	0.76
	TOTAL	2,405,440,542.17	100

3.1 REVENUE

The sum of ₦2,412,285,413.31 accrued to Katcha Local Government Councils as total receipts for the year ended 31st December 2018

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Katcha Local Government Council amounted to ₦3,785,365.00 only for the year ended 31st December 2018 which represents 0.16 % of the total accrued revenue of ₦2,412,285,413.31. This shows that the council solely depend on statutory allocation from the Federation Account for survival. This could result to non-survival of the Council if there is a decline of revenue from the Federation Account.

I advised the Local Government Council to take the following measures to boost their internally generated revenue collection.

- Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- Control over issuance of revenue receipts
- Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.

3.1.2 STATUTORY ALLOCATION

The sum of ₦2,408,500,048.31 was disbursed to Katcha Local Governments Council for the year under review. Statutory allocation comprises VAT, Excess Crude and Statutory Allocation etc. The reporting framework provides that each revenue class is reported separately in the financial statements and the notes thereto.

It was, however, noted that these classes of revenue are only identified at the Ministry for Local Government (Joint Account) while the disbursements to Local Government Councils are only classified as Statutory Allocation.

This makes it difficult to trace and account for each revenue classes at the Local Government Council level and possibly reconciliation of disbursement from the Federation Account and the receipts by the Local Government Council.

I advised the Ministry for Local Governments to share with the Local Government councils the breakdown of revenues from the Federation Accounts to ensure that they are correctly reported by the Councils.

3.2 CASH AND BANK BALANCES

The total cash balances stood at ₦1,630.66 in respect of Katcha Local Government Council at the end of the financial year ended 31st December 2018.

While the total bank balances stood at ₦8,360,995.30 in respect of Katcha Local Government Council as at the end of the financial year ended 31st December 2018

4. INTERNAL CONTROL

During the course of our audit exercise, it was observed that despite reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued. The non-compliance was evidenced by the Payment Vouchers been prepared and paid out without being endorsed by the Internal Audit Units, the non-endorsement of Officer Controlling the Vote, and Checks by the respective accounting Officers.

Also evidenced is lack of Asset Register to ascertain the Assets, their Condition, their Location and values of such assets. And all efforts made by my Office to ensure the maintenance of the Register are not encouraging.

In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that henceforth all Payment Vouchers raised are passed through Internal Audit Unit for certification before such payment are effected and equally ensure the maintenance of Asset Register before my next audit.

4.1 RECOMMENDATION

- It is recommended that the Internal Control System in existence has to be strengthened, proper record keeping and documentation of all financial transactions so as to enhance proper accountability.

5. BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦3,785,365.00 was generated as Internally Generated Revenue which represents 0.16% when compared with the total budgeted Internally Generated Revenue amounting to ₦29,500,000.00 during the year under review. This is a poor performance.

5.1 RECOMMENDATION

- It is recommended that preparation of cash flow statement should be adequately monitored to reduce the unnecessary expenditure on overhead and given priority to project execution.
- More efforts should be made so as to attain the target set on revenue generation internally in the next financial year. This will reduce over dependence of the Council on Statutory Allocation from Federation Accounts which is no longer attainable.

6. PERSONNEL COST

It was observed that the total sum of ₦1,608,451,694.25 and ₦650,749,106.77 was spent as total personnel cost for the year 2018 and 2017 respectively with an increase of ₦957,702,587.48 over the previous year. This is as a result of salary increase made by the state government during the year under review.

7. CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No 5 of Revenue and Expenditure revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦680,500,120.00 and only the sum of ₦18,320,000.00 representing 2.69% was spent leaving the balance of ₦662,180,120.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	102,268,333.00	-	102,268,333.00
02	Economic Sector	245,366,674.00	-	245,366,674.00
05	Social Sector	332,865,113.00	18,320,000.00	314,545,113.00
TOTAL		680,500,120.00	18,320,000.00	662,180,120.00

7.1 RECOMMENDATION

- It is recommended that the previous statistical data should be used in the preparation of a reliable budget that could be attainable.
- Also, Capital projects should be encouraged and priority should be given to its execution as it has direct bearing to the grass roots development.

8. PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No. 3 revealed that the Total Revenue stood at ₦2,649,163,455.93 with a Total Expenditure of ₦2,617,792,406.26 and close with a surplus balance of ₦31,371,049.67 This is a healthy statement of account.

9.0 DEPOSITS

Deposits comprise statutory deductions which relate to contracts awarded (Value Added Tax (VAT) and Withholding Tax (WHT)) and employment which are deducted at source by the Local Government Council and are supposed to be remitted to the relevant tax collecting bodies in accordance with relevant legislation. I observed that a total of ₦3,260,869.08 stood as outstanding consolidated deposit balances as at the end of the period under review. Table below shows the list of the outstanding deposits as at 31st December 2018.

Outstanding deductions as at 31 December 2018

DETAILS		AMOUNT ₦
5% Contract VAT		731,000.00
5% Withholding Tax		591,000.00
Development Levy		(3,236.68)
CT & CS Co-operative		81,746.84
District Head Contribution		160,000.00
Emirate Fund		4,500.00
Land Loan (NULGE)		398,500.00
Microfinance		250,074.68
Microfinance SURE-P		1,047,284.21
TOTAL		3,260,869.08

From the above table, the Councils recorded outstanding VAT amounting to ₦731,000.00 and WHT of ₦591,000.00 as at 31st December, 2018.

Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that the outstanding balance may be deducted from the Statutory allocations due to the Councils and in addition the councils may be fined and penalized for delayed remittance and hence affect the amount of money meant for developmental activities.

I advised the Local Government Councils to take steps to remit the outstanding deductions to the relevant authorities as a matter of urgency to avoid fines and penalties. I also advised the councils comply with the legislation in regard to future deductions.

10. OUTSTANDING AUDIT INSPECTION

AGX/FO.18/TA/KAT/VOL.1

Dated:8th July 2019

(i)	Refund of kpata katcha false payment	₦3,500,000.00
(ii)	Deduction of withholding tax from capital project	₦350,000.00
(iii)	Payment made without payment vouchers	₦5,372,000.00

10.1 REQUIRED

The council is required to response to the outstanding Inspection Report or else necessary action and sanction will be taken.

11. CONCLUSION

We wish to use this medium to express our appreciation to the Chairman and the entire staff of Local Government for the cooperation given to the staff of this Office to carry out the Audit exercise.

It is our sincere hope that you would not hesitate to contact this Office for further clarification and explanations you might require in connection with the Audited Annual Financial Statement and Management Reports.



LAWAL ADAMU

Director Statutory and Special Operations,

For: Auditor General

**NIGER STATE OF NIGERIA
KONTAGORA LOCAL GOVERNMENT COUNCIL
KONTAGORA**

**AUDITED ACCOUNTS
FOR
THE YEAR ENDED
31ST DECEMBER 2018**

**AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
P. M. B. 53, MINNA
NIGER STATE**

PERSONALITY PROFILE

A. FINANCIAL STATEMENT

Statement of Financial Responsibility

Council Officials

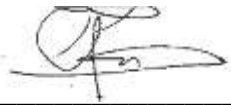
Auditor General's Opinion

B. AUDIT REPORT

- Cash Flow Statements
- Statement of Assets & Liabilities
- Statement of Consolidated Revenue Funds
- State of Capital Development Funds
- Notes to the Accounts.
- Statement of Accounting Policies
- Scope of Audit
- General State of Accounts and Records Keeping
- General Recommendation
- Review of Financial Statement
- Internal Control
- Budgetary Control
- Personnel Cost
- Capital Expenditure
- Performance of Operation Activities
- Deposits
- Outstanding Audit Inspection
- Conclusion

STATEMENT OF FINANCIAL RESPONSIBILITY

These Financial Statements have been prepared by the Treasurer of Kontagora Local Government Council in accordance with the provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements complied with generally accepted accounting practices. The Treasury is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper records, the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of Internal Control has operated adequately throughout the reporting period.



Treasurer

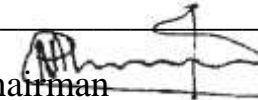
31st December, 2018

We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended. In our opinion, these financial statements fairly reflect the financial position of Kontagora Local Governments as at 31st December, 2018 and its operations for the year ended on the date.



Treasurer

31st December, 2018



Chairman

31st December, 2018

COUNCIL OFFICIALS

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Shehu S. Pawa Executive Chairman

Honourable Saidu Bala Nabara Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:

Yusuf Ibn Abdullahi
Alhaji Yusha’u Garba
Hajiya Dije Barau
Hajiya Khadijat Abdullahi
Alhaji Abdullahi Zakari
Mallam Aliyu Usman
Hajiya Fatima Ibrahim

DEPARTMENTS

Personnel Management
Finance and Supply
Primary Health Care
Agriculture and Natural Resources
Works and Housing
Budget and Planning
Social Development

DESIGNATION

H. O. D
H. O. D
H. O. D
H. O. D
H. O. D
H. O. D
H. O. D

- **BANKERS**

First Bank Plc.
Kontagora Community Bank
Guaranty Trust Bank
Zenith Bank Plc.

ADDRESS

Kontagora Branch
Kontagora Branch
Kontagora Branch
Kontagora Branch

- **AUDITORS**

Auditor General
Office of the Auditor General for Local Governments
P.M.B. 53 Minna,
Niger State.

AUDITOR GENERAL'S OPINION

I have examined the financial statement which have been prepared in accordance with standardized Local Government Treasury Procedures, Financial Memoranda and Circular guidelines. I obtained all information and explanations which I requested for the purpose of my Audit.

In my opinion, the accounts readable in conjunction with notes subject to the issues raised in the management report issued separately with this account gives a true and fair view of affairs of the Council as at 31st December, 2018 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.



Ibrahim Ahmed, B. Sc, MPA, FCNA, FCTI, CPA
Auditor General for Local Governments

1: Cash Flow Statement for the Year Ended 31st December, 2018

ANNUAL BUDGET 2018		NOTES	ACTUAL YEAR 2018	PREVIOUS YEAR 2017
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,868,669,981.00	Statutory Allocations:FAAC	1	1,743,944,495.53	
	Value Added Tax Allocation	1		
1,868,669,981.00	Sub-total - Statutory Allocation		1,743,944,495.53	
3,040,000.00	Direct Taxes	2	40,000.00	
12,040,456.00	Licences & FEES	2	4,908,065.68	
	Mining Rents:	2		
9,450,000.00	RATES	2	4,500,010.30	
	Fees:	2		
	Fines	2		
	Sales	2		
6,371,556.00	Earnings :	2	13,957,011.00	
1,000,000.00	Sales/Rent of Government Buildings:	2	3,473,600.00	
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
50,000.00	Interest Earned	2		-
	Re-imbusement	2		-
745,444.00	MISELLANEOUS	2	988,410.39	-
32,697,456.00	Sub-total - Independent Revenue			
	Other Revenue Sources of the -Government	3		
1,901,367,437.00	TOTAL INDEPENDANT REVENUE		27,867,097.37	
	Commercial Bank Loan		-	
1,901,367,437.00	TOTAL RECEIPTS		1,771,811,592.90	
	Payments:			
554,439,396.00	Personnel Costs	3	809,124,289.52	
245,287,193.00	Overhead Charges:	4	210,482,197.88	-
	Consolidated Revenue Fund Charges .	5	71,471,763.04	-
	contributions	7	542,053,133.02	-
	Other Operating Activities		-	
	Financial Charges		-	
	Other Transfers	6	96,155,000.00	
799,726,589.00	Total Payments		1,729,286,383.46	
1,101,640,848.00	Net Cash Flow from Operating Activities		42,525,209.44	1,729,286,383.46
				45,604,257.05

				1,774,890,640.51
	CashFlows from Investment Activities:			
	Capital Expenditure:Administrative Sector:	8	30,897,526.95	
	Capital Expenditure: Economic Sector:	8	5,575,358.00	
	capital expenditure: Social Service Sector:	8	9,131,372.10	
676,087,096.00	Capital Expenditure: Funded from Aid and Grants:		-	
	Total Cash Flow from Investment Activities:		45,604,257.05	
	Net Cash Flow from Investment Activities:		(3,079,047.61)	
	CashFlows from Financing Activities:			
	Proceeds from Aid and Grants		-	
	Proceeds from ExternaL Loan :		-	
	Proceeds from Internal Loans: Bonds :		-	
	Proceeds from Development loan stock		-	
	Proceeds of Loans from Other Funds		-	
	Repayment of External Loans (Including Servicing)		-	
	Repayment of Treasury Bonds :		-	
	Repayment of Loans from Development loan stock		-	
	Repayment of Loans from Other Funds	11	-	
	Total Cash Flow from Financing Activities:		-	
	Net Cash Flow from Financing Activities:		(3,079,047.61)	
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	
	Net (Increase)/Decrease in Other Cash Equivalents:		-	
	Total Cashflow from other Cash equivalent Accounts		-	
	Net Cash for the year		(3,079,047.61)	
	Cash & Its Equivalent as at 1st January, 2018		14,015,212.47	
	Cash & Its Equivalent as at 31st December, 2018	9	10,936,164.86	

2: Statement of Assets and Liabilities as at 31st December, 2018

	NOTES	CURRENT YEAR 2018	PREVIOUS YEAR 2017
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:			
CASH AT BANK	9	10,935,873.55	
CASH AT HAND		291.31	
TOTAL LIQUID ASSETS		10,936,164.86	
NON CURRENT ASSETS:			
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	
TOTAL ASSETS		10,936,164.86	
LIABILITIES OVER ASSETS		8,406,727.90	
TOTAL		19,342,892.76	
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	10,936,164.86	
Capital Development Fund:		-	
TOTAL PUBLIC FUNDS		10,936,164.86	
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	-	
		-	
TOTAL EXTERNAL AND INTERNAL LOANS		-	
OTHER LIABILITIES			
UNREMITTED DEDUCTIONS		4,203,363.95	
5% Value Added Tax	12	784.12	
5% Withholding Tax	12	4,202,579.83	
TOTAL LIABILITIES		8,406,727.90	
TOTAL LIABILITIES AND PUBLIC FOUNDS		19,342,892.76	

3: Statement of Consolidated Revenue for the year ended 31st December, 2018

ACTUAL PREVIOUS YEAR 2017		NOTES	ACTUAL YEAR 2018	FINAL BUDGET 2018	INITIAL/ORIGINAL BUDGET 2018
₦			₦	₦	₦
	Opening Balance:		14,015,212.47		
	ADD: REVENUE				
	Statutory Allocations:FAAC	1	1,743,944,495.53	1,868,669,981.00	
	Value Added Tax Allocation	1	-		
	Sub-Total - Statutory Allocation		1,743,944,495.53	1,868,669,981.00	
	Direct Taxes	2	40,000.00	3,040,000.00	
	Licences	2	4,908,065.68	12,040,456.00	
	RATES	2	4,500,010.30	9,450,000.00	
	Fees:	2	-		
	Fines	2	-		
	Sales	2	-		
	Earnings :	2	13,957,011.00	6,371,556.00	
	Sales/Rent of Government Buildings:	2	3,473,600.00	1,000,000.00	
	Sale/Rent on Lands and Others:	2	-		
	MISCELLANEOUS	2	988,410.39	745,444.00	
	Investment Income	2	-		
	Interest Earned	2	-	50,000.00	
	Re-Imbursements	2	-		
	Sub-Total - Independent Revenue		27,867,097.37	32,697,456.00	
	Other Revenue Sources of the ---Government		-		
	TOTAL REVENUE:		1,785,826,805.37	1,901,367,437.00	
	LESS:EXPENDITURE				
	Personnel Costs:	3	809,124,289.52	554,439,396.00	
	Overhead Charges:	4	210,482,197.88	245,287,193.00	
	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	71,471,763.04		
	contributions	7	542,053,133.02		
	Other Operating Activities		-		
	Financial Charges.		-		
	Other Transfers	6	96,155,000.00		
	TOTAL EXPENDITURE:		1,729,286,383.46	799,726,589.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
	Repayments:External Loans:States			-	
	Repayments:States Bonds.			-	
	Repayments:Development Loan Stock			-	
	Repayments:Internal Loans from Other Funds	11		-	
	TOTAL EXPENDITURE:			-	
	OPERATING BALANCE:			56,540,421.91	
	APPROPRIATIONS/TRANSFERS:				
	Transfer to Capital Development Fund:			45,604,257.05	676,087,096.00
	Closing Balance:			10,936,164.86	

4: Statement of Capital Development Fund for the year ended 31st December, 2018

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2017			EXPENDITURE 2018	BUDGET 2018	BUDGET 2018	BUDGET 2018
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
	Transfer from Consolidated Revenue Fund:		45,604,257.05	676,087,096.00		
	Aid and Grants		-			
	TOTAL REVENUE AVAILABLE:		45,604,257.05	676,087,096.00		
	LESS: CAPITAL EXPENDITURE					
	Capital Expenditure:Administrative Sector:	10	30,897,526.95			
	Capital Expenditure: Economic Sector:	10	5,575,358.00			
	Capital Expenditure: Social Service Sector:	10	9,131,372.10			
	Capital Expenditure: Funded from Aid and Grants:		-			
	TOTAL CAPITAL EXPENDITURE:		45,604,257.05	676,087,096.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2018

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₦	₦
Net Share of Statutory Allocation from FAAC	A	631,969,668.94	
Add :Deduction at source for Loan Repayment	B	1,111,974,826.59	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			1,743,944,495.53
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₦	₦	₦
TAXES	40,000.00		
RATES	4,500,010.30		
LINCENCES & FEES	4,908,065.68		
EARNING FROM COMMERCIAL UNDERTAKING	13,957,011.00		
RENT ON LOCAL GOVERNMENT PROPERTY	3,473,600.00		
INTEREST AND DIVIDEND	-		
MISELLANEOUS	988,410.39		
TOTAL I G R	27,827,097.37		

Note 3: Personnel Cost

ADMINISTRATIVE SECTOR										
SECTOR	Admin	Economic	Function	Fund	GEO CODE		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
OFFICE OF THE CHAIRMAN										
01	11001001	21010101	70111	2101		TOTAL PERSONNEL COST	9,644,788.85			
							-			
THE COUNCIL							-			
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	30,212,077.27			
							-			
OFFICE OF THE SECRETARY							-			
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	2,420,538.79			
							-			
							-			
PERSONEL MANAGEMENT							-			
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	37,470,046.94			
							-			
TOTAL ADMIN SECTOR							79,747,451.85			
							-			
ECONOMIC SECTOR										
Sector	Admin	Economic	Function	Fund			ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2018	REVISED BUDGET	VARIANCE ON REVISED BUDGET
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	39,540,592.72			
							-			
BUDGET;PLANNING & RESEARCH							-			
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	8,028,562.29			
							-			
WORKS & HOUSING							-			
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	40,622,337.47			
							-			
AGRICULTURE AND NATURAL RESURCES							-			
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	44,192,154.63			
							-			
TOTAL ECONOMIC SECTOR							132,383,647.11			

SOCIAL SECTOR						ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2018	REVISED BUDGET	VARIANCE ON REVISED BUDGET
Sector	Admin	Economic	Function	Fund					
ADULT EDUCATION									
05	17001001	21010101	70960	2101	TOTAL PERSONNEL COST	65,311,119.86			
						-			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	118,618,825.22			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	10,768,314.95			
SOCIAL DEVELOPMENT									
05		21010101	70131	2101	TOTAL PERSONNELCOST	-			
TOTAL SOCIAL SECTOR						194,698,260.03			
TOTAL FOR ALL SECTORS						406,829,358.99			
ADJUSTMENT :									
PAYEE						13,129,185.61			
PAYEE (POLITICAL OFFICE						4,670,412.00			
UNION DUES						22,853,886.51			
NHF(2,5%)						2,981,422.31			
EMIRATE COUNCIL						40,179,250.08			
PRIMARY EDUCATION						318,480,774.02			
TOTAL PERSONNEL COST FOR ALL SECTORS						809,124,289.52			

Note 4: Overhead Cost

ADMINISTRATIVE SECTOR											
OFFICE OF THE CHAIRMAN											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11001001	22020101	70111	2101		2	Travel & Transport	9,886,000.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	-			
01	11001001	22020402	70111	2101		6	Maintenance of office	-			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	-			
01	11001001	22020701	70111	2101		8	Consultancy Services	-			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	6,569,000.00			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	2,555,000.00			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	3,552,000.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	45,016,500.00			
							PROVISION OF SERVICE MATERIALS	-			
							TOTAL	67,578,500.00			
THE COUNCCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	4,950,000.00			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	-			
01	12003001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles andCapital assets	-			
01	12003001	22020701	70111	2101		8	Consultancy Services	-			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	12003001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	2,340,000.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	19,249,000.00			
							PROVISION FOR SERVICEABLE	-			
							TOTAL	26,539,000.00			

OFFICE OF THE SECRETARY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11013001	22020101	70111	2101		2	Travel & Transport	3,920,000.00			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	-			
01	11013001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	-			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	-			
01	11013001	22020701	70111	2101		8	Consultancy Services	-			
01	11013001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11013001	22020501	70111	2101		10	Short term Training and Consultancy	50,000.00			
01	11013001	22021001	70111	2101		11	Entertainment & Hospitality	4,065,000.00			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	3,415,000.00			
							TOTAL	11,450,000.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	6,138,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	1,091,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of officefurniture & equipment	995,000.00			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	1,260,000.00			
01	25001001	22020701	70131	2101		8	Consultancy Services	-			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	981,000.00			
01	25001001	22020501	70131	2101		10	Training and staff Development	3,710,000.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	2,822,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	2,085,000.00			
							TOTAL	19,082,000.00			
							TOTAL ADMIN	124,649,500.00			

ECONOMIC SECTOR											
FINANCE AND SUPPLY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	20001001	22020101	70112	2101		2	Travel & Transport	4,723,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	3,433,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	200,000.00			
02	20001001	22020701	70112	2101		8	Consultancy Services	210,000.00			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	58,089,697.88			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	260,000.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	2,980,000.00			
							TOTAL	69,895,697.88			
BUDGET;PLANNING & RESEARCH											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	38001001	22020101	70112	2101		2	Travel & Transport	1,329,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	605,000.00			
02	38001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	38001001	22020701	70112	2101		8	Consultancy Services	-			
02	38001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	38001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	38001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	678,000.00			
							TOTAL	2,612,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	690,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	-			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	-			
02	34001001	22020402	70451	2101		6	Maintenance of officefurniture & equipment	100,000.00			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	543,000.00			
02	34001001	22020701	70451	2101		8	Consultancy Services	-			
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	-			
02	34001001	22020501	70451	2101		10	Short term Training and Consultancy	-			
02	34001001	22021001	70451	2101		11	Entertament & Hospitality	-			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	870,000.00			
							PROVISION OF SERVICE MATERIALS	340,000.00			
							TOTAL	2,543,000.00			
AGRICULTURE AND NATURAL RESURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	655,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	-			
02	15001001	22020402	70421	2101		6	Maintenance of officefurniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	-			
02	15001001	22020701	70421	2101		8	Consultancy Services	-			
02	15001001	22040109	70421	2101		9	Grants, Contributions & Subventions	-			
02	15001001	22020501	70421	2101		10	Training and staff Development	-			
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	-			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	1,940,000.00			
							PROVISION OF SERVICEABLE	3,277,000.00			
							TOTAL	5,872,000.00			
							TOTAL ECONOMIC SECTOR MINISTRY	80,922,697.88			

SOCIAL SECTOR											
ADULT EDUCATION											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	17001001	22020101	70922	2101		2	Travel & Transport	1,650,000.00			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	-			
05	17001001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	17001001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	17001001	22020701	70922	2101		8	Consultancy Services	-			
05	17001001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	17001001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	490,000.00			
							TOTAL	2,140,000.00			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport	-			
05	51003001	22020201	70922	2101		3	Utility Services	-			
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	51003001	22020301	70922	2101		5	Stationary	-			
05	51003001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	51003001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51003001	22020701	70922	2101		8	Consultancy Services	-			
05	51003001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	51003001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	51003001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	-			

PRIMARY HEALTH CARE											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	21001001	22020101	70731	2101		2	Travel & Transport	1,000,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	-			
05	21001001	22020402	70731	2101		6	Maintenance of officefurniture & equipment	-			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	-			
05	21001001	22020701	70731	2101		8	Consultancy Services	-			
05	21001001	22020501	70731	2101		10	Training and staff Development	-			
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	-			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	1,150,000.00			
							PROVISION OF SERVICEABLE	100,000.00			
							NPI	-			
							ASSISTED PROGRAM (SUMMAP)	-			
							TOTAL	2,250,000.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	520,000.00			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	-			
05	51002002	22020402	70180	2101		6	Maintenance of officefurniture & equipment	-			
05	51002002	22020401	70180	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51002002	22020701	70180	2101		8	Consultancy Services	-			
05	51002002	22040109	70180	2101		9	Grants, Contribution & Subvention	-			
05	51002002	22020501	70180	2101		10	Training and staff Development	-			
05	51002002	22021001	70180	2101		11	Entertainment & Hospitality	-			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	-			
							TOTAL	520,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	4,910,000.00			
							TOTAL FOR ALL SECTORS	210,482,197.88			

Note 5: Consolidated Revenue Charges

A-- PENSION AND GRATUITIES STATUTORY BOARD MINNA										
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	DETAILS	ACTUAL EXPENDITURE	APPROVED	REVISED BUDGET	VARIANCE ON REVISED BUDGET
01	25001001	22010102	70131	02101		Pension Statutory	99,285,592.80			
Sector	Admin.	Econ.	Function	Fund		DETAILS	ACTUAL EXPENDITURE	APPROVED	REVISED BUDGET	VARIANCE ON REVISED BUDGET
01	25001001	22010102	70131	02101		Pension Statutory	43,481,921.19			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	27,989,841.85			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	-			
01	25001002	22020902	70132	02102		Insurance Premium	-			
01	25001001	22010106	70131	02101		Acturial Valuation	-			
01	25001001	22010107	70131	02101		Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-			
						Deceased 3rd Annual Emolument (CPS)	-			
						TOTAL	71,471,763.04			
B--STATUTORY OFFICERS SALARY						STATUTORY OFFICERS SALARY	-			
						TOTAL CRF	71,471,763.04			

Note 6: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,600,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	8,300,000.00
NISEPA	71,055,000.00
TOTAL	96,155,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	513,253,133.02
TOTAL CONTRIBUTIONS	542,053,133.02

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECONOMIC	FUNCTION	PROGRAMME	FUND	GEO CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2018	2018 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616	03005			ADMINISTRATION	30,897,526.95			
1	11033001								-			
1	11033001								-			
								TOTAL FOR ADMIN SECTOR	30,897,526.95			
												-
ECONOMIC SECTOR												-
2	20001001				03005			AGRIC AND NATURAL RESOURCES	2,181,600.00			
2								TRANSPORT	2,143,758.00			(2,143,758.00)
								WATER RESOURCES	1,250,000.00			
2								ECONOMIC SECTOR TOTAL	5,575,358.00	-	-	(2,143,758.00)
												-
SOCIAL SECTOR												-
5			70422	70900002606	03005			RURAL ELECTRIFICATION	250,000.00			
								EDUCATION	4,641,000.00			
								DISPENSARY	2,299,372.10			
								ENVIRONMENTAL SEWAGE	1,191,000.00			
								TOWN PLANNING	750,000.00			
									-			
								SOCIAL SECTOR TOTAL	9,131,372.10	-	-	-
								TOTAL FOR ALL SECTORS	45,604,257.05			

Note 9: Closing Cash Book/Bank Balances as at 31st December, 2019

ACCOUNT TYPE		AMOUNT
SALARY ACCOUNT (FIRST BANK)		10,285,594.44
REVENUE ACCOUNT (ZENITH)		624,236.67
PROJECT ACCOUNT		6,042.44
ADD UNCREDITED LODGEMENT		20,000.00
TOTAL		10,935,873.55

Note 10: Investment

INVESTMENTS				
Investments in Companies				
	STOCK	HOLDING	PRICE	MARKET VALUE(N)
	TOTAL INVESTMENT			-

Note 11: Development Loan Stock

List the Loans	Balance as at 01/01/2019	ADDITIONAL LOAN	PRINCIPAL REPAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	BALANCE ON PRINCIPAL
BANK LOAN						
TOTAL						

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS		AMOUNT
UNREMITTED DEDUCTIONS		4,203,363.95
5% VALUE ADDED TAX		784.12
5% WITHHOLDING TAX		4,202,579.83
TOTAL		8,406,727.90

**MANAGEMENT REPORT ON AUDITED
ANNUAL FINANCIAL STATEMENT FOR THE
YEAR ENDED 31ST DECEMBER, 2018**

1. SCOPE OF THE AUDIT

The Accounts and Records maintained by Kontagora Local Government Council and Financial Statement produced for audit in respect of the year ended 31st December, 2018 have been examined and all the information that were provided and gathered in respect of monies received and expended have been certified. All the books of account from the book of original entry, General ledger to subsidiary ledger were checked and certified by our team.

2.0 GENERAL STATE OF ACCOUNTS AND RECORD KEEPING

The pattern and manner of keeping and rendering accounting books and records as observed in the Local Governments Councils were inadequate as highlighted in this report and are stated below:

- Most of the payment vouchers raised were not having documentary evidences to justify the payments made.
- Most of the purchases made lacked essential documentary evidence such as Receipt Vouchers, and Store Issue Vouchers which shows that they were not supplied or supplied but not taken charge.
- In some cases, approvals in respect of expenditure incurred were not presented for audit.
- Deductions made for WHT and VAT were in some cases not remitted to the appropriate tax authorities within time.
- Some payment vouchers were not checked and passed by the Internal Audit Unit.
- Absence of signatures of relevant parties to Payment Vouchers.

- Lack of adequate budgetary discipline.
- Non-maintenance of Fixed/Moveable Asset register.

2.1 GENERAL RECOMMENDATION

- All Directors should ensure that they maintain their Departmental Vote Expenditure Account Books and reconcile same monthly.
- All supplies made to Departments should be received from the suppliers in the presence of the Internal Auditor, for certification of the prime, completeness, and validity of the goods supplied.
- All payment vouchers must contain authenticated documents duly signed by the respective officials and the supplier.
- No payment vouchers should be entertained by the Internal Auditor if it is not accompanied with Departmental Vote Expenditure Account Book (D.V.E.A) and Departmental Payment Voucher Register (D.P.V.R) in order to avoid over expenditure and omission of some payment vouchers and posted into D.V.E.A. Book.
- No voucher should be paid by the Cashier without being certified by the Internal Auditor and duly checked and passed by the Treasurer.
- Copies of contract awards documents must be sent to the office of the Internal Auditor for his awareness and record purposes.
- Payment for contract awards, being it part payment, must be accompanied with photocopies of the council's approval and award of contract forms. Final payment must be accompanied with the original copies of the contract agreement form and relevant supporting documents for payment.

- Appointment of employees, resignation of appointment, termination of appointment, retirement from service, suspension from work, dismissal from service and deaths should be notified to the Internal Auditor immediately.
- All expenditure account books must be promptly reconciled with the treasury books to maintain efficiency and accountability.
- Rubber Stamp marked “ENTERED INTO VOTE BOOK” should be impressed on any payment sent to the Treasury to ensure that the voucher has been entered into Vote Book.
- Tell Book should equally be maintained by the Cashier for the purpose of Daily Cash Balance or the day’s taking to ascertain the liquid cash available at the close of each day’s business transactions after balancing up the Revenue and Expenditure cash Book for the day.
- The Revenue Staff (Collectors) should ensure that all revenue earning books are returned to the officer in charge after they have completely been used off.
- Store Officers should ensure that they keep all records up-to-date should the Internal Auditor will be going round to check and examine the accounts.
- A Job Cost Book should be kept in the Works Department on form **LGT 97 (F.M. 33.6)**.

3. REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Kontagora Local Government Council for the year ended 31st December 2018 is shown in the table 1 below.

Table 1: Breakdown of revenues and Expenditures.

TOTAL REVENUE		AMOUNT ₦	%
	Internally Generated Revenue	27,867,097.37	1.57
	Statutory Allocation	1,743,944,495.53	98.43
TOTAL		1,771,811,592.90	100
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	809,124,289.52	45.59
	Overhead Cost	210,482,197.88	11.86
	Consolidated Revenue Fund Charges	71,471,763.04	4.03
•	Contributions	542,053,133.02	30.54
•	Other Operating Activities		-
•	Other Transfers	96,155,000.00	5.42
•	Capital Expenditures	45,604,257.05	2.56
TOTAL		1,774,890,640.51	100

3.1 REVENUE

The sum of ₦1,771,811,592.90 accrued to Kontagora Local Government Councils as total receipts for the year ended 31st December 2018

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Kontagora Local Government Council amounted to ₦27,867,097.37 only for the year ended 31st December 2018 which represents 1.57% of the total accrued revenue of ₦1,771,811,592.90. This shows

that the council solely depend on statutory allocation from the Federation Account for survival. This could result to non-survival of the Council if there is a decline of revenue from the Federation Account.

I advised the Local Government Council to take the following measures to boost their internally generated revenue collection.

- Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- Control over issuance of revenue receipts
- Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.

3.1.2 STATUTORY ALLOCATION

The sum of ₦1,743,944,495.53 was disbursed to Kontagora Local Governments Council for the year under review. Statutory allocation comprises VAT, Excess Crude and Statutory Allocation etc. The reporting framework provides that each revenue class is reported separately in the financial statements and the notes thereto.

It was, however, noted that these classes of revenue are only identified at the Ministry for Local Government (Joint Account) while the disbursements to Local Government Councils are only classified as Statutory Allocation.

This makes it difficult to trace and account for each revenue classes at the Local Government Council level and possibly reconciliation of disbursement from the Federation Account and the receipts by the Local Government Council.

I advised the Ministry for Local Governments to share with the Local Government councils the breakdown of revenues from the Federation Accounts to ensure that they are correctly reported by the Councils.

3.2 CASH AND BANK BALANCES

The total cash balances stood at ₦291.31 in respect of Kontagora Local Government Council at the end of the financial year ended 31st December 2018. While the total bank balances stood at ₦10,935,873.55 in respect of Kontagora Local Government Council as at the end of the financial year ended 31st December 2018.

4. INTERNAL CONTROL

During the course of our audit exercise, it was observed that despite reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued. The non-compliance was evidenced by the Payment Vouchers been prepared and paid out without being endorsed by the Internal Audit Units, the non-endorsement of Officer Controlling the Vote, and Checks by the respective accounting Officers.

Also evidenced is lack of Asset Register to ascertain the Assets, their Condition, their Location and values of such assets. And all efforts made by my Office to ensure the maintenance of the Register are not encouraging.

In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that henceforth all Payment Vouchers raised are passed through Internal Audit Unit for certification before such payment are effected and equally ensure the maintenance of Asset Register before my next audit.

4.1 RECOMMENDATION

- It is recommended that the Internal Control System in existence has to be strengthened, proper record keeping and documentation of all financial transactions so as to enhance proper accountability.

5. BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦27,867,097.37 was generated as Internally Generated Revenue which represents 85.23% when compared with the total budgeted Internally Generated Revenue amounting to ₦32,697,456.00 during the year under review. This is a poor performance.

5.1 RECOMMENDATION

- It is recommended that preparation of cash flow statement should be adequately monitored to reduce the unnecessary expenditure on overhead and given priority to project execution.
- More efforts should be made so as to attain the target set on revenue generation internally in the next financial year. This will reduce over dependence of the Council on Statutory Allocation from Federation Accounts which is no longer attainable.

6. PERSONNEL COST

It was observed that the total sum of ₦809,124,289.52 and ₦385,098,533.10 was spent as total personnel cost for the year 2018 and 2017 respectively with an increase of ₦424,025,756.42 over the previous year. This is as a result of salary increased made by the state government during the year under review.

7. CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No 5 of Revenue and Expenditure revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦676,087,096.00 and only the sum of ₦45,604,257.05 representing 6.76% was spent leaving the balance of ₦630,482,838.95 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	310,468,176.00	30,897,526.95	279,570,649.05
02	Economic Sector	106,000,000.00	4,575,358.00	101,424,642.00
05	Social Sector	259,618,920.00	10,131,372.10	249,487,547.90
TOTAL		676,087,096.00	45,604,257.05	630,482,838.95

7.1 RECOMMENDATION

- It is recommended that the previous statistical data should be used in the preparation of a reliable budget that could be attainable.

- Also, Capital projects should be encouraged and priority should be given to its execution as it has direct bearing to the grass roots development.

8. PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No. 3 revealed that the Total Revenue stood at ₦1,771,811,592.90 with a Total Expenditure of ₦1,774,890,640.51 and close with a deficit balance of (₦3,079,047.61) This is an unhealthy statement of account.

9.0 DEPOSITS

Deposits comprise statutory deductions which relate to contracts awarded (Value Added Tax (VAT) and Withholding Tax (WHT)) and employment which are deducted at source by the Local Government Council and are supposed to be remitted to the relevant tax collecting bodies in accordance with relevant legislation. I observed that a total of ₦8,406,727.90 stood as outstanding consolidated deposit balances as at the end of the period under review. Table below shows the list of the outstanding deposits as at 31st December 2018.

Outstanding deductions as at 31 December 2018.

DETAILS	AMOUNT ₦
5% Contract VAT	784.12
5% Withholding Tax	4,202,579.83
UNREMITTED DEDUCTION	4,203,363.95
TOTAL	8,406,727.90

From the above table, the Councils recorded outstanding VAT amounting to ₦784.12 and WHT of ₦4,202,579.83 as at 31st December, 2018.

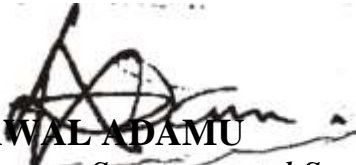
Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that the outstanding balance may be deducted from the Statutory allocations due to the Councils and in addition the councils may be fined and penalized for delayed remittance and hence affect the amount of money meant for developmental activities.

I advised the Local Government Councils to take steps to remit the outstanding deductions to the relevant authorities as a matter of urgency to avoid fines and penalties. I also advised the councils comply with the legislation in regard to future deductions.

10. CONCLUSION

We wish to use this medium to express our appreciation to the Chairman and the entire staff of Local Government for the cooperation given to the staff of this Office to carry out the Audit exercise.

It is our sincere hope that you would not hesitate to contact this Office for further clarification and explanations you might require in connection with the Audited Annual Financial Statement and Management Reports.



LAWAL ADAMU
*Director Statutory and Special Operations,
For: Auditor General*

NIGER STATE OF NIGERIA

**LAPAI LOCAL GOVERNMENT COUNCIL
LAPAI**

**AUDITED ACCOUNTS
FOR
THE YEAR ENDED
31ST DECEMBER 2018**

**AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
P. M. B. 53, MINNA
NIGER STATE**

PERSONALITY PROFILE

A. FINANCIAL STATEMENT

Statement of Financial Responsibility

Council Officials

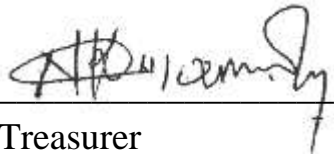
Auditor General's Opinion

B. AUDIT REPORT

- Cash Flow Statements
- Statement of Assets & Liabilities
- Statement of Consolidated Revenue Funds
- State of Capital Development Funds
- Notes to the Accounts.
- Statement of Accounting Policies
- Scope of Audit
- General State of Accounts and Records Keeping
- General Recommendation
- Review of Financial Statement
- Internal Control
- Budgetary Control
- Personnel Cost
- Capital Expenditure
- Performance of Operation Activities
- Deposits
- Outstanding Audit Inspection
- Conclusion

STATEMENT OF FINANCIAL RESPONSIBILITY

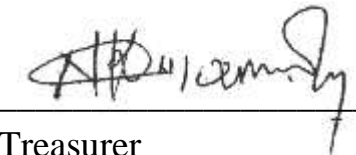
These Financial Statements have been prepared by the Treasurer of Lapai Local Government Council in accordance with the provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements complied with generally accepted accounting practices. The Treasury is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper records, the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of Internal Control has operated adequately throughout the reporting period.



Treasurer

31st December, 2018

We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended. In our opinion, these financial statements fairly reflect the financial position of Lapai Local Governments as at 31st December, 2018 and its operations for the year ended on the date.



Treasurer

31st December, 2018



Chairman

31st December, 2018

COUNCIL OFFICIALS

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Hamidu Mu'azu Jantabu
Honourable Mohammed Mohammed

Executive Chairman
Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:

Mohammed Mohammed
Alhaji Mohammed Kolo Ezhe
Hajiya Rabi Mohammed
Idris M. Abubakar
Musa Mohammed L. T.
Abdullahi S. Pelemi
Aishetu Nma Baba

DEPARTMENTS

Personnel Management
Finance and Supply
Primary Health Care
Agriculture and Natural Resources
Works and Housing
Budget and Planning
Social Development

DESIGNATION

H. O. D
H. O. D
H. O. D
H. O. D
H. O. D
H. O. D
H. O. D

- **BANKERS**

UBA Plc.
Unity Bank Plc.
First Bank Nigeria Plc.
Access Bank Plc.
NACRDB

ADDRESS

Minna Branch
Minna Branch
Lapai Branch
Bida Branch
Bida Branch

- **AUDITORS**

Auditor General
Office of the Auditor General for Local Governments
P.M.B. 53 Minna,
Niger State.

AUDITOR GENERAL'S OPINION

I have examined the financial statement which have been prepared in accordance with standardized Local Government Treasury Procedures, Financial Memoranda and Circular guidelines. I obtained all information and explanations which I requested for the purpose of my Audit.

In my opinion, the accounts readable in conjunction with notes subject to the issues raised in the management report issued separately with this account gives a true and fair view of affairs of the Council as at 31st December, 2018 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.



Ibrahim Ahmed, B. Sc, MPA, FCNA, FCTI, CPA
Auditor General for Local Governments

1: Cash Flow Statement for the Year Ended 31st December, 2018

ANNUAL BUDGET 2018		NOTES	ACTUAL YEAR 2018	PREVIOUS YEAR 2017
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,601,756,836.00	Statutory Allocations:FAAC	1	2,214,504,790.91	
	Value Added Tax Allocation	1		
1,601,756,836.00	Sub-total - Statutory Allocation		2,214,504,790.91	
-	Direct Taxes	2	-	
7,361,360.00	Licences & FEES	2	8,008,554.00	
	Mining Rents:	2		
1,673,160.00	RATES	2	818,275.00	
	Fees:	2		
	Fines	2		
	Sales	2		
8,952,248.00	Earnings :	2	520,550.00	
-	Sales/Rent of Government Buildings:	2	58,750.00	
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
-	Interest Earned	2		
	Re-imbusement	2		
320,000.00	MISELLANEOUS	2	-	
18,306,768.00	Sub-total - Independent Revenue			
	Other Revenue Sources of the -Government	3		
18,306,768.00	TOTAL INDEPENDANT REVENUE		9,406,129.00	
	Commercial Bank Loan		-	
1,620,063,604.00	TOTAL RECEIPTS		2,223,910,919.91	
	Payments:			
682,869,270.00	Personnel Costs	4	1,360,782,344.29	
256,000,000.00	Overhead Charges:	5	132,481,107.05	
	Consolidated Revenue Fund Charges .	6	109,101,916.22	
	contributions	9	550,044,774.34	
	Other Operating Activities	7	-	
	Financial Charges	7b	-	
-	Other Transfers	8	25,100,000.00	
938,869,270.00	Total Payments		2,177,510,141.90	
681,194,334.00	Net Cash Flow from Operating Activities		46,400,778.01	

	CashFlows from Investment Activities:			
	Capital Expenditure:Administrative Sector:	10	20,000,000.00	
	Capital Expenditure: Economic Sector:	10	2,000,000.00	
	capital expenditure: Social Service Sector:	10	25,000,000.00	
	Capital Expenditure: Funded from Aid and Grants:		-	
641,138,308.00	Total Cash Flow from Investment Activities:		47,000,000.00	
40,056,026.00	Net Cash Flow from Investment Activities:		(599,221.99)	
	CashFlows from Financing Activities:			
	Proceeds from Aid and Grants	3B	-	
	Proceeds from ExternaL Loan :	13	-	
	Proceeds from Internal Loans: Bonds :	14	-	
	Proceeds from Development loan stock	15	-	
	Proceeds of Loans from Other Funds	16	-	
	Repayment of External Loans (Including Servicing)	13	-	
	Repayment of Treasury Bonds :	14	-	
	Repayment of Loans from Development loan stock	15	-	
-	Repayment of Loans from Other Funds	16	-	
-	Total Cash Flow from Financing Activities:		-	
40,056,026.00	Net Cash Flow from Financing Activities:		(599,221.99)	
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	
	Net (Increase)/Decrease in Other Cash Equivalents:		-	
	Total Cashflow from other Cash equivalent Accounts		-	
	Net Cash for the year		(599,221.99)	
	Cash & Its Equivalent as at 1st January, 2018		5,763,307.14	
	Cash & Its Equivalent as at 31st December, 2018		5,164,085.15	

2: Statement of Assets and Liabilities as at 31st December, 2018

	NOTES	CURRENT YEAR 2018		PREVIOUS YEAR 2017
CURRENT ASSETS:-		₹		₹
Liquid Assets:-				
Cash Held by AGNS:				
CASH AT BANK	11	5,164,085.15		
TOTAL LIQUID ASSETS		5,164,085.15		
NON CURRENT ASSETS:				
		-		
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-		
TOTAL ASSETS		5,164,085.15		
LIABILITIES OVER ASSETS		78,813,921.16		
TOTAL ASSETS		83,978,006.31		
LIABILITIES:-				
PUBLIC FUNDS				
Consolidated Revenue Fund:		5,164,085.15		
Capital Development Fund:		-		
TOTAL PUBLIC FUNDS		5,164,085.15		
EXTERNAL AND INTERNAL LOANS				
Internal Loans from Other Funds	13	76,616,033.94		
	14	-		
	15	-		
	16	-		
TOTAL EXTERNAL AND INTERNAL LOANS		76,616,033.94		
OTHER LIABILITIES				
OVER DRAWN :	12	0.50		
UNREMITTED DEDUCTIONS	12			
5% WHT TAX	12	955,560.91		
5% VAT	12	1,242,325.81		
TOTAL LIABILITIES		2,197,887.22		
TOTAL LIABILITIES AND PUBLIC FOUNDS		83,978,006.31		

3: Statement of Consolidated Revenue for the year ended 31st December, 2018

ACTUAL PREVIOUS YEAR 2017		NOTES	ACTUAL YEAR 2018	FINAL BUDGET 2018	INITIAL/ORIGINAL BUDGET 2018
₦			₦	₦	₦
	Opening Balance:		5,763,307.14		
	ADD: REVENUE				
	Statutory Allocations: FAAC	1	2,214,504,790.91	1,601,756,836.00	
	Value Added Tax Allocation	1	-		
	Sub-Total - Statutory Allocation		2,214,504,790.91	1,601,756,836.00	
	Direct Taxes	2	-	-	
	Licences	2	8,008,554.00	7,361,360.00	
	RATES	2	818,275.00	1,673,160.00	
	Fees:	2	-		
	Fines	2	-		
	Sales	2	-		
	Earnings :	2	520,550.00	8,952,248.00	
	Sales/Rent of Government Buildings:	2	58,750.00	-	
	Sale/Rent on Lands and Others:	2	-		
	MISCELLANEOUS	2	-	320,000.00	
	Investment Income	2	-		
	Interest Earned	2	-	-	
	Re-Imbursements	2	-		
	Sub-Total - Independent Revenue		9,406,129.00	18,306,768.00	
	Other Revenue Sources of the ---Government	3	-		
	TOTAL REVENUE:		2,229,674,227.05	1,620,063,604.00	
	LESS:EXPENDITURE				
	Personnel Costs:	4	1,360,782,344.29	682,869,270.00	
	Overhead Charges:	5	132,481,107.05	256,000,000.00	
	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	6	109,101,916.22		
	Contributions	9	550,044,774.34		
	Other Operating Activities	7	-		
	Financial Charges.	7b	-		
	Other Transfers	8	25,100,000.00	-	
	TOTAL EXPENDITURE:		2,177,510,141.90	938,869,270.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
	Repayments:External Loans:States	13	-		
	Repayments:States Bonds.	14	-		
	Repayments:Development Loan Stock	15	-		
	Repayments:Internal Loans from Other Funds	16	-		
	TOTAL EXPENDITURE:		-		
	OPERATING BALANCE:		52,164,085.15		
	APPROPRIATIONS/TRANSFERS:				
	Transfer to Capital Development Fund:		47,000,000.00		
	Closing Balance:		5,164,085.15		

4: Statement of Capital Development Fund for the year ended 31st December, 2018

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2017			EXPENDITURE 2018	BUDGET 2018	BUDGET 2018	BUDGET 2018
₦			₦	₦	₦	₦
	Opening Balance:		-			
	ADD: REVENUE					
	Transfer from Consolidated Revenue Fund:		47,000,000.00			
	Aid and Grants		-			
	TOTAL REVENUE AVAILABLE:		47,000,000.00			
	LESS: CAPITAL EXPENDITURE					
	Capital Expenditure: Administrative Sector:	10	20,000,000.00			
	Capital Expenditure: Economic Sector:	10	2,000,000.00			
	Capital Expenditure: Social Service Sector:	10	25,000,000.00			
	Capital Expenditure: Funded from Aid and Grants:		-			
	TOTAL CAPITAL EXPENDITURE:		47,000,000.00	641,138,308.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2018

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₦	₦
Net Share of Statutory Allocation from FAAC	A	786,864,757.09	
Add :Deduction at source for Loan Repayment	B	1,427,640,033.82	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			2,214,504,790.91
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₦	₦	₦
TAXES			
RATES	818,275.00		
LINCENCES & FEES	8,008,554.00		
EARNING FROM COMMERCIAL UNDERTAKING	520,550.00		
RENT ON LOCAL GOVERNMENT PROPERTY	58,750.00		
MISELLANEOUS	-		
TOTAL I G R	9,406,129.00		

Note 3: Personnel Cost

ADMINISTRATIVE SECTOR										
SECTOR	Admin	Economic	Function	Fund	GEO CODE		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
OFFICE OF THE CHAIRMAN										
01	11001001	21010101	70111	2101		TOTAL PERSONNEL COST	4,681,767.00			
THE COUNCCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	25,468,395.60			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	2,546,839.56			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	72,244,381.28			
TOTAL ADMIN SECTOR							104,941,383.44			
ECONOMIC SECTOR										
Sector	Admin	Economic	Function	Fund			ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	56,784,842.73			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	-			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	49,923,696.38			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	61,500,840.39			
TOTAL ECONOMIC SECTOR							168,209,379.50			

SOCIAL SECTOR									
Sector	Admin	Economic	Function	Fund		ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
ADULT EDUCATION									
05	17001001	21010101	70960	2101	TOTAL PERSONNEL COST	124,602,376.13			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	177,064,030.38			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	36,772,011.58			
TOTAL SOCIAL SECTOR						338,438,418.09			
TOTAL FOR ALL SECTORS						611,589,181.03			
ADJUSTMENT :									
PAYEE						20,255,046.66			
PAYEE (POLITICAL OFFICE						3,809,094.00			
UNION DUES						34,211,612.75			
NHF(2,5%)						4,447,790.78			
EMIRATE COUNCIL						94,905,570.96			
PRIMARY EDUCATION						591,564,048.11			
TOTAL PERSONNEL COST FOR ALL SECTORS						1,360,782,344.29			

Note 4: Overhead Cost

ADMINISTRATIVE SECTOR											
OFFICE OF THE CHAIRMAN											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11001001	22020101	70111	2101		2	Travel & Transport	20,811,692.03			
01	11001001	22020201	70111	2101		3	Utility Services	27,000,000.00			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	1,630,000.00			
01	11001001	22020402	70111	2101		6	Maintenance of office	-			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	2,500,000.00			
01	11001001	22020701	70111	2101		8	Consultancy Services	-			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	4,500,000.00			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	-			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	5,000,000.00			
							TOTAL	61,441,692.03			
THE COUNCCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	10,215,462.54			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	100,000.00			
01	12003001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles andCapital assets	-			
01	12003001	22020701	70111	2101		8	Consultancy Services	-			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	12003001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	-			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	12,247,537.46			
							TOTAL	22,563,000.00			

OFFICE OF THE SECRETARY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11013001	22020101	70111	2101		2	Travel & Transport	1,850,000.00			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	30,000.00			
01	11013001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	-			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	-			
01	11013001	22020701	70111	2101		8	Consultancy Services	-			
01	11013001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11013001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11013001	22021001	70111	2101		11	Entertainment & Hospitality	-			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	5,640,000.00			
							TOTAL	7,520,000.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	6,360,422.48			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	780,422.48			
01	25001001	22020402	70131	2101		6	Maintenance of officefurniture & equipment	1,346,000.00			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	-			
01	25001001	22020701	70131	2101		8	Consultancy Services	-			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	-			
01	25001001	22020501	70131	2101		10	Training and staff Development	-			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	-			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	10,733,205.04			
							TOTAL	19,220,050.00			
							TOTAL ADMIN MINISTIES	110,744,742.03			

ECONOMIC SECTOR											
FINANCE AND SUPPLY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	20001001	22020101	70112	2101		2	Travel & Transport	2,361,610.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	2,386,340.00			
02	20001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	20001001	22020701	70112	2101		8	Consultancy Services	-			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	13,116,415.02			
							TOTAL	17,864,365.02			
BUDGET;PLANNING & RESEARCH											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	38001001	22020101	70112	2101		2	Travel & Transport	-			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	-			
02	38001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	38001001	22020701	70112	2101		8	Consultancy Services	-			
02	38001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	38001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	38001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	-			
							TOTAL	-			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	20,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	-			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	15,000.00			
02	34001001	22020402	70451	2101		6	Maintenance of officefurniture & equipment	-			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	-			
02	34001001	22020701	70451	2101		8	Consultancy Services	-			
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	-			
02	34001001	22020501	70451	2101		10	Short term Training and Consultancy	-			
02	34001001	22021001	70451	2101		11	Entertament & Hospitality	-			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	1,197,000.00			
							TOTAL	1,232,000.00			
AGRICULTURE AND NATURAL RESURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	140,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	-			
02	15001001	22020402	70421	2101		6	Maintenance of officefurniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	-			
02	15001001	22020701	70421	2101		8	Consultancy Services	-			
02	15001001	22040109	70421	2101		9	Grants, Contributions & Subventions	-			
02	15001001	22020501	70421	2101		10	Training and staff Development	-			
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	-			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	1,785,000.00			
							TOTAL	1,925,000.00			
							TOTAL ECONOMIC SECTOR MINISTRY	21,021,365.02			

SOCIAL SECTOR											
ADULT EDUCATION											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	17001001	22020101	70922	2101		2	Travel & Transport	200,000.00			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	150,000.00			
05	17001001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	17001001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	17001001	22020701	70922	2101		8	Consultancy Services	-			
05	17001001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	17001001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	350,000.00			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport				
05	51003001	22020201	70922	2101		3	Utility Services				
05	51003001	22020202	70922	2101		4	Telephone & Postal Services				
05	51003001	22020301	70922	2101		5	Stationary				
05	51003001	22020402	70922	2101		6	Maintenance of officefurniture & equipment				
05	51003001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets				
05	51003001	22020701	70922	2101		8	Consultancy Services				
05	51003001	22040109	70922	2101		9	Grants, Contributions & Subventions				
05	51003001	22020501	70922	2101		10	Short term Training and Consultancy				
05	51003001	22021001	70922	2101		11	Entertainment & Hospitality				
05	51003001	22021002	70922	2101		12	Miscellaneous expenses				
							TOTAL	-			

PRIMARY HEALTH CARE											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	21001001	22020101	70731	2101		2	Travel & Transport	100,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	100,000.00			
05	21001001	22020402	70731	2101		6	Maintenance of officefurniture & equipment	-			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	-			
05	21001001	22020701	70731	2101		8	Consultancy Services	-			
05	21001001	22020501	70731	2101		10	Training and staff Development	-			
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	-			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	119,000.00			
							TOTAL	319,000.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	46,000.00			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	-			
05	51002002	22020402	70180	2101		6	Maintenance of officefurniture & equipment	-			
05	51002002	22020401	70180	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51002002	22020701	70180	2101		8	Consultancy Services	-			
05	51002002	22040109	70180	2101		9	Grants, Contribution & Subvention	-			
05	51002002	22020501	70180	2101		10	Training and staff Development	-			
05	51002002	22021001	70180	2101		11	Entertainment & Hospitality	-			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	-			
							TOTAL	46,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	715,000.00			
							TOTAL FOR ALL SECTORS	132,481,107.05			

Note 5: Consolidated Revenue Charges

A-- PENSION AND GRATUITIES STATUTORY BOARD MINNA										
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	DETAILS	ACTUAL EXPENDITURE	APPROVED	REVISED BUDGET	VARIANCE ON REVISED BUDGET
01	25001001	22010102	70131	02101		Pension Statutory	54,734,806.32			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	48,567,109.90			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		DEPT O FIN&SUPL	5,800,000.00			
01	25001002	22020902	70132	02102		Insurance Premium	-			
01	25001001	22010106	70131	02101		Acturial Valuation	-			
01	25001001	22010107	70131	02101		Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-			
						Deceased 3rd Annual Emolument (CPS)	-			
						TOTAL	109,101,916.22			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	109,101,916.22			

Note 6: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,600,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	8,300,000.00
TOTAL	25,100,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	521,244,774.34
TOTAL CONTRIBUTIONS	550,044,774.34

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR													
SECTOR	ADMIN	ECONOMIC	FUNCTION	PROGRAMME		FUND	GEO CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2018	2018 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
01	11033001	23010122	70722	010400009616		03005			TOWN AND COUNTRY PLANNING	7,910,000.00			
ADMINISTRATIVE SECTOR													
1	11033001	23010122	70722	010400009616		03005				20,000,000.00			
1	11033001												
1	11033001												
									TOTAL FOR ADMIN SECTOR	20,000,000.00			
													-
ECONOMIC SECTOR													-
2	20001001					03005				2,000,000.00			
2										-			-
2									ECONOMIC SECTOR TOTAL	2,000,000.00	-	-	-
													-
SOCIAL SECTOR													-
5			70422	7E+10		03005				25,000,000.00			
									SOCIAL SECTOR TOTAL	25,000,000.00	-	-	-
									TOTAL FOR ALL SECTORS	47,000,000.00			

Note 9: Closing Cash Book/Bank Balances as at 31st December, 2019

ACCOUNT TYPE		AMOUNT
UBA BANK		5,012,303.77
FIRST BANK LAPAI		2,760.64
FIRST BANK LAPAI		745.25
FIRST BANK LAPAI		6,814.98
ACCESS BANK		22,085.43
ACCESS BANK		55197.95
MICROFINANE BANK		64,177.13
TOTAL		5,164,085.15
OVERDRAWN ACCOUNTS:		
FIRST BANK LAPAI		0.50
TOTAL		0.50

Note 10: Investment

INVESTMENTS				
Investments in Companies				
	STOCK	HOLDING	PRICE	MARKET VALUE(N)
	TOTAL INVESTMENT			-

Note 11: Development Loan Stock

List the Loans	Balance as at 01/01/2019	ADDITIONAL LOAN	PRINCIPAL REPAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	BALANCE ON PRINCIPAL
BANK LOAN	76,616,033.94	0	0	0	0	76,616,033.94
TOTAL						76,616,033.94

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS	AMOUNT
5% WHT TAX	955,560.91
5% VAT	1,242,325.81
TOTAL LIABILITIES	2,197,887.22
OVER DRAWNS :	
OVER DRAWN :	0.5
TOTAL	0.5

**MANAGEMENT REPORT ON AUDITED
ANNUAL FINANCIAL STATEMENT FOR THE
YEAR ENDED 31ST DECEMBER, 2018**

1. SCOPE OF THE AUDIT

The Accounts and Records maintained by Lapai Local Government Council and Financial Statement produced for audit in respect of the year ended 31st December, 2018 have been examined and all the information that were provided and gathered in respect of monies received and expended have been certified. All the books of account from the book of original entry, General ledger to subsidiary ledger were checked and certified by our team.

2.0 GENERAL STATE OF ACCOUNTS AND RECORD KEEPING

The pattern and manner of keeping and rendering accounting books and records as observed in the Local Governments Councils were inadequate as highlighted in this report and are stated below:

- Most of the payment vouchers raised were not having documentary evidences to justify the payments made.
- Most of the purchases made lacked essential documentary evidence such as Receipt Vouchers, and Store Issue Vouchers which shows that they were not supplied or supplied but not taken charge.
- In some cases, approvals in respect of expenditure incurred were not presented for audit.
- Deductions made for WHT and VAT were in some cases not remitted to the appropriate tax authorities within time.
- Some payment vouchers were not checked and passed by the Internal Audit Unit.
- Absence of signatures of relevant parties to Payment Vouchers.

- Lack of adequate budgetary discipline.
- Non-maintenance of Fixed/Moveable Asset register.

2.1 GENERAL RECOMMENDATION

- All Directors should ensure that they maintain their Departmental Vote Expenditure Account Books and reconcile same monthly.
- All supplies made to Departments should be received from the suppliers in the presence of the Internal Auditor, for certification of the prime, completeness, and validity of the goods supplied.
- All payment vouchers must contain authenticated documents duly signed by the respective officials and the supplier.
- No payment vouchers should be entertained by the Internal Auditor if it is not accompanied with Departmental Vote Expenditure Account Book (D.V.E.A) and Departmental Payment Voucher Register (D.P.V.R) in order to avoid over expenditure and omission of some payment vouchers and posted into D.V.E.A. Book.
- No voucher should be paid by the Cashier without being certified by the Internal Auditor and duly checked and passed by the Treasurer.
- Copies of contract awards documents must be sent to the office of the Internal Auditor for his awareness and record purposes.
- Payment for contract awards, being it part payment, must be accompanied with photocopies of the council's approval and award of contract forms. Final payment must be accompanied with the original copies of the contract agreement form and relevant supporting documents for payment.

- Appointment of employees, resignation of appointment, termination of appointment, retirement from service, suspension from work, dismissal from service and deaths should be notified to the Internal Auditor immediately.
- All expenditure account books must be promptly reconciled with the treasury books to maintain efficiency and accountability.
- Rubber Stamp marked “ENTERED INTO VOTE BOOK” should be impressed on any payment sent to the Treasury to ensure that the voucher has been entered into Vote Book.
- Tell Book should equally be maintained by the Cashier for the purpose of Daily Cash Balance or the day’s taking to ascertain the liquid cash available at the close of each day’s business transactions after balancing up the Revenue and Expenditure cash Book for the day.
- The Revenue Staff (Collectors) should ensure that all revenue earning books are returned to the officer in charge after they have completely been used off.
- Store Officers should ensure that they keep all records up-to-date should the Internal Auditor will be going round to check and examine the accounts.
- A Job Cost Book should be kept in the Works Department on form **LGT 97 (F.M. 33.6)**.

3. REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Lapai Local Government Council for the year ended 31st December 2018 is shown in the table 1 below.

Table 1: Breakdown of revenues and Expenditure.

TOTAL REVENUE		AMOUNT ₦	%
	Internally Generated Revenue	9,406,129.00	0.42
	Statutory Allocation	2,214,504,790.91	99.58
TOTAL		2,223,910,919.91	100
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	1,360,782,344.29	61.17
	Overhead Cost	132,481,107.05	5.96
	Consolidated Revenue Fund Charges	109,101,916.22	4.90
•	Contributions	550,044,774.34	24.73
•	Other Operating Activities	-	-
•	Other Transfers	25,100,000.00	1.13
•	Capital Expenditures	47,000,000.00	2.11
TOTAL		2,224,510,141.90	100

3.1 REVENUE

The sum of ₦2,223,910,919.91 accrued to Lapai Local Government Councils as total receipts for the year ended 31st December 2018.

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Lapai Local Government Council amounted to ₦9,406,129.00 only for the year ended 31st December 2018 which represents 0.42 % of the total accrued revenue of ₦2,223,910,919.91. This shows that the council solely depend on statutory allocation from the Federation Account for survival. This could result to non-survival of the Council if there is a decline of revenue from the Federation Account.

I advised the Local Government Council to take the following measures to boost their internally generated revenue collection.

- Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- Control over issuance of revenue receipts
- Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.

3.1.2 STATUTORY ALLOCATION

The sum of ₦2,214,504,790.91 was disbursed to Lapai Local Governments Council for the year under review. Statutory allocation comprises VAT, Excess Crude and Statutory Allocation etc. The reporting framework provides that each revenue class is reported separately in the financial statements and the notes thereto.

It was, however, noted that these classes of revenue are only identified at the Ministry for Local Government (Joint Account) while the disbursements to Local Government Councils are only classified as Statutory Allocation.

This makes it difficult to trace and account for each revenue classes at the Local Government Council level and possibly reconciliation of disbursement from the Federation Account and the receipts by the Local Government Council.

I advised the Ministry for Local Governments to share with the Local Government councils the breakdown of revenues from the Federation Accounts to ensure that they are correctly reported by the Councils.

3.2 CASH AND BANK BALANCES

The total cash balances stood at ₦0.00 in respect of Lapai Local Government Council at the end of the financial year ended 31st December 2018.

While the total bank balances stood at ₦5,164,085.15 in respect of Lapai Local Government Council as at the end of the financial year ended 31st December 2018.

4. INTERNAL CONTROL

During the course of our audit exercise, it was observed that despite reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued. The non-compliance was evidenced by the Payment Vouchers been prepared and paid out without being endorsed by the Internal Audit Units, the non-endorsement of Officer Controlling the Vote, and Checks by the respective accounting Officers.

Also evidenced is lack of Asset Register to ascertain the Assets, their Condition, their Location and values of such assets. And all efforts made by my Office to ensure the maintenance of the Register are not encouraging.

In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that henceforth all Payment Vouchers raised are passed through Internal Audit Unit for certification before such payment are effected and equally ensure the maintenance of Asset Register before my next audit.

4.1 RECOMMENDATION

- It is recommended that the Internal Control System in existence has to be strengthened, proper record keeping and documentation of all financial transactions so as to enhance proper accountability.

5. BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦9,406,129.00 was generated as Internally Generated Revenue which represents 51.38% when compared with the total budgeted Internally Generated Revenue amounting to ₦18,306,768.00 during the year under review. This is a poor performance.

5.1 RECOMMENDATION

- It is recommended that preparation of cash flow statement should be adequately monitored to reduce the unnecessary expenditure on overhead and given priority to project execution.
- More efforts should be made so as to attain the target set on revenue generation internally in the next financial year. This will reduce over dependence of the Council on Statutory Allocation from Federation Accounts which is no longer attainable.

6. PERSONNEL COST

It was observed that the total sum of ₦1,360,782,344.29 and ₦688,189,116.77 was spent as total personnel cost for the year 2016 and 2017 respectively with an increase of ₦672,593,227.52 over the previous year. This is as a result of salary increase made by the state government during the year under review.

7. CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No 5 of Revenue and Expenditure revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦641,138,308.00 and only the sum of ₦47,000,000.00 representing 7.33% was spent leaving the balance of ₦594,138,308.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	272,824,811.00	20,000,000.00	252,824,811.00
02	Economic Sector	27,282,481	2,000,000.00	25,282,481.00
05	Social Sector	341,031,016.00	25,000,000.00	316,031,016.00
TOTAL		641,138,308.00	47,000,000.00	594,138,308.00

7.1 RECOMMENDATION

- It is recommended that the previous statistical data should be used in the preparation of a reliable budget that could be attainable.
- Also, Capital projects should be encouraged and priority should be given to its execution as it has direct bearing to the grass roots development.

8. PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No. 3 revealed that the Total Revenue stood at ₦2,649,163,455.93 with a Total Expenditure of ₦2,617,792,406.26 and close with a surplus balance of ₦31,371,049.67 This is a healthy statement of account.

9. 0 DEPOSITS

Deposits comprise statutory deductions which relate to contracts awarded (Value Added Tax (VAT) and Withholding Tax (WHT)) and employment which are deducted at source by the Local Government Council and are supposed to be remitted to the relevant tax collecting bodies in accordance with relevant legislation. I observed that a total of ₦2,197,887.22 stood as outstanding consolidated deposit balances as at the end of the period under review. Table below shows the list of the outstanding deposits as at 31st December 2018.

Outstanding deductions as at 31 December 2018.

DETAILS	AMOUNT ₦
5% Contract Tax	1,242,325.81
5% Withholding Tax	955,560.91
First bank	0.50
TOTAL	2,197,887.22

From the above table, the Councils recorded outstanding VAT amounting to ₦1,242,325.81 and WHT of ₦955,560.91 as at 31st December, 2018.

Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that the outstanding balance may be deducted from the Statutory allocations due to the Councils and in addition the councils may be fined and penalized for delayed remittance and hence affect the amount of money meant for developmental activities.

I advised the Local Government Councils to take steps to remit the outstanding deductions to the relevant authorities as a matter of urgency to avoid fines and penalties. I also advised the councils comply with the legislation in regard to future deductions.

10. OUTSTANDING AUDIT INSPECTION

AGX/FO.18/TA/LAP/VOL.1 Dated:19th September,2019

(i)Unpresented payment Vouchers	14,833,800.00
(ii)Receipt made but not posted into the cash book	8,202,900.00
(iii)Unclassified payments	19,500,000.00
(iv)Undocumented payment Vouchers	6,272,000.00
(v) Unreceipted payment vouchers	1,318,964.00

10.1 REQUIRED

The council is required to response to the outstanding Inspection Report or else necessary action and sanction will be taken.

11. CONCLUSION

We wish to use this medium to express our appreciation to the Chairman and the entire staff of Local Government for the cooperation given to the staff of this Office to carry out the Audit exercise.

It is our sincere hope that you would not hesitate to contact this Office for further clarification and explanations you might require in connection with the Audited Annual Financial Statement and Management Reports.



LAWAL ADAMU

*Director Statutory and Special Operations,
For: Auditor General*

**NIGER STATE OF NIGERIA
LAVUN LOCAL GOVERNMENT COUNCIL
KUTIGI**

**AUDITED ACCOUNTS
FOR
THE YEAR ENDED
31ST DECEMBER 2018**

**AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
P. M. B. 53, MINNA
NIGER STATE**

PERSONALITY PROFILE

A. FINANCIAL STATEMENT

Statement of Financial Responsibility

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Auditor General's Opinion

B. AUDIT REPORT

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- Performance of Operation Activities
- Deposits
- Outstanding Audit Inspection
- Conclusion

STATEMENT OF FINANCIAL RESPONSIBILITY

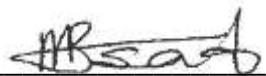
These Financial Statements have been prepared by the Treasurer of Lavun Local Government Council in accordance with the provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements complied with generally accepted accounting practices. The Treasury is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper records, the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of Internal Control has operated adequately throughout the reporting period.



Treasurer

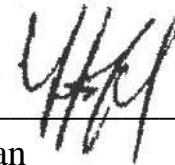
31st December, 2018

We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended. In our opinion, these financial statements fairly reflect the financial position of Lavun Local Governments as at 31st December, 2018 and its operations for the year ended on the date.



Treasurer

31st December, 2018



Chairman

31st December, 2018

COUNCIL OFFICIALS

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Limanko A. Pata

Executive Chairman

Honourable Ibrahim Aliyu

Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:

Hajiya Hawawu Asebe Chado

Mr. Michael B. Tsado

Mallam Ndagi Usman

Alhaji Mohammed Jiya

Alhaji Ibrahim Bello Umar

Alhaji Idrisu Abubakar Kutigi

Asmau Abubakar

DEPARTMENTS

Personnel Management

Finance and Supply

Primary Health Care

Agriculture and Natural Resources

Works and Housing

Budget and Planning

Social Development

DESIGNATION

H. O. D

H. O. D

H. O. D

H. O. D

H. O. D

H. O. D

H. O. D

- **BANKERS**

United Bank for Africa

Keystone Bank

Union Bank

Zenith Bank Plc.

Access Bank Plc.

ADDRESS

Kutigi Branch

Bida Branch

Bida Branch

Bida Branch

Bida Branch

- **AUDITORS**

Auditor General

Office of the Auditor General for Local Governments

P.M.B. 53 Minna,

Niger State.

AUDITOR GENERAL'S OPINION

I have examined the financial statement which have been prepared in accordance with standardized Local Government Treasury Procedures, Financial Memoranda and Circular guidelines. I obtained all information and explanations which I requested for the purpose of my Audit.

In my opinion, the accounts readable in conjunction with notes subject to the issues raised in the management report issued separately with this account gives a true and fair view of affairs of the Council as at 31st December, 2018 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.



Ibrahim Ahmed, B. Sc, MPA, FCNA, FCTI, CPA
Auditor General for Local Governments

1: Cash Flow Statement for the Year Ended 31st December, 2018

ANNUAL BUDGET 2018		NOTES	ACTUAL YEAR 2018	PREVIOUS YEAR 2017
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,908,185,565.00	Statutory Allocations:FAAC	1	2,628,094,920.16	
	Value Added Tax Allocation	1		
1,908,185,565.00	Sub-total - Statutory Allocation		2,628,094,920.16	
2,000,000.00	Direct Taxes	2	-	
4,578,760.00	Licences & FEES	2	401,550.00	
	Mining Rents:	2		
2,350,000.00	RATES	2	269,000.00	
	Fees:	2		
	Fines	2		
	Sales	2		
4,055,000.00	Earnings :	2	1,346,408.00	
191,240.00	Sales/Rent of Government Buildings:	2	129,500.00	
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
325,000.00	Interest Earned	2		
	Re-imbusement	2		
5,500,000.00	MISELLANEOUS	2	764,087.00	
19,000,000.00	Sub-total - Independent Revenue			
-	Other Revenue Sources of the -Government	3		
19,000,000.00	TOTAL INDEPENDANT REVENUE		2,910,545.00	
	Commercial Bank Loan		-	
1,927,185,565.00	TOTAL RECEIPTS		2,631,005,465.16	
	Payments:			
743,960,177.00	Personnel Costs	3	1,786,057,719.46	
314,776,918.00	Overhead Charges:	4	88,896,537.50	
	Consolidated Revenue Fund Charges .	5	144,663,493.30	
	contributions	7	523,912,778.28	
	Other Operating Activities		-	
	Financial Charges		-	
-	Other Transfers	6	25,100,000.00	
1,058,737,095.00	Total Payments		2,568,630,528.54	
868,448,470.00	Net Cash Flow from Operating Activities		62,374,936.62	

	CashFlows from Investment Activities:			
	Capital Expenditure:Administrative Sector:	8	11,195,000.00	
	Capital Expenditure: Economic Sector:	8	8,000,000.00	
	capital expenditure: Social Service Sector:	8	45,980,000.00	
	Capital Expenditure: Funded from Aid and Grants:		-	
645,721,051.00	Total Cash Flow from Investment Activities:		65,175,000.00	
222,727,419.00	Net Cash Flow from Investment Activities:		(2,800,063.38)	
	CashFlows from Financing Activities:			
	Proceeds from Aid and Grants		-	
	Proceeds from ExternaL Loan :		-	
	Proceeds from Internal Loans: Bonds :		-	
	Proceeds from Development loan stock		-	
	Proceeds of Loans from Other Funds		-	
	Repayment of External Loans (Including Servicing)		-	
	Repayment of Treasury Bonds :		-	
	Repayment of Loans from Development loan stock		-	
-	Repayment of Loans from Other Funds	11	-	
-	Total Cash Flow from Financing Activities:		-	
222,727,419.00	Net Cash Flow from Financing Activities:		(2,800,063.38)	
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	
	Net (Increase)/Decrease in Other Cash Equivalents:		-	
	Total Cashflow from other Cash equivalent Accounts		-	
	Net Cash for the year		(2,800,063.38)	
	Cash & Its Equivalent as at 1st January, 2018		3,083,662.94	
	Cash & Its Equivalent as at 31st December, 2018	9	283,599.56	

2: Statement of Assets and Liabilities as at 31st December, 2018

	NOTES	CURRENT YEAR 2018	PREVIOUS YEAR 2017
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:			
CASH AT BANK	9	283,599.56	
TOTAL LIQUID ASSETS		283,599.56	
NON CURRENT ASSETS:			
	9	-	
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	
TOTAL ASSETS		283,599.56	
LIABILITIES OVER ASSETS		21,491,296.09	
TOTAL		21,774,895.65	
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	283,599.56	
Capital Development Fund:		-	
TOTAL PUBLIC FUNDS		283,599.56	
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	16,859,296.09	
		-	
		-	
		-	
TOTAL EXTERNAL AND INTERNAL LOANS		16,859,296.09	
OTHER LIABILITIES			
UNREMITTED DEDUTIONS			
5% WHT TAX	12	2,316,000.00	
5% VAT	12	2,316,000.00	
TOTAL LIABILITIES		4,632,000.00	
TOTAL LIABILITIES AND PUBLIC FOUNDS		21,774,895.65	

3: Statement of Consolidated Revenue for the year ended 31st December, 2018

ACTUAL PREVIOUS YEAR 2017		NOTES	ACTUAL YEAR 2018	FINAL BUDGET 2018	INITIAL/ORIGINAL BUDGET 2018
N			N	N	N
	Opening Balance:		3,083,662.94		
	ADD: REVENUE				
	Statutory Allocations:FAAC	1	2,628,094,920.16	1,908,185,565.00	
	Value Added Tax Allocation	1	-		
	Sub-Total - Statutory Allocation		2,628,094,920.16	1,908,185,565.00	
	Direct Taxes	2	-	2,000,000.00	
	Licences	2	401,550.00	2,000,000.00	
	RATES	2	269,000.00	4,578,760.00	
	Fees:	2	-		
	Fines	2	-		
	Sales	2	-		
	Earnings :	2	1,346,408.00	4,055,000.00	
	Sales/Rent of Government Buildings:	2	129,500.00	191,240.00	
	Sale/Rent on Lands and Others:	2	-		
	MISCELLANEOUS	2	764,087.00	5,500,000.00	
	Investment Income	2	-		
	Interest Earned	2	-	325,000.00	
	Re-Imbursements	2	-		
	Sub-Total - Independent Revenue		2,910,545.00	18,650,000.00	
	Other Revenue Sources of the ---Government		-		
	TOTAL REVENUE:		2,634,089,128.10	1,926,835,565.00	
	LESS:EXPENDITURE				
	Personnel Costs:	3	1,786,057,719.46	743,960,177.00	
	Overhead Charges:	4	88,896,537.50	314,776,918.00	
	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	144,663,493.30		
	contributions	7	523,912,778.28		
	Other Operating Activities		-		
	Financial Charges.		-		
	Other Transfers	6	25,100,000.00	-	
	TOTAL EXPENDITURE:		2,568,630,528.54	1,058,737,095.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
	Repayments:External Loans:States			-	
	Repayments:States Bonds.			-	
	Repayments:Development Loan Stock			-	
	Repayments:Internal Loans from Other Funds	11		-	
	TOTAL EXPENDITURE:			-	
	OPERATING BALANCE:			65,458,599.56	
	APPROPRIATIONS/TRANSFERS:				
	Transfer to Capital Development Fund:			65,175,000.00	
	Closing Balance:			283,599.56	

4: Statement of Capital Development Fund for the year ended 31st December, 2018

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2017			EXPENDITURE 2018	BUDGET 2018	BUDGET 2018	BUDGET 2018
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
	Transfer from Consolidated Revenue Fund:		65,175,000.00			
	Aid and Grants		-			
	TOTAL REVENUE AVAILIABLE:		65,175,000.00			
	LESS: CAPITAL EXPENDITURE					
	Capital Expenditure:Administrative Sector:	10	11,195,000.00			
	Capital Expenditure: Economic Sector:	10	8,000,000.00			
	Capital Expenditure: Social Service Sector:	10	45,980,000.00			
	Capital Expenditure: Funded from Aid and Grants:		-			
	TOTAL CAPITAL EXPENDITURE:		65,175,000.00	645,721,051.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2018

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₱	₱
Net Share of Statutory Allocation from FAAC	A	857,801,754.54	
Add :Deduction at source for Loan Repayment	B	1,770,293,165.62	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			2,628,094,920.16
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)		Actual	Budget	Variance
		₱	₱	₱
TAXES				
RATES		269,000.00		
LINCENCES & FEES		401,550.00		
EARNING FROM COMMERCIAL UNDERTAKING		1,346,408.00		
RENT ON LOCAL GOVERNMENT PROPERTY		129,500.00		
MISELLANEOUS		764,087.00		
TOTAL I G R		2,910,545.00		

Note 3: Personnel Cost

ADMINISTRATIVE SECTOR										
SECTOR	Admin	Economic	Function	Fund	GEO CODE		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
OFFICE OF THE CHAIRMAN										
01	11001001	21010101	70111	2101		TOTAL PERSONNEL COST	6,729,999.68			
THE COUNCCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	30,562,124.56			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	2,486,838.96			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	62,622,595.98			
TOTAL ADMIN SECTOR							102,401,559.18			
ECONOMIC SECTOR										
Sector	Admin	Economic	Function	Fund			ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	68,217,237.35			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	2,211,628.94			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	59,756,458.28			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	51,310,454.43			
TOTAL ECONOMIC SECTOR							181,495,779.00			

SOCIAL SECTOR									
Sector	Admin	Economic	Function	Fund		ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
ADULT EDUCATION									
05	17001001	21010101	70960	2101	TOTAL PERSONNEL COST	87,625,252.66			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	280,671,878.03			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	57,246,356.55			
TOTAL SOCIAL SECTOR						425,543,487.24			
TOTAL FOR ALL SECTORS						709,440,825.42			
ADJUSTMENT :									
PAYEE						28,203,842.21			
PAYEE (POLITICAL OFFICE						4,383,306.00			
UNION DUES						49,033,279.33			
NHF(2,5%)						4,943,833.24			
EMIRATE COUNCIL						37,711,638.84			
PRIMARY EDUCATION						952,340,994.42			
TOTAL PERSONNEL COST FOR ALL SECTORS						1,786,057,719.46			

Note 4: Overhead Cost

ADMINISTRATIVE SECTOR											
OFFICE OF THE CHAIRMAN											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11001001	22020101	70111	2101		2	Travel & Transport	2,465,000.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	100,000.00			
01	11001001	22020402	70111	2101		6	Maintenance of office	100,000.00			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	-			
01	11001001	22020701	70111	2101		8	Consultancy Services	100,000.00			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	30,000.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	25,044,000.00			
							TOTAL	27,839,000.00			
THE COUNCCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	-			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	-			
01	12003001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles andCapital assets	-			
01	12003001	22020701	70111	2101		8	Consultancy Services	-			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	12003001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	-			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	16,269,000.00			
							TOTAL	16,269,000.00			

OFFICE OF THE SECRETARY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11013001	22020101	70111	2101		2	Travel & Transport	90,000.00			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	-			
01	11013001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	-			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	-			
01	11013001	22020701	70111	2101		8	Consultancy Services	-			
01	11013001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11013001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11013001	22021001	70111	2101		11	Entertainment & Hospitality	-			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	1,230,000.00			
							TOTAL	1,320,000.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	165,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	285,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of officefurniture & equipment	-			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	-			
01	25001001	22020701	70131	2101		8	Consultancy Services	-			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	-			
01	25001001	22020501	70131	2101		10	Training and staff Development	-			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	-			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	3,393,000.00			
							TOTAL	3,843,000.00			
							TOTAL ADMIN MINISTIES	49,271,000.00			

ECONOMIC SECTOR											
FINANCE AND SUPPLY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	20001001	22020101	70112	2101		2	Travel & Transport	300,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	564,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	20001001	22020701	70112	2101		8	Consultancy Services	-			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	19,415,000.00			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	5,639,537.50			
							TOTAL	25,918,537.50			
BUDGET;PLANNING & RESEARCH											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	38001001	22020101	70112	2101		2	Travel & Transport	70,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	284,000.00			
02	38001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	38001001	22020701	70112	2101		8	Consultancy Services	-			
02	38001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	38001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	38001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	1,050,000.00			
							TOTAL	1,404,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	150,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	-			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	-			
02	34001001	22020402	70451	2101		6	Maintenance of officefurniture & equipment	431,000.00			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	-			
02	34001001	22020701	70451	2101		8	Consultancy Services	-			
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	-			
02	34001001	22020501	70451	2101		10	Short term Training and Consultancy	-			
02	34001001	22021001	70451	2101		11	Entertament & Hospitality	-			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	5,516,000.00			
							TOTAL	6,097,000.00			
AGRICULTURE AND NATURAL RESURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	10,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	2,090,000.00			
02	15001001	22020402	70421	2101		6	Maintenance of officefurniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	-			
02	15001001	22020701	70421	2101		8	Consultancy Services	-			
02	15001001	22040109	70421	2101		9	Grants, Contributions & Subventions	-			
02	15001001	22020501	70421	2101		10	Training and staff Development	-			
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	-			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	2,407,000.00			
							TOTAL	4,507,000.00			
							TOTAL ECONOMIC SECTOR MINISTRY	37,926,537.50			

SOCIAL SECTOR											
ADULT EDUCATION											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	17001001	22020101	70922	2101		2	Travel & Transport	-			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	-			
05	17001001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	17001001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	17001001	22020701	70922	2101		8	Consultancy Services	-			
05	17001001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	17001001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	-			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport	60,000.00			
05	51003001	22020201	70922	2101		3	Utility Services	-			
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	51003001	22020301	70922	2101		5	Stationary	50,000.00			
05	51003001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	51003001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51003001	22020701	70922	2101		8	Consultancy Services	-			
05	51003001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	51003001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	51003001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	510,000.00			
							TOTAL	620,000.00			

PRIMARY HEALTH CARE											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	21001001	22020101	70731	2101		2	Travel & Transport	90,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	-			
05	21001001	22020402	70731	2101		6	Maintenance of officefurniture & equipment	-			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	-			
05	21001001	22020701	70731	2101		8	Consultancy Services	-			
05	21001001	22020501	70731	2101		10	Training and staff Development	-			
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	-			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	979,000.00			
							TOTAL	1,069,000.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	-			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	-			
05	51002002	22020402	70180	2101		6	Maintenance of officefurniture & equipment	-			
05	51002002	22020401	70180	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51002002	22020701	70180	2101		8	Consultancy Services	-			
05	51002002	22040109	70180	2101		9	Grants, Contribution & Subvention	-			
05	51002002	22020501	70180	2101		10	Training and staff Development	-			
05	51002002	22021001	70180	2101		11	Entertainment & Hospitality	-			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	10,000.00			
							TOTAL	10,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	1,699,000.00			
							TOTAL FOR ALL SECTORS	88,896,537.50			

Note 5: Consolidated Revenue Charges

A-- PENSION AND GRATUITIES STATUTORY BOARD MINNA										
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	DETAILS	ACTUAL EXPENDITURE	APPROVED	REVISED BUDGET	VARIANCE ON REVISED BUDGET
01	25001001	22010102	70131	02101		Pension Statutory	68,108,964.18			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	76,554,529.12			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	-			
01	25001002	22020902	70132	02102		Insurance Premium	-			
01	25001001	22010106	70131	02101		Acturial Valuation	-			
01	25001001	22010107	70131	02101		Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-			
						Deceased 3rd Annual Emolument (CPS)	-			
						TOTAL	144,663,493.30			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	144,663,493.30			

Note 6: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,600,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	8,300,000.00
TOTAL	25,100,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	495,112,778.28
TOTAL CONTRIBUTIONS	523,912,778.28

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Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECONOMIC	FUNCTION	PROGRAMME	FUND	GEO CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2018	2018 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616	03005			FADAMA POJCT (RADIO)	4,550,000.00			
1	11033001							LEGISLATIVE CHAMBERS	4,545,000.00			
1	11033001							GUEST HOUSE	2,100,000.00			
								TOTAL FOR ADMIN SECTOR	11,195,000.00			
												-
ECONOMIC SECTOR												-
2	20001001				03005			PURCHASE OFVEHICLES	8,000,000.00			
2									-			-
2								ECONOMIC SECTOR TOTAL	8,000,000.00	-	-	-
												-
SOCIAL SECTOR												-
5			70422	7E+10	03005			RENOVATION OF PRIMARY SCHOOLS	10,050,000.00			
								DRILLING OF BOREHOLES	26,515,000.00			
								DRILLING OF BOREHOLES (S.I)	7,300,000.00			
								RENOVATION LEA DOKO	2,115,000.00			
								SOCIAL SECTOR TOTAL	45,980,000.00	-	-	-
								TOTAL FOR ALL SECTORS	65,175,000.00			

Note 9: Closing Cash Book/Bank Balances as at 31st December, 2019

ACCOUNT TYPE	ACCOUNT NUMBER	AMOUNT
UBA KUTIGI	1011205521	198,278.25
UBA KUTIGI	1011205541	14,399.91
UBA KUTIGI	1014451501	6,837.08
UBA KUTIGI	1014819178	26,979.11
UBA KUTIGI	1018341400	53.30
UBA KUTIGI	1018907862	4073.75
KEYSTONE BIDA	1001563639	15,436.85
ZENITH BANK BIDA	1011565557	7,779.32
ACCESS BANK BIDA	46192055	9,761.99
TOTAL		283,599.56
OVERDRAWN ACCOUNTS:		
UBA KUTIGI	02300040000069	446,725.31
KEYSTONE BANK	1001167068	16,412,570.78
TOTAL		16,859,296.09
FIXED DEPOSIT ACCOUNTS		
BALANCE AS AT 31-12-2018		4,632,000.00
TOTAL		4,632,000.00

Note 10: Investment

INVESTMENTS				
Investments in Companies				
	STOCK	HOLDING	PRICE	MARKET VALUE(N)
	TOTAL INVESTMENT			-

Note 11: Development Loan Stock

List the Loans	Balance as at 01/01/2019	ADDITIONAL LOAN	PRINCIPAL REPAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	BALANCE ON PRINCIPAL
BANK LOAN	16,859,296.09	-	-	-	-	16,859,296.09
TOTAL						16,859,296.09

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS	AMOUNT
5% WHT TAX	2,316,000.00
5% VAT	2,316,000.00
TOTAL	4,632,000.00

**MANAGEMENT REPORT ON AUDITED
ANNUAL FINANCIAL STATEMENT FOR THE
YEAR ENDED 31ST DECEMBER, 2018**

1. SCOPE OF THE AUDIT

The Accounts and Records maintained by Lavun Local Government Council and Financial Statement produced for audit in respect of the year ended 31st December, 2018 have been examined and all the information that were provided and gathered in respect of monies received and expended have been certified. All the books of account from the book of original entry, General ledger to subsidiary ledger were checked and certified by our team.

2.0 GENERAL STATE OF ACCOUNTS AND RECORD KEEPING

The pattern and manner of keeping and rendering accounting books and records as observed in the Local Governments Councils were inadequate as highlighted in this report and are stated below:

- Most of the payment vouchers raised were not having documentary evidences to justify the payments made.
- Most of the purchases made lacked essential documentary evidence such as Receipt Vouchers, and Store Issue Vouchers which shows that they were not supplied or supplied but not taken charge.
- In some cases, approvals in respect of expenditure incurred were not presented for audit.
- Deductions made for WHT and VAT were in some cases not remitted to the appropriate tax authorities within time.
- Some payment vouchers were not checked and passed by the Internal Audit Unit.
- Absence of signatures of relevant parties to Payment Vouchers.

- Lack of adequate budgetary discipline.
- Non-maintenance of Fixed/Moveable Asset register.

2.1 GENERAL RECOMMENDATION

- All Directors should ensure that they maintain their Departmental Vote Expenditure Account Books and reconcile same monthly.
- All supplies made to Departments should be received from the suppliers in the presence of the Internal Auditor, for certification of the prime, completeness, and validity of the goods supplied.
- All payment vouchers must contain authenticated documents duly signed by the respective officials and the supplier.
- No payment vouchers should be entertained by the Internal Auditor if it is not accompanied with Departmental Vote Expenditure Account Book (D.V.E.A) and Departmental Payment Voucher Register (D.P.V.R) in order to avoid over expenditure and omission of some payment vouchers and posted into D.V.E.A. Book.
- No voucher should be paid by the Cashier without being certified by the Internal Auditor and duly checked and passed by the Treasurer.
- Copies of contract awards documents must be sent to the office of the Internal Auditor for his awareness and record purposes.

- Payment for contract awards, being it part payment, must be accompanied with photocopies of the council’s approval and award of contract forms. Final payment must be accompanied with the original copies of the contract agreement form and relevant supporting documents for payment.
- Appointment of employees, resignation of appointment, termination of appointment, retirement from service, suspension from work, dismissal from service and deaths should be notified to the Internal Auditor immediately.
- All expenditure account books must be promptly reconciled with the treasury books to maintain efficiency and accountability.
- Rubber Stamp marked “ENTERED INTO VOTE BOOK” should be impressed on any payment sent to the Treasury to ensure that the voucher has been entered into Vote Book.
- Tell Book should equally be maintained by the Cashier for the purpose of Daily Cash Balance or the day’s taking to ascertain the liquid cash available at the close of each day’s business transactions after balancing up the Revenue and Expenditure cash Book for the day.
- The Revenue Staff (Collectors) should ensure that all revenue earning books are returned to the officer in charge after they have completely been used off.
- Store Officers should ensure that they keep all records up-to-date should the Internal Auditor will be going round to check and examine the accounts.
- A Job Cost Book should be kept in the Works Department on form **LGT 97 (F.M. 33.6)**.

3. REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Lavun Local Government Council for the year ended 31st December 2018 is shown in the table 1 below.

Table 1: Breakdown of revenues and Expenditures.

TOTAL REVENUE		AMOUNT ₦	%
	Internally Generated Revenue	2,910,545.00	0.11
	Statutory Allocation	2,628,920.160.94	99.89
	TOTAL	2,631,005,465.16	100
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	1,786,057,719.46	67.81
	Overhead Cost	88,896,537.50	3.38
	Consolidated Revenue Fund Charges	144,663,493.30	5.49
•	Contributions	523,912,778.28	19.89
•	Other Operating Activities		
•	Other Transfer	25,100,000.00	0.95
•	Capital Expenditures	65,175,000.00	2.48
	TOTAL	2,633,805,528.54	100

3.1 REVENUE

The sum of ₦2,631,005,465.16 accrued to Lavun Local Government Councils as total receipts for the year ended 31st December 2018.

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Lavun Local Government Council amounted to ₦2,910,545.00 only for the year ended 31st December 2018 which represents 0.11 % of the total accrued revenue of ₦2,631,005,465.16

This shows that the council solely depend on statutory allocation from the Federation Account for survival. This could result to non-survival of the Council if there is a decline of revenue from the Federation Account.

I advised the Local Government Council to take the following measures to boost their internally generated revenue collection.

- Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- Control over issuance of revenue receipts
- Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.

3.1.2 STATUTORY ALLOCATION

The sum of ₦2,628,920.160.94 was disbursed to Lavun Local Governments Council for the year under review. Statutory allocation comprises VAT, Excess Crude and Statutory Allocation etc. The reporting framework provides that each revenue class is reported separately in the financial statements and the notes thereto.

It was, however, noted that these classes of revenue are only identified at the Ministry for Local Government (Joint Account) while the disbursements to Local Government Councils are only classified as Statutory Allocation.

This makes it difficult to trace and account for each revenue classes at the Local Government Council level and possibly reconciliation of disbursement from the Federation Account and the receipts by the Local Government Council.

I advised the Ministry for Local Governments to share with the Local Government councils the breakdown of revenues from the Federation Accounts to ensure that they are correctly reported by the Councils.

3.2 CASH AND BANK BALANCES

The total cash balances stood at ₦0.00 in respect of Lavun Local Government Council at the end of the financial year ended 31st December 2018.

While the total bank balances stood at ₦283,599.56 in respect of Lavun Local Government Council as at the end of the financial year ended 31st December 2018

4. INTERNAL CONTROL

During the course of our audit exercise, it was observed that despite reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued. The non-compliance was evidenced by the Payment Vouchers been

prepared and paid out without being endorsed by the Internal Audit Units, the non-endorsement of Officer Controlling the Vote, and Checks by the respective accounting Officers.

Also evidenced is lack of Asset Register to ascertain the Assets, their Condition, their Location and values of such assets. And all efforts made by my Office to ensure the maintenance of the Register are not encouraging.

In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that henceforth all Payment Vouchers raised are passed through Internal Audit Unit for certification before such payment are effected and equally ensure the maintenance of Asset Register before my next audit.

4.1 RECOMMENDATION

- It is recommended that the Internal Control System in existence has to be strengthened, proper record keeping and documentation of all financial transactions so as to enhance proper accountability.

5. BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦2,910,545.00 was generated as Internally Generated Revenue which represents 15.32% when compared with the total budgeted Internally Generated Revenue amounting to ₦19,000,000.00 during the year under review. This is a poor performance.

5.1 RECOMMENDATION

- It is recommended that preparation of cash flow statement should be adequately monitored to reduce the unnecessary expenditure on overhead and given priority to project execution.
- More efforts should be made so as to attain the target set on revenue generation internally in the next financial year. This will reduce over dependence of the Council on Statutory Allocation from Federation Accounts which is no longer attainable.

6. PERSONNEL COST

It was observed that the total sum of ₦1,786,057,719.46 and ₦703,789,006.77 was spent as total personnel cost for the year 2018 and 2017 respectively with an increase of ₦1,082,268,712.69 over the previous year. This is as a result of salary increase made by the state government during the year under review.

7. CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No 5 of Revenue and Expenditure revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦645,721,051.00 and only the sum of ₦65,175,000.00 representing 10.09% was spent leaving the balance of ₦580,546,051.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	171,768,316.00	11,195,000.00	160,573,316
02	Economic Sector	79,259,967.00	8,000,000.00	71,259,967.00
05	Social Sector	394,692,768.00	45,980,000.00	348,712,768.00
	TOTAL	<u>645,721,051.00</u>	<u>65,175,000.00</u>	<u>580,546,051.00</u>

7.1 RECOMMENDATION

- It is recommended that the previous statistical data should be used in the preparation of a reliable budget that could be attainable.
- Also, Capital projects should be encouraged and priority should be given to its execution as it has direct bearing to the grass roots development.

8. PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No. 3 revealed that the Total Revenue stood at ₦2,631,005,465.16 with a Total Expenditure of ₦2,633,805,528.54 and close with a surplus balance of (₦2,800,063.38) This is un healthy statement of account.

9.0 DEPOSITS

Deposits comprise statutory deductions which relate to contracts awarded (Value Added Tax (VAT) and Withholding Tax (WHT)) and employment which are deducted at source by the Local Government Council and are supposed to be remitted to the relevant tax collecting bodies in accordance with relevant legislation. I observed that a total of ₦4,632,000.00 stood as outstanding consolidated deposit balances as at the end of the period under review. Table below shows the list of the outstanding deposits as at 31st December 2018.

Outstanding deductions as at 31 December 2018.

DETAILS	AMOUNT ₦
5% Contract vat	2,316,000.00
5% Withholding Tax	2,316,000.00
TOTAL	4,632,000.00

From the above table, the Councils recorded outstanding VAT amounting to ₦2,316,000.00 and WHT of ₦2,316,000.00 as at 31st December, 2018.

Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that the outstanding balance may be deducted from the Statutory allocations due to the Councils and in addition the councils may be fined and penalized for delayed remittance and hence affect the amount of money meant for developmental activities.

I advised the Local Government Councils to take steps to remit the outstanding deductions to the relevant authorities as a matter of urgency to avoid fines and penalties. I also advised the councils comply with the legislation in regard to future deductions.

10. OUTSTANDING AUDIT INSPECTION

AGX/FO.18/TA/LAV/VOL.1

Dated:2nd September,2019

(i)Payment of over sight functions	250,000.00
(ii)Withdrawal of fund without payment vouchers	7,395,000.00
(iii)Repairs of Borehole	938,000.00
(iv)Items alleged to have been purchased but taken on charge to store	8,300,000.00

10.1 REQUIRED

The council is required to response to the outstanding Inspection Report or else necessary action and sanction will be taken.

11. CONCLUSION

We wish to use this medium to express our appreciation to the Chairman and the entire staff of Local Government for the cooperation given to the staff of this Office to carry out the Audit exercise.

It is our sincere hope that you would not hesitate to contact this Office for further clarification and explanations you might require in connection with the Audited Annual Financial Statement and Management Reports.



LAWAL ADAMU

*Director Statutory and Special Operations,
For: Auditor General*

**NIGER STATE OF NIGERIA
MAGAMA LOCAL GOVERNMENT COUNCIL
NASKO**

**AUDITED ACCOUNTS
FOR
THE YEAR ENDED
31ST DECEMBER 2018**

**AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
P. M. B. 53, MINNA
NIGER STATE**

PERSONALITY PROFILE

A. FINANCIAL STATEMENT

Statement of Financial Responsibility

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Auditor General's Opinion

B. AUDIT REPORT

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- Statement of Assets & Liabilities
- Statement of Consolidated Revenue Funds
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- General State of Accounts and Records Keeping
- General Recommendation
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- Internal Control
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- Personnel Cost
- Capital Expenditure
- Performance of Operation Activities
- Deposits
- Outstanding Audit Inspection
- Conclusion

STATEMENT OF FINANCIAL RESPONSIBILITY

These Financial Statements have been prepared by the Treasurer of Magama Local Government Council in accordance with the provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements complied with generally accepted accounting practices. The Treasury is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper records, the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of Internal Control has operated adequately throughout the reporting period.



Treasurer

31st December, 2018

We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended. In our opinion, these financial statements fairly reflect the financial position of Magama Local Governments as at 31st December, 2018 and its operations for the year ended on the date.



Treasurer

31st December, 2018



Chairman

31st December, 2018

COUNCIL OFFICIALS

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Safiyanu Yahaya Executive Chairman
Honourable Abu-Kasim Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:	DEPARTMENTS	DESIGNATION
Alhaji Hamzat M. Auna	Personnel Management	H. O. D
Alhaji M. Adamu Anaba	Finance and Supply	H. O. D
Alh.Musa Ibrahim Salka	Primary Health Care	H. O. D
Alhaji M. Salisu Suleiman	Agriculture and Natural Resources	H. O. D
Alhaji Zaki Genu	Works and Housing	H. O. D
Alhaji Ibrahim Adamu Kulho	Budget and Planning	H. O. D
Alhaji Ibrahim Usman Anaba	Social Development	H. O. D

- **BANKERS**

ADDRESS

First Bank Plc.	Kontagora Branch
Guaranty Trust Bank Plc.	Kontagora Branch
United Bank for Africa Plc.	Kontagora Branch
NAISA Micro Finance Bank	Nasko

- **AUDITORS**

Auditor General
Office of the Auditor General for Local Governments
P.M.B. 53 Minna,
Niger State.

AUDITOR GENERAL'S OPINION

I have examined the financial statement which have been prepared in accordance with standardized Local Government Treasury Procedures, Financial Memoranda and Circular guidelines. I obtained all information and explanations which I requested for the purpose of my Audit.

In my opinion, the accounts readable in conjunction with notes subject to the issues raised in the management report issued separately with this account gives a true and fair view of affairs of the Council as at 31st December, 2018 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.



Ibrahim Ahmed, B. Sc, MPA, FCNA, FCTI, CPA
Auditor General for Local Governments

1: Cash Flow Statement for the Year Ended 31st December, 2018

ANNUAL BUDGET 2018		NOTES	ACTUAL YEAR 2018	PREVIOUS YEAR 2017
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,904,888,370.00	Statutory Allocations:FAAC	1	1,698,965,096.10	
	Value Added Tax Allocation	1		
1,904,888,370.00	Sub-total - Statutory Allocation		1,698,965,096.10	
350,000.00	Direct Taxes	2	264,000.00	
13,100,000.00	Licences & FEES	2	5,172,750.00	
	Mining Rents:	2		
6,600,000.00	RATES	2	1,638,000.00	
	Fees:	2		
	Fines	2		
	Sales	2		
6,800,000.00	Earnings :	2	4,139,860.00	
150,000.00	Sales/Rent of Government Buildings:	2	212,850.00	
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
	Interest Earned	2	60,300.00	-
	Re-imbusement	2		-
650,000.00	MISELLANEOUS	2	581,527.00	-
27,650,000.00	Sub-total - Independent Revenue			
	Other Revenue Sources of the -Government	3		
1,932,538,370.00	TOTAL INDEPENDANT REVENUE		12,069,287.00	
	Commercial Bank Loan		-	
	TOTAL RECEIPTS		1,711,034,383.10	
	Payments:			
461,563,982.00	Personnel Costs	3	894,683,331.89	
253,195,546.00	Overhead Charges:	4	141,993,021.50	-
	Consolidated Revenue Fund Charges .	5	73,733,655.87	-
	contributions	7	547,269,687.70	-
	Other Operating Activities		-	
	Financial Charges		-	
	Other Transfers	6	25,100,000.00	
714,759,528.00	Total Payments		1,682,779,696.96	
1,217,778,842.00	Net Cash Flow from Operating Activities		28,254,686.14	

	CashFlows from Investment Activities:			
	Capital Expenditure:Administrative Sector:	8	4,055,555.55	
	Capital Expenditure: Economic Sector:	8	29,136,074.01	
	capital expenditure: Social Service Sector:	8	1,111,111.11	
761,499,262.00	Capital Expenditure: Funded from Aid and Grants:		-	
	Total Cash Flow from Investment Activities:		34,302,740.67	
	Net Cash Flow from Investment Activities:		(6,048,054.53)	
	CashFlows from Financing Activities:			
	Proceeds from Aid and Grants		-	
	Proceeds from ExternaL Loan :		-	
	Proceeds from Internal Loans: Bonds :		-	
	Proceeds from Development loan stock		-	
	Proceeds of Loans from Other Funds		-	
	Repayment of External Loans (Including Servicing)		-	
	Repayment of Treasury Bonds :		-	
	Repayment of Loans from Development loan stock		-	
	Repayment of Loans from Other Funds	11	-	
	Total Cash Flow from Financing Activities:		-	
	Net Cash Flow from Financing Activities:		(6,048,054.53)	
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	
	Net (Increase)/Decrease in Other Cash Equivalents:		-	
	Total Cashflow from other Cash equivalent Accounts		-	
	Net Cash for the year		(6,048,054.53)	
	Cash & Its Equivalent as at 1st January, 2018		8,048,883.42	
	Cash & Its Equivalent as at 31st December, 2018	9	2,000,828.89	

2: Statement of Assets and Liabilities as at 31st December, 2018

	NOTES	CURRENT YEAR 2018		PREVIOUS YEAR 2017
CURRENT ASSETS:-		₦		₦
Liquid Assets:-				
Cash Held by AGNS:				
CASH AT BANK	9	2,000,608.30		
CASH IN HAND		220.59		
TOTAL LIQUID ASSETS		2,000,828.89		
NON CURRENT ASSETS:				
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-		
TOTAL ASSETS		2,000,828.89		
LIABILITIES OVER ASSETS		8,589,184.13		
TOTAL		10,590,013.02		
LIABILITIES:-				
PUBLIC FUNDS				
Consolidated Revenue Fund:	CRF	2,000,828.89		
Capital Development Fund:		-		
TOTAL PUBLIC FUNDS		2,000,828.89		
EXTERNAL AND INTERNAL LOANS				
BANK LOANS	11	-		
		-		
		-		
		-		
TOTAL EXTERNAL AND INTERNAL LOANS		-		
OTHER LIABILITIES				
UNREMITTED DEDUCTIONS		-		
PAYE	12	218,011.39		
5% Contract Tax	12	4,523,086.36		
5% Value Added Tax (VAT)	12	3,848,086.38		
TOTAL LIABILITIES		8,589,184.13		
TOTAL LIABILITIES AND PUBLIC FUNDS		10,590,013.02		

3: Statement of Consolidated Revenue for the year ended 31st December, 2018

ACTUAL PREVIOUS YEAR 2017		NOTES	ACTUAL YEAR 2018	FINAL BUDGET 2018	INITIAL/ORIGINAL BUDGET 2018
₦			₦	₦	₦
	Opening Balance:		8,048,883.42		
	ADD: REVENUE				
	Statutory Allocations:FAAC	1	1,698,965,096.10	1,904,888,370.00	
	Value Added Tax Allocation	1	-		
	Sub-Total - Statutory Allocation		1,698,965,096.10	1,904,888,370.00	
	Direct Taxes	2	264,000.00	350,000.00	
	Licences	2	5,172,750.00	13,100,000.00	
	RATES	2	1,638,000.00	6,600,000.00	
	Fees:	2	-		
	Fines	2	-		
	Sales	2	-		
	Earnings :	2	4,139,860.00	6,800,000.00	
	Sales/Rent of Government Buildings:	2	212,850.00	150,000.00	
	Sale/Rent on Lands and Others:	2	-		
	MISCELLANEOUS	2	581,527.00	650,000.00	
	Investment Income	2	-		
	Interest Earned	2	60,300.00		
	Re-Imbursements	2	-		
	Sub-Total - Independent Revenue		12,069,287.00	27,650,000.00	
	Other Revenue Sources of the ---Government		-		
	TOTAL REVENUE:		1,719,083,266.52	1,932,538,370.00	
	LESS:EXPENDITURE				
	Personnel Costs:	3	894,683,331.89	461,563,982.00	
	Overhead Charges:	4	141,993,021.50	253,195,546.00	
	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	73,733,655.87		
	contributions	7	547,269,687.70		
	Other Operating Activities		-		
	Financial Charges.		-		
	Other Transfers	6	25,100,000.00		
	TOTAL EXPENDITURE:		1,682,779,696.96	714,759,528.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
	Repayments:External Loans:States			-	
	Repayments:States Bonds.			-	
	Repayments:Development Loan Stock			-	
	Repayments:Internal Loans from Other Funds	11		-	
	TOTAL EXPENDITURE:			-	
	OPERATING BALANCE:			36,303,569.56	
	APPROPRIATIONS/TRANSFERS:				
	Transfer to Capital Development Fund:			34,302,740.67	761,499,262.00
	Closing Balance:			2,000,828.89	

4: Statement of Capital Development Fund for the year ended 31st December, 2018

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2017			EXPENDITURE 2018	BUDGET 2018	BUDGET 2018	BUDGET 2018
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
	Transfer from Consolidated Revenue Fund:		34,302,740.67	761,499,262.00		
	Aid and Grants		-			
	TOTAL REVENUE AVAILABLE:		34,302,740.67	761,499,262.00		
	LESS: CAPITAL EXPENDITURE					
	Capital Expenditure:Administrative Sector:	10	4,055,555.55			
	Capital Expenditure: Economic Sector:	10	29,136,074.01			
	Capital Expenditure: Social Service Sector:	10	1,111,111.11			
	Capital Expenditure: Funded from Aid and Grants:		-			
	TOTAL CAPITAL EXPENDITURE:		34,302,740.67	761,499,262.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2018

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₦	₦
Net Share of Statutory Allocation from FAAC	A	623,713,773.82	
Add :Deduction at source for Loan Repayment	B	1,075,251,322.28	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			1,698,965,096.10
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₦	₦	₦
TAXES	264,000.00		
RATES	1,638,000.00		
LINCENCES & FEES	5,172,750.00		
EARNING FROM COMMERCIAL UNDERTAKING	4,139,860.00		
RENT ON LOCAL GOVERNMENT PROPERTY	212,850.00		
INTEREST PAYMENTS AND DIVIDENDS	60,300.00		
MISCELLANEOUS	581,527.00		
TOTAL I G R	12,069,287.00		

Note 3: Personnel Cost

ADMINISTRATIVE SECTOR										
SECTOR	Admin	Economic	Function	Fund	GEO CODE		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
OFFICE OF THE CHAIRMAN										
01	11001001	21010101	70111	2101		TOTAL PERSONNEL COST	41,394,476.63			
							-			
THE COUNCCIL							-			
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	30,413,228.85			
							-			
OFFICE OF THE SECRETARY							-			
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	2,826,838.96			
							-			
							-			
PERSONEL MANAGEMENT							-			
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	31,213,586.38			
							-			
TOTAL ADMIN SECTOR							105,848,130.82			
							-			
ECONOMIC SECTOR										
Sector	Admin	Economic	Function	Fund			ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2018	REVISED BUDGET	VARIANCE ON REVISED BUDGET
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	37,044,496.31			
							-			
BUDGET;PLANNING & RESEARCH							-			
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	4,473,912.22			
							-			
WORKS & HOUSING							-			
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	35,231,946.54			
							-			
AGRICULTURE AND NATURAL RESURCES							-			
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	31,650,257.40			
							-			
TOTAL ECONOMIC SECTOR							108,400,612.47			

Sector	Admin	Economic	Function	Fund		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2018	REVISED BUDGET	VARIANCE ON REVISED BUDGET
SOCIAL SECTOR									
ADULT EDUCATION									
05	17001001	21010101	70960	2101	TOTAL PERSONNEL COST	17,594,369.17			
						-			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	220,916,246.60			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	12,775,994.12			
TOTAL SOCIAL SECTOR						251,286,609.89			
TOTAL FOR ALL SECTORS						465,535,353.18			
ADJUSTMENT :									
PAYEE						16,669,204.66			
PAYEE (POLITICAL OFFICE						4,096,200.00			
UNION DUES						23,068,303.67			
NHF(2,5%)						3,203,569.36			
EMIRATE COUNCIL						40,179,250.08			
PRIMARY EDUCATION						341,931,450.94			
TOTAL PERSONNEL COST FOR ALL SECTORS						894,683,331.89			

Note 4: Overhead Cost

ADMINISTRATIVE SECTOR											
OFFICE OF THE CHAIRMAN											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11001001	22020101	70111	2101		2	Travel & Transport	5,963,000.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	-			
01	11001001	22020402	70111	2101		6	Maintenance of office	150,000.00			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	-			
01	11001001	22020701	70111	2101		8	Consultancy Services	1,433,597.38			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	25,652,000.00			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	5,160,000.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	35,542,000.00			
							PROVISION OF SERVICE MATERIALS	-			
							TOTAL	73,900,597.38			
THE COUNCCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	5,499,000.00			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	-			
01	12003001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles andCapital assets	-			
01	12003001	22020701	70111	2101		8	Consultancy Services	-			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	12003001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	3,235,000.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	18,965,000.00			
							PROVISION FOR SERVICEABLE	-			
							TOTAL	27,699,000.00			

OFFICE OF THE SECRETARY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11013001	22020101	70111	2101		2	Travel & Transport	700,000.00			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	-			
01	11013001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	-			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	-			
01	11013001	22020701	70111	2101		8	Consultancy Services	-			
01	11013001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11013001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11013001	22021001	70111	2101		11	Entertainment & Hospitality	620,000.00			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	1,700,000.00			
							TOTAL	3,020,000.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	2,700,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	275,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of officefurniture & equipment	100,000.00			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	-			
01	25001001	22020701	70131	2101		8	Consultancy Services	-			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	70,000.00			
01	25001001	22020501	70131	2101		10	Training and staff Development	70,000.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	330,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	2,291,000.00			
							TOTAL	5,836,000.00			
							TOTAL ADMIN	110,455,597.38			

ECONOMIC SECTOR											
FINANCE AND SUPPLY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	20001001	22020101	70112	2101		2	Travel & Transport	2,205,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	790,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	20001001	22020701	70112	2101		8	Consultancy Services	-			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	3,785,000.00			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	215,000.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	3,024,000.00			
							TOTAL	10,019,000.00			
BUDGET;PLANNING & RESEARCH											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	38001001	22020101	70112	2101		2	Travel & Transport	150,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	150,000.00			
02	38001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	38001001	22020701	70112	2101		8	Consultancy Services	-			
02	38001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	38001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	38001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	610,000.00			
							TOTAL	910,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	650,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	-			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	-			
02	34001001	22020402	70451	2101		6	Maintenance of officefurniture & equipment	-			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	2,570,000.00			
02	34001001	22020701	70451	2101		8	Consultancy Services	-			
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	2,393,000.00			
02	34001001	22020501	70451	2101		10	Short term Training and Consultancy	-			
02	34001001	22021001	70451	2101		11	Entertament & Hospitality	-			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	5,695,000.00			
							TOTAL	11,308,000.00			
AGRICULTURE AND NATURAL RESURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	360,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	-			
02	15001001	22020402	70421	2101		6	Maintenance of officefurniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	-			
02	15001001	22020701	70421	2101		8	Consultancy Services	-			
02	15001001	22040109	70421	2101		9	Grants, Contributions & Subventions	-			
02	15001001	22020501	70421	2101		10	Training and staff Development	-			
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	-			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	1,719,000.00			
							PROVISION OF SERVICEABLE	-			
							TOTAL	2,079,000.00			
							TOTAL ECONOMIC SECTOR	24,316,000.00			

SOCIAL SECTOR											
ADULT EDUCATION											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	17001001	22020101	70922	2101		2	Travel & Transport	60,000.00			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	-			
05	17001001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	17001001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	17001001	22020701	70922	2101		8	Consultancy Services	-			
05	17001001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	17001001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	50,000.00			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	664,424.12			
							TOTAL	774,424.12			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport	-			
05	51003001	22020201	70922	2101		3	Utility Services	-			
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	51003001	22020301	70922	2101		5	Stationary	-			
05	51003001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	51003001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51003001	22020701	70922	2101		8	Consultancy Services	-			
05	51003001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	51003001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	51003001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	-			

PRIMARY HEALTH CARE											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	21001001	22020101	70731	2101		2	Travel & Transport	1,710,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	-			
05	21001001	22020402	70731	2101		6	Maintenance of officefurniture & equipment	-			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	-			
05	21001001	22020701	70731	2101		8	Consultancy Services	-			
05	21001001	22020501	70731	2101		10	Training and staff Development	-			
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	-			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	3,654,000.00			
							PROVISION OF SERVICEABLE	-			
							TOTAL	5,364,000.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	313,000.00			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	-			
05	51002002	22020402	70180	2101		6	Maintenance of officefurniture & equipment	-			
05	51002002	22020401	70180	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51002002	22020701	70180	2101		8	Consultancy Services	-			
05	51002002	22040109	70180	2101		9	Grants, Contribution & Subvention	-			
05	51002002	22020501	70180	2101		10	Training and staff Development	-			
05	51002002	22021001	70180	2101		11	Entertainment & Hospitality	-			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	770,000.00			
							TOTAL	1,083,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	7,221,424.12			
							TOTAL FOR ALL SECTORS	141,993,021.50			

Note 5: Consolidated Revenue Charges

A-- PENSION AND GRATUITIES STATUTORY BOARD MINNA										
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	DETAILS	ACTUAL EXPENDITURE	APPROVED	REVISED BUDGET	VARIANCE ON REVISED BUDGET
01	25001001	22010102	70131	02101		Pension Statutory	37,355,491.53			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	36,378,164.34			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	-			
01	25001002	22020902	70132	02102		Insurance Premium	-			
01	25001001	22010106	70131	02101		Acturial Valuation	-			
01	25001001	22010107	70131	02101		Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-			
						Deceased 3rd Annual Emolument (CPS)	-			
						TOTAL	73,733,655.87			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	73,733,655.87			

Note 6: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,600,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	8,300,000.00
TOTAL	25,100,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	518,469,687.70
TOTAL CONTRIBUTIONS	547,269,687.70

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Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR													
SECTOR	ADMIN	ECONOMIC	FUNCTION	PROGRAMME		FUND	GEO CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2018	2018 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616		03005				4,055,555.55			
1	11033001									-			
1	11033001									-			
									TOTAL FOR ADMIN SECTOR	4,055,555.55			
ECONOMIC SECTOR													-
2	20001001					03005				29,136,074.01			
2										-			-
2									ECONOMIC SECTOR TOTAL	29,136,074.01	-	-	-
SOCIAL SECTOR													-
5			70422	70900002606		03005				1,111,111.11			
										-			
										-			
										-			
									SOCIAL SECTOR TOTAL	1,111,111.11	-	-	-
									TOTAL FOR ALL SECTORS	34,302,740.67			#REF!

Note 9: Closing Cash Book/Bank Balances as at 31st December, 2019

ACCOUNT TYPE		AMOUNT
FIRST BANK BIDA (PROJECT ACCT.)		22,326.30
FIRST BANK PLC		4,094.19
FIRST BANK PLC (SALARY ACCT.)		1,953,867.03
NAISA MFB (REVENUE)		2,471.17
GT BANK(WARD DEVELOPMENT ACCT)		17,849.61
TOTAL		2,000,608.30

Note 10: Investment

INVESTMENTS				
Investments in Companies				
	STOCK	HOLDING	PRICE	MARKET VALUE(N)
	TOTAL INVESTMENT			-

Note 11: Development Loan Stock

List the Loans	Balance as at 01/01/2019	ADDITIONAL LOAN	PRINCIPAL REPAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	BALANCE ON PRINCIPAL
BANK LOAN						
TOTAL						

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS		AMOUNT
PAYE		218,011.39
5% Contract Tax		4,523,086.36
5% VAT		3,848,086.38
TOTAL		8,589,184.13

**MANAGEMENT REPORT ON AUDITED
ANNUAL FINANCIAL STATEMENT FOR THE
YEAR ENDED 31ST DECEMBER, 2018**

1. SCOPE OF THE AUDIT

The Accounts and Records maintained by Magama Local Government Council and Financial Statement produced for audit in respect of the year ended 31st December, 2018 have been examined and all the information that were provided and gathered in respect of monies received and expended have been certified. All the books of account from the book of original entry, General ledger to subsidiary ledger were checked and certified by our team.

2.0 GENERAL STATE OF ACCOUNTS AND RECORD KEEPING

The pattern and manner of keeping and rendering accounting books and records as observed in the Local Governments Councils were inadequate as highlighted in this report and are stated below:

- Most of the payment vouchers raised were not having documentary evidences to justify the payments made.
- Most of the purchases made lacked essential documentary evidence such as Receipt Vouchers, and Store Issue Vouchers which shows that they were not supplied or supplied but not taken charge.
- In some cases, approvals in respect of expenditure incurred were not presented for audit.
- Deductions made for WHT and VAT were in some cases not remitted to the appropriate tax authorities within time.
- Some payment vouchers were not checked and passed by the Internal Audit Unit.
- Absence of signatures of relevant parties to Payment Vouchers.

- Lack of adequate budgetary discipline.
- Non-maintenance of Fixed/Moveable Asset register.

2.1 GENERAL RECOMMENDATION

- All Directors should ensure that they maintain their Departmental Vote Expenditure Account Books and reconcile same monthly.
- All supplies made to Departments should be received from the suppliers in the presence of the Internal Auditor, for certification of the prime, completeness, and validity of the goods supplied.
- All payment vouchers must contain authenticated documents duly signed by the respective officials and the supplier.
- No payment vouchers should be entertained by the Internal Auditor if it is not accompanied with Departmental Vote Expenditure Account Book (D.V.E.A) and Departmental Payment Voucher Register (D.P.V.R) in order to avoid over expenditure and omission of some payment vouchers and posted into D.V.E.A. Book.
- No voucher should be paid by the Cashier without being certified by the Internal Auditor and duly checked and passed by the Treasurer.
- Copies of contract awards documents must be sent to the office of the Internal Auditor for his awareness and record purposes.

- Payment for contract awards, being it part payment, must be accompanied with photocopies of the council’s approval and award of contract forms. Final payment must be accompanied with the original copies of the contract agreement form and relevant supporting documents for payment.
- Appointment of employees, resignation of appointment, termination of appointment, retirement from service, suspension from work, dismissal from service and deaths should be notified to the Internal Auditor immediately.
- All expenditure account books must be promptly reconciled with the treasury books to maintain efficiency and accountability.
- Rubber Stamp marked “ENTERED INTO VOTE BOOK” should be impressed on any payment sent to the Treasury to ensure that the voucher has been entered into Vote Book.
- Tell Book should equally be maintained by the Cashier for the purpose of Daily Cash Balance or the day’s taking to ascertain the liquid cash available at the close of each day’s business transactions after balancing up the Revenue and Expenditure cash Book for the day.
- The Revenue Staff (Collectors) should ensure that all revenue earning books are returned to the officer in charge after they have completely been used off.
- Store Officers should ensure that they keep all records up-to-date should the Internal Auditor will be going round to check and examine the accounts.
- A Job Cost Book should be kept in the Works Department on form **LGT 97 (F.M. 33.6)**.

3. REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Magama Local Government Council for the year ended 31st December 2018 is shown in the table 1 below.

Table 1: Breakdown of revenues and Expenditures.

TOTAL REVENUE		AMOUNT ₦	%
	Internally Generated Revenue	12,069,287.00	0.71
	Statutory Allocation	1,698,965,096.10	99.29
TOTAL		1,711,034,383.10	100
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	894,683,331.89	52.10
	Overhead Cost	141,993,021.50	8.27
	Consolidated Revenue Fund Charges	73,733,655.87	4.29
•	Contributions	547,269,687.70	31.87
•	Other Operating Activities	-	-
•	Other Transfers	25,100,000.00	1.46
•	Capital Expenditures	82,308,965.00	2.00
TOTAL		1,717,082,437.63	100

3.1 REVENUE

The sum of ₦1,711,034,383.10 accrued to Magama Local Government Councils as total receipts for the year ended 31st December 2018.

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Magama Local Government Council amounted to ₦12,069,287.00 only for the year ended 31st December 2018 which represents 0.71 % of the total accrued revenue of ₦1,711,034,383.10

This shows that the council solely depend on statutory allocation from the Federation Account for survival. This could result to non-survival of the Council if there is a decline of revenue from the Federation Account.

I advised the Local Government Council to take the following measures to boost their internally generated revenue collection.

- Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- Control over issuance of revenue receipts
- Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.

3.1.2 STATUTORY ALLOCATION

The sum of ₦1,698,965,096.10 was disbursed to Magama Local Governments Council for the year under review. Statutory allocation comprises VAT, Excess Crude and Statutory Allocation etc. The reporting framework provides that each revenue class is reported separately in the financial statements and the notes thereto.

It was, however, noted that these classes of revenue are only identified at the Ministry for Local Government (Joint Account) while the disbursements to Local Government Councils are only classified as Statutory Allocation.

This makes it difficult to trace and account for each revenue classes at the Local Government Council level and possibly reconciliation of disbursement from the Federation Account and the receipts by the Local Government Council.

I advised the Ministry for Local Governments to share with the Local Government councils the breakdown of revenues from the Federation Accounts to ensure that they are correctly reported by the Councils.

3.2 CASH AND BANK BALANCES

The total cash balances stood at ₦ in respect of Magama Local Government Council at the end of the financial year ended 31st December 2018. While the total bank balances stood at ₦ in respect of Magama Local Government Council as at the end of the financial year ended 31st December 2018.

4. INTERNAL CONTROL

During the course of our audit exercise, it was observed that despite reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued. The non-compliance was evidenced by the Payment Vouchers been

prepared and paid out without being endorsed by the Internal Audit Units, the non-endorsement of Officer Controlling the Vote, and Checks by the respective accounting Officers.

Also evidenced is lack of Asset Register to ascertain the Assets, their Condition, their Location and values of such assets. And all efforts made by my Office to ensure the maintenance of the Register are not encouraging.

In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that henceforth all Payment Vouchers raised are passed through Internal Audit Unit for certification before such payment are effected and equally ensure the maintenance of Asset Register before my next audit.

4.1 RECOMMENDATION

- It is recommended that the Internal Control System in existence has to be strengthened, proper record keeping and documentation of all financial transactions so as to enhance proper accountability.

5. BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦12,069,287.00 was generated as Internally Generated Revenue which represents 34.94% when compared with the total budgeted Internally Generated Revenue amounting to ₦27,650,000.00 during the year under review. This is a Fairly performance.

5.1 RECOMMENDATION

- It is recommended that preparation of cash flow statement should be adequately monitored to reduce the unnecessary expenditure on overhead and given priority to project execution.

- More efforts should be made so as to attain the target set on revenue generation internally in the next financial year. This will reduce over dependence of the Council on Statutory Allocation from Federation Accounts which is no longer attainable.

6. PERSONNEL COST

It was observed that the total sum of ₦894,683,331.89 and ₦470,945,774.03 was spent as total personnel cost for the year 2018 and 2017 respectively with an increase of ₦423,737,557.86 over the previous year. This is as a result of salary increased made by the state government during the year under review.

7. CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No 5 of Revenue and Expenditure revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦761,499,262.00 and only the sum of ₦34,302,740.67 representing 4.50% was spent leaving the balance of ₦456,423,697.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	210,082,820.00	4,055,555.55	206,027,264.45
02	Economic Sector	399,992,928.00	29,136,074.01	370,856,353.00
05	Social Sector	151,424,014.00	1,111,111.11	150,312,902.89
TOTAL		761,499,262.00	34,302,740.67	456,423,697.00

7.1 RECOMMENDATION

- It is recommended that the previous statistical data should be used in the preparation of a reliable budget that could be attainable.
- Also, Capital projects should be encouraged and priority should be given to its execution as it has direct bearing to the grass roots development.

8. PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No. 3 revealed that the Total Revenue stood at ₦1,711,034,383.10 with a Total Expenditure of ₦1,717,082,437.63 and close with a surplus balance of (₦6,048,054.53) This is an unhealthy statement of account.

9. 0 DEPOSITS

Deposits comprise statutory deductions which relate to contracts awarded (Value Added Tax (VAT) and Withholding Tax (WHT)) and employment which are deducted at source by the Local Government Council and are supposed to be remitted to the relevant tax collecting bodies in accordance with relevant legislation. I observed that a total of ₦8,589,184.13 stood as outstanding consolidated deposit balances as at the end of the period under review. Table below shows the list of the outstanding deposits as at 31st December 2018.

Outstanding deductions as at 31 December 2018.

DETAILS	AMOUNT ₦
5% Contract VAT	3,848,086.38
5% Withholding Tax	4,523,086.36
PAYE	218,011.39
TOTAL	8,589,184.13

From the above table, the Councils recorded outstanding VAT amounting to ₦3,848,086.38 and WHT of ₦4,523,086.36 as at 31st December, 2018.

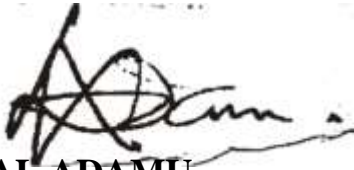
Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that the outstanding balance may be deducted from the Statutory allocations due to the Councils and in addition the councils may be fined and penalized for delayed remittance and hence affect the amount of money meant for developmental activities.

I advised the Local Government Councils to take steps to remit the outstanding deductions to the relevant authorities as a matter of urgency to avoid fines and penalties. I also advised the councils comply with the legislation in regard to future deductions.

10. CONCLUSION

We wish to use this medium to express our appreciation to the Chairman and the entire staff of Local Government for the cooperation given to the staff of this Office to carry out the Audit exercise.

It is our sincere hope that you would not hesitate to contact this Office for further clarification and explanations you might require in connection with the Audited Annual Financial Statement and Management Reports.



LAWAL ADAMU

*Director Statutory and Special Operations,
For: Auditor General*

**NIGER STATE OF NIGERIA
MARIGA LOCAL GOVERNMENT COUNCIL
BANGI**

**AUDITED ACCOUNTS
FOR
THE YEAR ENDED
31ST DECEMBER 2018**

**AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
P. M. B. 53, MINNA
NIGER STATE**

PERSONALITY PROFILE

C. FINANCIAL STATEMENT

Statement of Financial Responsibility

Council Officials

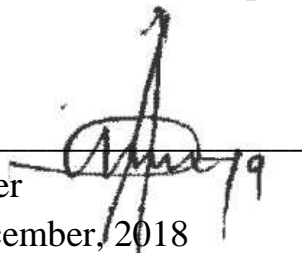
Auditor General's Opinion

D. AUDIT REPORT

- Cash Flow Statements
- Statement of Assets & Liabilities
- Statement of Consolidated Revenue Funds
- State of Capital Development Funds
- Notes to the Accounts.
- Statement of Accounting Policies
- Scope of Audit
- General State of Accounts and Records Keeping
- General Recommendation
- Review of Financial Statement
- Internal Control
- Budgetary Control
- Personnel Cost
- Capital Expenditure
- Performance of Operation Activities
- Deposits
- Outstanding Audit Inspection
- Conclusion

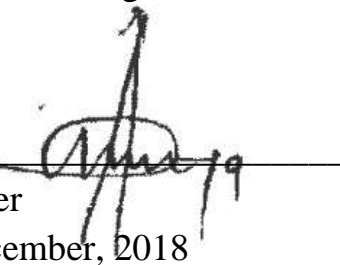
STATEMENT OF FINANCIAL RESPONSIBILITY

These Financial Statements have been prepared by the Treasurer of Mariga Local Government Council in accordance with the provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements complied with generally accepted accounting practices. The Treasury is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper records, the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of Internal Control has operated adequately throughout the reporting period.

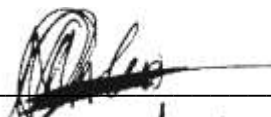


Treasurer
31st December, 2018

We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended. In our opinion, these financial statements fairly reflect the financial position of Mariga Local Governments as at 31st December, 2018 and its operations for the year ended on the date.



Treasurer
31st December, 2018



Chairman
31st December, 2018

COUNCIL OFFICIALS

- COUNCIL MEMBERS DESIGNATION:**

Honourable Idris Ibrahim	Executive Chairman
Honourable Musa Liman Adamu	Secretary

- HEAD OF DEPARTMENTS:**

NAMES:	DEPARTMENTS	DESIGNATION
Alhaji Musa Yahaya Adamu	Personnel Management	H. O. D
Alhaji Abubakar B. Tanko	Finance and Supply	H. O. D
Alhaji Usman Hussaini Bobi	Primary Health Care	H. O. D
Alh. Adamu A. Mazakaki	Agriculture and Natural Resources	H. O. D
Mr. Jashua Jacob Aliyu	Works and Housing	H. O. D
	Budget and Planning	H. O. D
Akilu Garba Sadiq	Social Development	H. O. D

- BANKERS**

First Bank Plc.
 Unity Bank Plc.
 UBA Plc.
 Kuna Gaba Micro Finance Bank

ADDRESS

Kontagora Branch
 Kontagora Branch
 Kontagora Branch
 Bangi

- AUDITORS**

Auditor General
 Office of the Auditor General for Local Governments
 P.M.B. 53 Minna,
 Niger State.

AUDITOR GENERAL'S OPINION

I have examined the financial statement which have been prepared in accordance with standardized Local Government Treasury Procedures, Financial Memoranda and Circular guidelines. I obtained all information and explanations which I requested for the purpose of my Audit.

In my opinion, the accounts readable in conjunction with notes subject to the issues raised in the management report issued separately with this account gives a true and fair view of affairs of the Council as at 31st December, 2018 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.



Ibrahim Ahmed, B. Sc, MPA, FCNA, FCTI, CPA
Auditor General for Local Governments

1: Cash Flow Statement for the Year Ended 31st December, 2018

ANNUAL BUDGET 2018		NOTES	ACTUAL YEAR 2018	PREVIOUS YEAR 2017
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,262,720,838.00	Statutory Allocations:FAAC	1	1,627,345,398.01	
	Value Added Tax Allocation	1		
1,262,720,838.00	Sub-total - Statutory Allocation		1,627,345,398.01	
2,500,000.00	Direct Taxes	2	3,460,610.00	
16,530,000.00	Licences & FEES	2	16,551,960.00	
	Mining Rents:	2		
250,000.00	RATES	2	608,000.00	
	Fees:	2		
	Fines	2		
	Sales	2		
9,320,000.00	Earnings :	2	13,238,900.00	
1,300,000.00	Sales/Rent of Government Buildings:	2	2,000.00	
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
500,000.00	Interest Earned	2		2,568,530,528.54
	Re-imbusement	2		65,175,000.00
1,100,000.00	MISELLANEOUS	2	75,000.00	2,633,705,528.54
31,500,000.00	Sub-total - Independent Revenue			
	Other Revenue Sources of the -Government	3		
31,500,000.00	TOTAL INDEPENDANT REVENUE		33,936,470.00	
	Commercial Bank Loan		-	
1,294,220,838.00	TOTAL RECEIPTS		1,661,281,868.01	
	Payments:			
446,830,225.00	Personnel Costs	3	742,597,906.96	
260,047,666.00	Overhead Charges:	4	170,143,080.21	2,631,005,465.16
	Consolidated Revenue Fund Charges .	5	52,652,077.52	2,633,805,528.54
	contributions	7	588,593,940.92	(2,800,063.38)
	Other Operating Activities		-	
	Financial Charges		-	
-	Other Transfers	6	25,100,000.00	
706,877,891.00	Total Payments		1,579,087,005.61	
	Net Cash Flow from Operating Activities		82,194,862.40	

	CashFlows from Investment Activities:			
	Capital Expenditure:Administrative Sector:	8	32,199,000.00	
	Capital Expenditure: Economic Sector:	8	17,270,000.00	
	capital expenditure: Social Service Sector:	8	32,839,965.00	
	Capital Expenditure: Funded from Aid and Grants:		-	
427,067,877.00	Total Cash Flow from Investment Activities:		82,308,965.00	
	Net Cash Flow from Investment Activities:		(114,102.60)	
	CashFlows from Financing Activities:			
	Proceeds from Aid and Grants		-	
	Proceeds from ExternaL Loan :		-	
	Proceeds from Internal Loans: Bonds :		-	
	Proceeds from Development loan stock		-	
	Proceeds of Loans from Other Funds		-	(114,102.60)
	Repayment of External Loans (Including Servicing)		-	7,652,758.12
	Repayment of Treasury Bonds :		-	7,538,655.52
	Repayment of Loans from Development loan stock		-	
	Repayment of Loans from Other Funds	11	-	
	Total Cash Flow from Financing Activities:		-	
	Net Cash Flow from Financing Activities:		(114,102.60)	
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	
	Net (Increase)/Decrease in Other Cash Equivalents:		-	
	Total Cashflow from other Cash equivalent Accounts		-	
	Net Cash for the year		(114,102.60)	
	Cash & Its Equivalent as at 1st January, 2018		1,359,759.96	
	Cash & Its Equivalent as at 31st December, 2018	9	1,245,657.36	

2: Statement of Assets and Liabilities as at 31st December, 2018

	NOTES	CURRENT YEAR 2018	PREVIOUS YEAR 2017
CURRENT ASSETS:-		₦	₦
Liquid Assets:-			
Cash Held by AGNS:			
CASH AT HAND		467.92	
CASH AT BANK	9	1,245,189.36	
TOTAL LIQUID ASSETS		1,245,657.28	
NON CURRENT ASSETS:			
		-	
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	
TOTAL ASSETS		1,245,657.28	
LIABILITIES OVER ASSETS		5,155,148.22	
TOTAL		6,400,805.50	
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	1,245,657.36	
Capital Development Fund:		-	
TOTAL PUBLIC FUNDS		1,245,657.36	
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	-	
		-	
		-	
		-	
TOTAL EXTERNAL AND INTERNAL LOANS		-	

OTHER LIABILITIES			
UNREMITTED DEDUCTIONS			
Pay as You Earn (PAYE)	12		30,143.79
Development Levy	12		9,541.11
MHWUN	12		889.31
NULGE	12		428.12
5% Withholding Tax	12		2,992,011.88
5% VAT	12		1,993,999.65
Retention Fees	12		6,134.28
1% Stamp Duty Charges	12		122,000.00
TOTAL LIABILITIES			5,155,148.14
TOTAL LIABILITIES AND PUBLIC FOUNDS			6,400,805.50

3: Statement of Consolidated Revenue for the year ended 31st December, 2018

ACTUAL PREVIOUS YEAR 2017		NOTES	ACTUAL YEAR 2018	FINAL BUDGET 2018	INITIAL/ORIGINAL BUDGET 2018
₦			₦	₦	₦
	Opening Balance:		1,359,759.96		
	ADD: REVENUE				
	Statutory Allocations:FAAC	1	1,627,345,398.01	1,262,720,838.00	
	Value Added Tax Allocation	1	-		
	Sub-Total - Statutory Allocation		1,627,345,398.01	1,262,720,838.00	
	Direct Taxes	2	3,460,610.00	2,500,000.00	
	Licences	2	16,551,960.00	16,530,000.00	
	RATES	2	608,000.00	250,000.00	
	Fees:	2	-		
	Fines	2	-		
	Sales	2	-		
	Earnings :	2	13,238,900.00	9,320,000.00	
	Sales/Rent of Government Buildings:	2	2,000.00	1,300,000.00	
	Sale/Rent on Lands and Others:	2	-	-	
	MISCELLANEOUS	2	75,000.00	1,100,000.00	
	Investment Income	2	-		
	Interest Earned	2	-		
	Re-Imbursements	2	-		
	Sub-Total - Independent Revenue		33,936,470.00	31,500,000.00	
	Other Revenue Sources of the ---Government		-		
	TOTAL REVENUE:		1,662,641,627.97	1,294,220,838.00	
	LESS:EXPENDITURE				
	Personnel Costs:	3	742,597,906.96	446,830,225.00	
	Overhead Charges:	4	170,143,080.21	260,047,666.00	
	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	52,652,077.52	-	
	contributions	7	588,593,940.92		
	Other Operating Activities		-		
	Financial Charges.		-		
	Other Transfers	6	25,100,000.00		
	TOTAL EXPENDITURE:		1,579,087,005.61	706,877,891.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
	Repayments:External Loans:States			-	
	Repayments:States Bonds.			-	
	Repayments:Development Loan Stock			-	
	Repayments:Internal Loans from Other Funds	11		-	
	TOTAL EXPENDITURE:			-	
	OPERATING BALANCE:			83,554,622.36	
	APPROPRIATIONS/TRANSFERS:				
	Transfer to Capital Development Fund:			82,308,965.00	
	Closing Balance:			1,245,657.36	

4: Statement of Capital Development Fund for the year ended 31st December, 2018

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2017			EXPENDITURE 2018	BUDGET 2018	BUDGET 2018	BUDGET 2018
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
	Transfer from Consolidated Revenue Fund:		82,308,965.00			
	Aid and Grants		-			
	TOTAL REVENUE AVAILABLE:		82,308,965.00			
	LESS: CAPITAL EXPENDITURE					
	Capital Expenditure:Administrative Sector:	10	32,199,000.00			
	Capital Expenditure: Economic Sector:	10	17,270,000.00			
	Capital Expenditure: Social Service Sector:	10	32,839,965.00			
	Capital Expenditure: Funded from Aid and Grants:		-			
	TOTAL CAPITAL EXPENDITURE:		82,308,965.00	427,067,877.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2018

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₱	₱
Net Share of Statutory Allocation from FAAC	A	609,804,726.56	
Add :Deduction at source for Loan Repayment	B	1,017,540,671.45	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			1,627,345,398.01
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₱	₱	₱
TAXES	3,460,610.00	2,500,000.00	(960,610.00)
RATES	608,000.00	250,000.00	(358,000.00)
LINCENCES & FEES	16,551,960.00	16,530,000.00	(21,960.00)
EARNING FROM COMMERCIAL UNDERTAKING	13,238,900.00	9,320,000.00	(3,918,900.00)
RENT ON LOCAL GOVERNMENT PROPERTY	2,000.00	1,300,000.00	1,298,000.00
INTREST AND DIVIDEND	-	500,000.00	500,000.00
MISELLANEOUS	75,000.00	110,000.00	35,000.00
TOTAL I G R	33,936,470.00	30,510,000.00	(3,426,470.00)

Note 3: Personnel Cost

ADMINISTRATIVE SECTOR										
SECTOR	Admin	Economic	Function	Fund	GEO CODE		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
OFFICE OF THE CHAIRMAN										
01	11001001	21010101	70111	2101		TOTAL PERSONNEL COST	8,475,040.62			
THE COUNCCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	27,820,839.82			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	6,602,074.42			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	19,895,300.39			
TOTAL ADMIN SECTOR							62,793,255.25			
ECONOMIC SECTOR										
Sector	Admin	Economic	Function	Fund			ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	40,067,334.15			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	-			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	28,539,363.33			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	25,712,347.92			
TOTAL ECONOMIC SECTOR							94,319,045.40			

SOCIAL SECTOR									
Sector	Admin	Economic	Function	Fund		ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
ADULT EDUCATION									
05	17001001	21010101	70960	2101	TOTAL PERSONNEL COST	37,638,206.02			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	190,788,034.88			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	17,204,712.37			
TOTAL SOCIAL SECTOR						245,630,953.27			
TOTAL FOR ALL SECTORS						402,743,253.92			
ADJUSTMENT :									
PAYEE						12,898,223.71			
PAYEE (POLITICAL OFFICE						4,096,200.00			
UNION DUES						19,702,096.20			
NHF(2,5%)						3,088,433.34			
EMIRATE COUNCIL						40,179,250.08			
PRIMARY EDUCATION						259,890,449.71			
NISEPA						11,340,000.00			
TOTAL PERSONNEL COST FOR ALL SECTORS						742,597,906.96		753,937,906.96	

Note 4: Overhead Cost

ADMINISTRATIVE SECTOR											
OFFICE OF THE CHAIRMAN											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11001001	22020101	70111	2101		2	Travel & Transport	8,102,146.32			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	460,000.00			
01	11001001	22020402	70111	2101		6	Maintenance of office	9,947,965.66			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	3,566,000.00			
01	11001001	22020701	70111	2101		8	Consultancy Services	1,997,000.00			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	10,641,565.05			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	4,841,000.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	876,546.21			
							Provision of Servicable Materials	27,715,776.76			
							TOTAL	68,148,000.00			
THE COUNCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	1,449,000.00			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	720,000.00			
01	12003001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	11,664,571.17			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles andCapital assets	5,622,240.83			
01	12003001	22020701	70111	2101		8	Consultancy Services	200,000.00			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	12003001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	496,829.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	7,749,339.00			
							TOTAL	27,901,980.00			

OFFICE OF THE SECRETARY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11013001	22020101	70111	2101		2	Travel & Transport	500,000.00			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	360,000.00			
01	11013001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	4,175,000.00			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	-			
01	11013001	22020701	70111	2101		8	Consultancy Services	-			
01	11013001	22040109	70111	2101		9	Grants, Contributions & Subventions	788,000.00			
01	11013001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11013001	22021001	70111	2101		11	Entertainment & Hospitality	346,000.00			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	609,000.00			
							TOTAL	6,778,000.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	598,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	1,817,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of officefurniture & equipment	-			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	3,773,416.46			
01	25001001	22020701	70131	2101		8	Consultancy Services	-			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	-			
01	25001001	22020501	70131	2101		10	Training and staff Development	4,186,806.62			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	600,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	-			
							TOTAL	10,975,223.08			
							TOTAL ADMIN SECTOR	113,803,203.08	-	-	-

ECONOMIC SECTOR											
FINANCE AND SUPPLY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	20001001	22020101	70112	2101		2	Travel & Transport	1,965,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	1,800,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	1,760,000.00			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	2,731,777.16			
02	20001001	22020701	70112	2101		8	Consultancy Services	-			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	32,667,480.94			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	1,568,223.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	1,483,003.05			
							TOTAL	43,975,484.15			
BUDGET;PLANNING & RESEARCH											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	38001001	22020101	70112	2101		2	Travel & Transport	-			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	-			
02	38001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	38001001	22020701	70112	2101		8	Consultancy Services	-			
02	38001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	38001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	38001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	-			
							TOTAL	-			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	900,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	390,000.00			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	-			
02	34001001	22020402	70451	2101		6	Maintenance of officefurniture & equipment	382,203.00			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	-			
02	34001001	22020701	70451	2101		8	Consultancy Services	-			
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	-			
02	34001001	22020501	70451	2101		10	Short term Training and Consultancy	-			
02	34001001	22021001	70451	2101		11	Entertament & Hospitality	-			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	572,797.00			
							TOTAL	2,245,000.00			
AGRICULTURE AND NATURAL RESURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	476,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	-			
02	15001001	22020402	70421	2101		6	Maintenance of officefurniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	2,360,000.00			
02	15001001	22020701	70421	2101		8	Consultancy Services	-			
02	15001001	22040109	70421	2101		9	Grants, Contributions & Subventions	-			
02	15001001	22020501	70421	2101		10	Training and staff Development	-			
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	-			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	350,000.00			
							Provision of Servicable Materials	1,674,000.00			
							TOTAL	4,860,000.00			
							TOTAL ECONOMIC SECTOR MINISTRY	51,080,484.15	-	-	-

SOCIAL SECTOR												
ADULT EDUCATION												
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE	
05	17001001	22020101	70922	2101		2	Travel & Transport	794,000.00				
05	17001001	22020201	70922	2101		3	Utility Services	-				
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-				
05	17001001	22020301	70922	2101		5	Stationary	-				
05	17001001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	1,022,753.27				
05	17001001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-				
05	17001001	22020701	70922	2101		8	Consultancy Services	-				
05	17001001	22040109	70922	2101		9	Grants, Contributions & Subventions	-				
05	17001001	22020501	70922	2101		10	Short term Training and Consultancy	-				
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	-				
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	717,246.73				
							TOTAL	2,534,000.00				
SOIAL DEVELOPEMENY												
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE	
05	51003001	22020101	70922	2101		2	Travel & Transport	-				
05	51003001	22020201	70922	2101		3	Utility Services	-				
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-				
05	51003001	22020301	70922	2101		5	Stationary	-				
05	51003001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-				
05	51003001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-				
05	51003001	22020701	70922	2101		8	Consultancy Services	-				
05	51003001	22040109	70922	2101		9	Grants, Contributions & Subventions	-				
05	51003001	22020501	70922	2101		10	Short term Training and Consultancy	-				
05	51003001	22021001	70922	2101		11	Entertainment & Hospitality	-				
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	-				
							TOTAL	-				

PRIMARY HEALTH CARE											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	21001001	22020101	70731	2101		2	Travel & Transport	380,392.98			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	-			
05	21001001	22020402	70731	2101		6	Maintenance of officefurniture & equipment	1,022,753.27			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	-			
05	21001001	22020701	70731	2101		8	Consultancy Services	-			
05	21001001	22020501	70731	2101		10	Training and staff Development	-			
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	-			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	717,246.73			
							TOTAL	2,120,392.98			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	274,000.00			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	-			
05	51002002	22020402	70180	2101		6	Maintenance of officefurniture & equipment	-			
05	51002002	22020401	70180	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51002002	22020701	70180	2101		8	Consultancy Services	-			
05	51002002	22040109	70180	2101		9	Grants, Contribution & Subvention	-			
05	51002002	22020501	70180	2101		10	Training and staff Development	-			
05	51002002	22021001	70180	2101		11	Entertainment & Hospitality	-			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	331,000.00			
							TOTAL	605,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	5,259,392.98	-	-	-
							TOTAL FOR ALL SECTORS	170,143,080.21	-	-	-

Note 5: Consolidated Revenue Charges

A-- PENSION AND GRATUITIES STATUTORY BOARD MINNA										
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	DETAILS	ACTUAL EXPENDITURE	APPROVED	REVISED BUDGET	VARIANCE ON REVISED BUDGET
01	25001001	22010102	70131	02101		Pension Statutory	21,454,829.79			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	31,197,247.73			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	-			
01	25001002	22020902	70132	02102		Insurance Premium	-			
01	25001001	22010106	70131	02101		Acturial Valuation	-			
01	25001001	22010107	70131	02101		Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-			
						Deceased 3rd Annual Emolument (CPS)	-			
						TOTAL	52,652,077.52			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	52,652,077.52			

Note 6: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,600,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	8,300,000.00
TOTAL	25,100,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	559,793,940.92
TOTAL CONTRIBUTIONS	588,593,940.92

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECONOMIC	FUNCTION	PROGRAMME	FUND	GEO CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2018	2018 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
01	11033001	23010122	70722	010400009616	03005	12620500		RAMADAN,SALLAH WELFARE	18,500,000.00			
01	11033001	23010122	70722	010400009616	03005	12620500		CONTRIBUTION &DONATIONS TO MOSQUES	5,350,000.00			
01	11033001	23010122	70722	010400009616	03005	12620500		CONTRIBUTION TO ISLAMIYA SCHOOLS	400,000.00			
								FACING CAPS	1,000,000.00			
								HAJJ ESTERCODE	1,000,000.00			
								PURCHASE OF SCANNING MACHINE	450,000.00			-
								REPAIR OF TRACTOR	200,000.00			
								REHABILITATION OF MARIGA GUEST INN	104,000.00			
								NOV/DEC 2017 WAB ALLOWANCE	270,000.00			
								WAR	4,925,000.00			
								TOTAL FOR ADMIN SECTOR	32,199,000.00			
ECONOMIC SECTOR												-
02	20001001				03005	12620500		SUPPLY OF MOTOCYCLE	9,320,000.00			
02								SUPPLY OF HILUX	6,000,000.00			
02								RENOVATION OF MARKET STORES	1,950,000.00			
02									-			
02								ECONOMIC SECTOR TOTAL	17,270,000.00	-	-	-
												-

SOCIAL SECTOR														-
05		70422	70900002606		03005	12620500		CONSTRUCTION OF PRIMARY SCHOOLS	3,795,000.00					
								RENOVATION OF COPPERS LODGE	360,000.00					
								REPAIR OF SOLAR POWER	3,497,965.00					
								EVACUATION & CONSTRUCTION OF DRAINAGE	3,060,000.00					
								REPAIR OF BORE HOLES	10,980,000.00					
								PURCHASE OF MEDICINE	1,000,000.00					
								2018 SCHOOLS AWARD	7,000,000.00					
								NECO SCRACH CARDS	2,647,000.00					
								TEACHERS RECRUITMENT EXERCISE	500,000.00					
								SOCIAL SECTOR TOTAL	32,839,965.00	-		-		-
								TOTAL FOR ALL SECTORS	82,308,965.00					-

Note 9: Closing Cash Book/Bank Balances as at 31st December, 2019

ACCOUNT TYPE		AMOUNT
UBA PLC		1,173,911.21
FIRST BANK PLC		12,725.71
UNITY BANK PLC		59020.44
TOTAL		1,245,657.36
OVER DRAWN ACCOUNT		
KUNA GABA MFB		(7,657.23)
TOTAL		(7,657.23)

Note 10: Investment

INVESTMENTS				
Investments in Companies				
	STOCK	HOLDING	PRICE	MARKET VALUE(N)
	TOTAL INVESTMENT			-

Note 11: Development Loan Stock

List the Loans	Balance as at 01/01/2019	ADDITIONAL LOAN	PRINCIPAL REPAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	BALANCE ON PRINCIPAL
BANK LOAN						
TOTAL						

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS	AMOUNT
Pay as You Earn (PAYE)	30,143.79
Development Levy	9,541.11
MHWUN	889.31
NULGE	428.12
5% Withholding Tax	2,992,011.88
5% VAT	1,993,999.65
Retention Fees	6,134.28
1% Stamp Duty Charges	122,000.00
TOTAL	5,155,148.14

**MANAGEMENT REPORT ON AUDITED
ANNUAL FINANCIAL STATEMENT FOR THE
YEAR ENDED 31ST DECEMBER, 2018**

1. SCOPE OF THE AUDIT

The Accounts and Records maintained by Mariga Local Government Council and Financial Statement produced for audit in respect of the year ended 31st December, 2018 have been examined and all the information that were provided and gathered in respect of monies received and expended have been certified. All the books of account from the book of original entry, General ledger to subsidiary ledger were checked and certified by our team.

2.0 GENERAL STATE OF ACCOUNTS AND RECORD KEEPING

The pattern and manner of keeping and rendering accounting books and records as observed in the Local Governments Councils were inadequate as highlighted in this report and are stated below:

- Most of the payment vouchers raised were not having documentary evidences to justify the payments made.
- Most of the purchases made lacked essential documentary evidence such as Receipt Vouchers, and Store Issue Vouchers which shows that they were not supplied or supplied but not taken charge.
- In some cases, approvals in respect of expenditure incurred were not presented for audit.
- Deductions made for WHT and VAT were in some cases not remitted to the appropriate tax authorities within time.
- Some payment vouchers were not checked and passed by the Internal Audit Unit.
- Absence of signatures of relevant parties to Payment Vouchers.

- Lack of adequate budgetary discipline.
- Non-maintenance of Fixed/Moveable Asset register.

2.1 GENERAL RECOMMENDATION

- All Directors should ensure that they maintain their Departmental Vote Expenditure Account Books and reconcile same monthly.
- All supplies made to Departments should be received from the suppliers in the presence of the Internal Auditor, for certification of the prime, completeness, and validity of the goods supplied.
- All payment vouchers must contain authenticated documents duly signed by the respective officials and the supplier.
- No payment vouchers should be entertained by the Internal Auditor if it is not accompanied with Departmental Vote Expenditure Account Book (D.V.E.A) and Departmental Payment Voucher Register (D.P.V.R) in order to avoid over expenditure and omission of some payment vouchers and posted into D.V.E.A. Book.
- No voucher should be paid by the Cashier without being certified by the Internal Auditor and duly checked and passed by the Treasurer.
- Copies of contract awards documents must be sent to the office of the Internal Auditor for his awareness and record purposes.

- Payment for contract awards, being it part payment, must be accompanied with photocopies of the council’s approval and award of contract forms. Final payment must be accompanied with the original copies of the contract agreement form and relevant supporting documents for payment.
- Appointment of employees, resignation of appointment, termination of appointment, retirement from service, suspension from work, dismissal from service and deaths should be notified to the Internal Auditor immediately.
- All expenditure account books must be promptly reconciled with the treasury books to maintain efficiency and accountability.
- Rubber Stamp marked “ENTERED INTO VOTE BOOK” should be impressed on any payment sent to the Treasury to ensure that the voucher has been entered into Vote Book.
- Tell Book should equally be maintained by the Cashier for the purpose of Daily Cash Balance or the day’s taking to ascertain the liquid cash available at the close of each day’s business transactions after balancing up the Revenue and Expenditure cash Book for the day.
- The Revenue Staff (Collectors) should ensure that all revenue earning books are returned to the officer in charge after they have completely been used off.
- Store Officers should ensure that they keep all records up-to-date should the Internal Auditor will be going round to check and examine the accounts.
- A Job Cost Book should be kept in the Works Department on form **LGT 97 (F.M. 33.6)**.

3. REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Mariga Local Government Council for the year ended 31st December 2019 is shown in the table 1 below.

Table 1: Breakdown of revenues and Expenditures.

TOTAL REVENUE		AMOUNT ₦	%
	Internally Generated Revenue	33,936,470.00	2.04
	Statutory Allocation	1,627,345,398.01	97.96
	TOTAL	1,661,281,868.01	100
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	742,597,906.96	44.70
	Overhead Cost	170,143,080.21	10.24
	Consolidated Revenue Fund Charges	52,652,077.52	3.17
•	Contributions	588,593,940.92	35.43
•	Other Operating Activities	-	-
•	Other Transfers	25,100,000.00	1.51
•	Capital Expenditures	82,302,965.00	4.95
	TOTAL	1,661,395,970.61	100

3.1 REVENUE

The sum of ₦1,627,345,398.01 accrued to Mariga Local Government Councils as total receipts for the year ended 31st December 2018.

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Mariga Local Government Council amounted to ₦33,936,470.00 only for the year ended 31st December 2018 which represents 2.04 % of the total accrued revenue of ₦1,627,345,398.01

This shows that the council solely depend on statutory allocation from the Federation Account for survival. This could result to non-survival of the Council if there is a decline of revenue from the Federation Account.

I advised the Local Government Council to take the following measures to boost their internally generated revenue collection.

- Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- Control over issuance of revenue receipts
- Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.

3.1.2 STATUTORY ALLOCATION

The sum of ₦1,627,345,398.01 was disbursed to Mariga Local Governments Council for the year under review. Statutory allocation comprises VAT, Excess Crude and Statutory Allocation etc. The reporting framework provides that each revenue class is reported separately in the financial statements and the notes thereto.

It was, however, noted that these classes of revenue are only identified at the Ministry for Local Government (Joint Account) while the disbursements to Local Government Councils are only classified as Statutory Allocation.

This makes it difficult to trace and account for each revenue classes at the Local Government Council level and possibly reconciliation of disbursement from the Federation Account and the receipts by the Local Government Council.

I advised the Ministry for Local Governments to share with the Local Government councils the breakdown of revenues from the Federation Accounts to ensure that they are correctly reported by the Councils.

3.2 CASH AND BANK BALANCES

The total cash balances stood at ₦220.59 in respect of Mariga Local Government Council at the end of the financial year ended 31st December 2018.

While the total bank balances stood at ₦2,000,828.89 in respect of Mariga Local Government Council as at the end of the financial year ended 31st December 2018

4. INTERNAL CONTROL

During the course of our audit exercise, it was observed that despite reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued. The non-compliance was evidenced by the Payment Vouchers been prepared and paid out without being endorsed by the Internal Audit Units, the non-endorsement of Officer Controlling the Vote, and Checks by the respective accounting Officers.

Also evidenced is lack of Asset Register to ascertain the Assets, their Condition, their Location and values of such assets. And all efforts made by my Office to ensure the maintenance of the Register are not encouraging.

In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that henceforth all Payment Vouchers raised are passed through Internal Audit Unit for certification before such payment are effected and equally ensure the maintenance of Asset Register before my next audit.

4.1 RECOMMENDATION

- It is recommended that the Internal Control System in existence has to be strengthened, proper record keeping and documentation of all financial transactions so as to enhance proper accountability.

5. BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦33,936,470.00 was generated as Internally Generated Revenue which represents 107.73% when compared with the total budgeted Internally Generated Revenue amounting to ₦31,500,000.00 during the year under review. This is a great performance.

5.1 RECOMMENDATION

- It is recommended that preparation of cash flow statement should be adequately monitored to reduce the unnecessary expenditure on overhead and given priority to project execution.
- More efforts should be made so as to maintained the target set on revenue generation internally in the next financial year. This will reduce over dependence of the Council on Statutory Allocation from Federation Accounts which is no longer attainable.

6. PERSONNEL COST

It was observed that the total sum of ₦742,597,906.96 and ₦446,830,225.00 was spent as total personnel cost for the year 2018 and 2017 respectively with an increase of ₦295,767,681.96 over the previous year w. This is as a result of salary increased made by the state government during the year under review.

7. CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No 5 of Revenue and Expenditure revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦427,067,877.00 and only the sum of ₦82,308,965.00 representing 19.27% was spent leaving the balance of ₦344,758,912.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	261,076,877.00	32,199,000.00	228,877,877.00
02	Economic Sector	33,000,000.00	17,270,000.00	15,730,000.00
05	Social Sector	132,991,000.00	32,839,965.00	100,151,035.00
TOTAL		427,067,877.00	82,308,965.00	344,758,912.00

7.1 RECOMMENDATION

- It is recommended that the previous statistical data should be used in the preparation of a reliable budget that could be attainable.
- Also, Capital projects should be encouraged and priority should be given to its execution as it has direct bearing to the grass roots development.

8. PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No. 3 revealed that the Total Revenue stood at ₦2,649,163,455.93 with a Total Expenditure of ₦2,617,792,406.26 and close with a surplus balance of ₦31,371,049.67 This is a healthy statement of account.

9.0 DEPOSITS

Deposits comprise statutory deductions which relate to contracts awarded (Value Added Tax (VAT) and Withholding Tax (WHT)) and employment which are deducted at source by the Local Government Council and are supposed to be remitted to the relevant tax collecting bodies in accordance with relevant legislation. I observed that a total of ₦5,155,148.14 stood as outstanding consolidated deposit balances as at the end of the period under review. Table below shows the list of the outstanding deposits as at 31st December 2018.

Outstanding deductions as at 31 December 2018.

DETAILS	AMOUNT ₦
5% Contract VAT	1,993,999.65
5% Withholding Tax	2,992,011.88
Development Levy	9,541.11
1% Stamp Duty	122,000.00
PAYE	30,143.79
MHWU	889.31
NULGE	428.12

Retention fees	6,134.28
TOTAL	5,155,148.14

From the above table, the Councils recorded outstanding VAT amounting to ₦1,993,999.65 and WHT of ₦2,992,011.88 as at 31st December, 2018.

Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that the outstanding balance may be deducted from the Statutory allocations due to the Councils and in addition the councils may be fined and penalized for delayed remittance and hence affect the amount of money meant for developmental activities.

I advised the Local Government Councils to take steps to remit the outstanding deductions to the relevant authorities as a matter of urgency to avoid fines and penalties. I also advised the councils comply with the legislation in regard to future deductions.

10. OUTSTANDING AUDIT INSPECTION

AGX/ FO.18/TA/MRG/VOL.1

Dated:23rd July 2019

(i)VAT and TAX deducted but not remitted to their appropriate Authorities

7,856,396.00

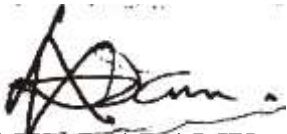
10.1 REQUIRED

The council is required to response to the outstanding Inspection Report or else necessary action and sanction will be taken.

11. CONCLUSION

We wish to use this medium to express our appreciation to the Chairman and the entire staff of Local Government for the cooperation given to the staff of this Office to carry out the Audit exercise.

It is our sincere hope that you would not hesitate to contact this Office for further clarification and explanations you might require in connection with the Audited Annual Financial Statement and Management Reports.



LAWAL ADAMU

Director Statutory and Special Operations,

For: Auditor General

NIGER STATE OF NIGERIA

**MASHEGU LOCAL GOVERNMENT COUNCIL
MASHEGU**

**AUDITED ACCOUNTS
FOR
THE YEAR ENDED
31ST DECEMBER 2018**

**AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
P. M. B. 53, MINNA
NIGER STATE**

PERSONALITY PROFILE

E. FINANCIAL STATEMENT

Statement of Financial Responsibility

Council Officials

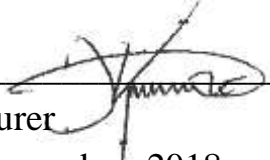
Auditor General's Opinion

F. AUDIT REPORT

- Cash Flow Statements
- Statement of Assets & Liabilities
- Statement of Consolidated Revenue Funds
- State of Capital Development Funds
- Notes to the Accounts.
- Statement of Accounting Policies
- Scope of Audit
- General State of Accounts and Records Keeping
- General Recommendation
- Review of Financial Statement
- Internal Control
- Budgetary Control
- Personnel Cost
- Capital Expenditure
- Performance of Operation Activities
- Deposits
- Outstanding Audit Inspection
- Conclusion

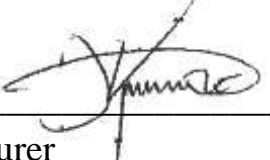
STATEMENT OF FINANCIAL RESPONSIBILITY

These Financial Statements have been prepared by the Treasurer of Mashegu Local Government Council in accordance with the provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements complied with generally accepted accounting practices. The Treasury is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper records, the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of Internal Control has operated adequately throughout the reporting period.

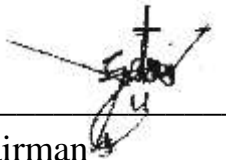


Treasurer
31st December, 2018

We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended. In our opinion, these financial statements fairly reflect the financial position of Mashegu Local Governments as at 31st December, 2018 and its operations for the year ended on the date.



Treasurer
31st December, 2018



Chairman
31st December, 2018

COUNCIL OFFICIALS

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Alhaji Alhassan Isah M/Kuka Executive Chairman

Honourable Aminu Ibrahim Matane Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:	DEPARTMENTS	DESIGNATION
Hassan Salihu Assah	Personnel Management	H. O. D
Adamu Abubakar Kulho	Finance and Supply	H. O. D
Amina Musa Kaboji	Primary Health Care	H. O. D
Garba Magaji	Agriculture and Natural Resources	H. O. D
Musa Abdullahi	Works and Housing	H. O. D
Mohammed Baba Isah	Budget and Planning	H. O. D
Mammam Kolo Fala	Social Development	H. O. D

- **BANKERS**

ADDRESS

First Bank Plc.	Kontagora Branch
Eco Bank Plc.	Kontagora Branch
Unity Bank	Kontagora Branch
Zenith Bank Plc.	Kontagora Branch
UBA Plc.	Kontagora Branch
Tattali Microfinance Bank	Makera

- **AUDITORS**

Auditor General

Office of the Auditor General for Local Governments

P.M.B. 53 Minna,

Niger State.

AUDITOR GENERAL'S OPINION

I have examined the financial statement which have been prepared in accordance with standardized Local Government Treasury Procedures, Financial Memoranda and Circular guidelines. I obtained all information and explanations which I requested for the purpose of my Audit.

In my opinion, the accounts readable in conjunction with notes subject to the issues raised in the management report issued separately with this account gives a true and fair view of affairs of the Council as at 31st December, 2018 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.



Ibrahim Ahmed, B. Sc, MPA, FCNA, FCTI, CPA
Auditor General for Local Governments

1: Cash Flow Statement for the Year Ended 31st December, 2018

ANNUAL BUDGET 2018		NOTES	ACTUAL YEAR 2018	PREVIOUS YEAR 2017
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,699,988,170.00	Statutory Allocations:FAAC	1	1,467,196,624.87	
	Value Added Tax Allocation	1		
1,699,988,170.00	Sub-total - Statutory Allocation		1,467,196,624.87	
700,000.00	Direct Taxes	2	2,074,900.00	
8,702,104.00	Licences & FEES	2	4,929,620.00	
	Mining Rents:	2		
3,379,000.00	RATES	2	-	
	Fees:	2		
	Fines	2		
	Sales	2		
4,473,905.00	Earnings :	2	1,454,000.00	
500,000.00	Sales/Rent of Government Buildings:	2	-	
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
	Interest Earned	2		2,568,530,528.54
	Re-imbusement	2		65,175,000.00
3,200,000.00	MISELLANEOUS	2	51,651.74	2,633,705,528.54
20,955,009.00	Sub-total - Independent Revenue			
	Other Revenue Sources of the -Government	3		
20,955,009.00	TOTAL INDEPENDANT REVENUE		8,510,171.74	
	Commercial Bank Loan		-	
1,720,943,179.00	TOTAL RECEIPTS		1,475,706,796.61	
	Payments:			
426,608,587.00	Personnel Costs	3	608,202,486.12	
608,000,000.00	Overhead Charges:	4	212,120,507.44	2,631,005,465.16
	Consolidated Revenue Fund Charges .	5	40,963,076.99	2,633,805,528.54
	contributions	7	556,146,336.66	(2,800,063.38)
	Other Operating Activities		-	
	Financial Charges		-	
-	Other Transfers	6	25,100,000.00	
1,034,608,587.00	Total Payments		1,442,532,407.21	
686,334,592.00	Net Cash Flow from Operating Activities		33,174,389.40	1,483,032,507.21
				1,442,532,507.21

	CashFlows from Investment Activities:			
	Capital Expenditure:Administrative Sector:	8	6,500,000.00	
	Capital Expenditure: Economic Sector:	8	34,000,000.00	
	capital expenditure: Social Service Sector:	8	-	
	Capital Expenditure: Funded from Aid and Grants:		-	
546,806,469.00	Total Cash Flow from Investment Activities:		40,500,000.00	
139,528,123.00	Net Cash Flow from Investment Activities:		(7,325,610.60)	
	CashFlows from Financing Activities:			
	Proceeds from Aid and Grants		-	
	Proceeds from ExternaL Loan :		-	
	Proceeds from Internal Loans: Bonds :		-	
	Proceeds from Development loan stock		-	
	Proceeds of Loans from Other Funds		-	
	Repayment of External Loans (Including Servicing)		-	
	Repayment of Treasury Bonds :		-	
	Repayment of Loans from Development loan stock		-	
	Repayment of Loans from Other Funds	11	-	
-	Total Cash Flow from Financing Activities:		-	
139,528,123.00	Net Cash Flow from Financing Activities:		(7,325,610.60)	
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	
	Net (Increase)/Decrease in Other Cash Equivalents:		-	
	Total Cashflow from other Cash equivalent Accounts		-	
	Net Cash for the year		(7,325,610.60)	
	Cash & Its Equivalent as at 1st January, 2018		9,464,979.80	
	Cash & Its Equivalent as at 31st December, 2018	9	2,139,369.20	

2: Statement of Assets and Liabilities as at 31st December, 2018

	NOTES	CURRENT YEAR 2018	PREVIOUS YEAR 2017
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:		158.19	
CASH AT BANK	9	2,139,211.01	
TOTAL LIQUID ASSETS		2,139,369.20	
NON CURRENT ASSETS:			
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	
TOTAL ASSETS		2,139,369.20	
LIABILITIES OVER ASSETS		47,788,203.10	
TOTAL		49,927,572.30	
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	2,139,369.20	
Capital Development Fund:		-	
TOTAL PUBLIC FUNDS		2,139,369.20	
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	-	
		-	
		-	
		-	
TOTAL EXTERNAL AND INTERNAL LOANS		-	
OTHER LIABILITIES			
UNREMITTED DEDUCTIONS			
10% Retention	12	4,977,038.97	
5% Contract Tax	12	20,762,894.64	
Value Added Tax	12	22,048,269.49	
TOTAL LIABILITIES		47,788,203.10	
TOTAL LIABILITIES AND PUBLIC FOUNDS		49,927,572.30	

3: Statement of Consolidated Revenue for the year ended 31st December, 2018

ACTUAL PREVIOUS YEAR 2017		NOTES	ACTUAL YEAR 2018	FINAL BUDGET 2018	INITIAL/ORIGINAL BUDGET 2018
N			N	N	N
	Opening Balance:		9,464,979.80		
	ADD: REVENUE				
	Statutory Allocations:FAAC	1	1,467,196,624.87	1,699,988,170.00	
	Value Added Tax Allocation	1	-		
	Sub-Total - Statutory Allocation		1,467,196,624.87	1,699,988,170.00	
	Direct Taxes	2	2,074,900.00	700,000.00	
	Licences	2	4,929,620.00	8,702,104.00	
	RATES	2	-	3,379,000.00	
	Fees:	2	-		
	Fines	2	-		
	Sales	2	-		
	Earnings :	2	1,454,000.00	4,473,905.00	
	Sales/Rent of Government Buildings:	2	-	500,000.00	
	Sale/Rent on Lands and Others:	2	-		
	MISCELLANEOUS	2	51,651.74	3,200,000.00	
	Investment Income	2	-		
	Interest Earned	2	-		
	Re-Imbursements	2	-		
	Sub-Total - Independent Revenue		8,510,171.74	20,955,009.00	
	Other Revenue Sources of the ---Government		-	-	
	TOTAL REVENUE:		1,485,171,776.41	1,720,943,179.00	
	LESS:EXPENDITURE				
	Personnel Costs:	3	608,202,486.12	426,608,587.00	
	Overhead Charges:	4	212,120,507.44	608,000,000.00	
	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	40,963,076.99		
	contributions	7	556,146,336.66		
	Other Operating Activities		-		
	Financial Charges.		-		
	Other Transfers	6	25,100,000.00		
	TOTAL EXPENDITURE:		1,442,532,407.21	1,034,608,587.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
	Repayments:External Loans:States			-	
	Repayments:States Bonds.			-	
	Repayments:Development Loan Stock			-	
	Repayments:Internal Loans from Other Funds	11		-	
	TOTAL EXPENDITURE:			-	
	OPERATING BALANCE:			42,639,369.20	
	APPROPRIATIONS/TRANSFERS:				
	Transfer to Capital Development Fund:			40,500,000.00	
	Closing Balance:			2,139,369.20	

4: Statement of Capital Development Fund for the year ended 31st December, 2018

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2017			EXPENDITURE 2018	BUDGET 2018	BUDGET 2018	BUDGET 2018
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
	Transfer from Consolidated Revenue Fund:		40,500,000.00			
	Aid and Grants		-			
	TOTAL REVENUE AVAILIABLE:		40,500,000.00			
	LESS: CAPITAL EXPENDITURE					
	Capital Expenditure:Administrative Sector:	10	6,500,000.00			
	Capital Expenditure: Economic Sector:	10	34,000,000.00			
	Capital Expenditure: Social Service Sector:	10	-			
	Capital Expenditure: Funded from Aid and Grants:		-			
	TOTAL CAPITAL EXPENDITURE:		40,500,000.00	546,806,469.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2018

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₱	₱
Net Share of Statutory Allocation from FAAC	A	1,252,138,543.71	
Net Share of Statutory Allocation from FAAC	A	517,493,557.48	
Add :Deduction at source for Loan Repayment	B	949,703,067.39	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			1,467,196,624.87
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₱	₱	₱
TAXES	2,074,900.00	700,000.00	(1,374,900.00)
RATES	-	3,379,000.00	3,379,000.00
LINCENCES & FEES	4,929,620.00	8,702,104.00	3,772,484.00
EARNING FROM COMMERCIAL UNDERTAKING	1,454,000.00	4,473,905.00	3,019,905.00
RENT ON LOCAL GOVERNMENT PROPERTY	-	500,000.00	500,000.00
INTREST AND DIVIDEND	-	-	-
MISELLANEOUS	51,651.74	1,699,988,170.00	1,699,936,518.26
TOTAL I G R	8,510,171.74	1,717,743,179.00	1,709,233,007.26

Note 3: Personnel Cost

ADMINISTRATIVE SECTOR										
SECTOR	Admin	Economic	Function	Fund	GEO CODE		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
OFFICE OF THE CHAIRMAN										
01	11001001	21010101	70111	2101		TOTAL PERSONNEL COST	4,291,618.70			
THE COUNCCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	23,849,217.18			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	2,224,601.77			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	39,257,031.79			
TOTAL ADMIN SECTOR							69,622,469.44			
ECONOMIC SECTOR										
Sector	Admin	Economic	Function	Fund			ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	19,732,453.70			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	1,626,263.81			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	27,334,168.90			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	18,105,263.28			
TOTAL ECONOMIC SECTOR							66,798,149.69			

SOCIAL SECTOR									
Sector	Admin	Economic	Function	Fund		ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
ADULT EDUCATION									
05	17001001	21010101	70960	2101	TOTAL PERSONNEL COST	11,942,660.49			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	115,218,642.07			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	17,126,910.69			
TOTAL SOCIAL SECTOR						144,288,213.25			
TOTAL FOR ALL SECTORS						280,708,832.38			
ADJUSTMENT :									
PAYEE						9,999,176.49			
PAYEE (POLITICAL OFFICE						3,809,094.00			
UNION DUES						16,316,234.43			
NHF(2,5%)						2,307,049.34			
EMIRATE COUNCIL						40,179,250.08			
PRIMARY EDUCATION						254,882,849.40			
TOTAL PERSONNEL COST FOR ALL SECTORS						608,202,486.12			

Note 4: Overhead Cost

ADMINISTRATIVE SECTOR											
OFFICE OF THE CHAIRMAN											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11001001	22020101	70111	2101		2	Travel & Transport	11,086,000.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	-			
01	11001001	22020402	70111	2101		6	Maintenance of office	-			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	3,000,000.00			
01	11001001	22020701	70111	2101		8	Consultancy Services	-			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	22,167,459.35			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	10,350,393.50			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	39,422,000.00			
							TOTAL	86,025,852.85			
THE COUNCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	5,700,000.00			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	-			
01	12003001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	1,000,000.00			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles andCapital assets	1,000,000.00			
01	12003001	22020701	70111	2101		8	Consultancy Services	500,000.00			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	12003001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	7,900,000.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	8,392,365.80			
							TOTAL	24,492,365.80			

OFFICE OF THE SECRETARY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11013001	22020101	70111	2101		2	Travel & Transport	990,000.00			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	-			
01	11013001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	-			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	-			
01	11013001	22020701	70111	2101		8	Consultancy Services	-			
01	11013001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11013001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11013001	22021001	70111	2101		11	Entertainment & Hospitality	300,000.00			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	1,762,236.58			
							TOTAL	3,052,236.58			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	4,737,477.76			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	-			
01	25001001	22020402	70131	2101		6	Maintenance of officefurniture & equipment	-			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	-			
01	25001001	22020701	70131	2101		8	Consultancy Services	-			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	-			
01	25001001	22020501	70131	2101		10	Training and staff Development	1,505,000.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	2,700,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	4,754,496.41			
							TOTAL	13,696,974.17			
							TOTAL ADMIN MINISTIES	127,267,429.40	-	-	#REF!

ECONOMIC SECTOR											
FINANCE AND SUPPLY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	20001001	22020101	70112	2101		2	Travel & Transport	1,559,605.50			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	-			
02	20001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	20001001	22020701	70112	2101		8	Consultancy Services	-			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	27,183,848.03			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	2,000,000.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	3,089,373.61			
							TOTAL	33,832,827.14			
BUDGET;PLANNING & RESEARCH											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	38001001	22020101	70112	2101		2	Travel & Transport	320,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	550,000.00			
02	38001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	38001001	22020701	70112	2101		8	Consultancy Services	-			
02	38001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	38001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	38001001	22021001	70112	2101		11	Entertainment & Hospitality	276,409.34			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	250,000.00			
							TOTAL	1,396,409.34			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	1,902,598.98			
02	34001001	22020201	70451	2101		3	Utility Services	-			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	-			
02	34001001	22020402	70451	2101		6	Maintenance of officefurniture & equipment	-	4,806,909.13		
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	450,000.00	2,105,065.29		
02	34001001	22020701	70451	2101		8	Consultancy Services	-	6,911,974.42		
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	-			
02	34001001	22020501	70451	2101		10	Short term Training and Consultancy	-			
02	34001001	22021001	70451	2101		11	Entertament & Hospitality	2,650,000.00			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	6,911,974.42			
							TOTAL	11,914,573.40			
AGRICULTURE AND NATURAL RESURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	650,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	-			
02	15001001	22020402	70421	2101		6	Maintenance of officefurniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	3,200,000.00			
02	15001001	22020701	70421	2101		8	Consultancy Services	-			
02	15001001	22040109	70421	2101		9	Grants, Contributions & Subventions	-	801,387.66		
02	15001001	22020501	70421	2101		10	Training and staff Development	-	3,175,000.00		
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	540,000.00	3,976,387.66		
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	3,976,387.66			
							Provision of Servicable Materials	-			
							TOTAL	8,366,387.66			
							TOTAL ECONOMIC SECTOR MINISTRY	55,510,197.54	-	-	-

SOCIAL SECTOR											
ADULT EDUCATION											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	17001001	22020101	70922	2101		2	Travel & Transport	-			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	-			
05	17001001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	17001001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	17001001	22020701	70922	2101		8	Consultancy Services	-			
05	17001001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	17001001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	-			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport	1,123,967.96			
05	51003001	22020201	70922	2101		3	Utility Services	-			
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	51003001	22020301	70922	2101		5	Stationary	-			
05	51003001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	51003001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51003001	22020701	70922	2101		8	Consultancy Services	-			
05	51003001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	51003001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	51003001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	2,966,287.95			
							TOTAL	4,090,255.91			

PRIMARY HEALTH CARE											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	21001001	22020101	70731	2101		2	Travel & Transport	2,620,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	-			
05	21001001	22020402	70731	2101		6	Maintenance of officefurniture & equipment	395,000.00			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	1,550,000.00			
05	21001001	22020701	70731	2101		8	Consultancy Services	-	8,760,000.00		
05	21001001	22020501	70731	2101		10	Training and staff Development	-	7,544,076.38		
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	-	16,304,076.38		
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	16,304,076.38			
							TOTAL	20,869,076.38			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	280,000.00			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	-			
05	51002002	22020402	70180	2101		6	Maintenance of officefurniture & equipment	-			
05	51002002	22020401	70180	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51002002	22020701	70180	2101		8	Consultancy Services	-			
05	51002002	22040109	70180	2101		9	Grants, Contribution & Subvention	290,000.00			
05	51002002	22020501	70180	2101		10	Training and staff Development	-			
05	51002002	22021001	70180	2101		11	Entertainment & Hospitality	2,310,000.00			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	1,503,548.21			
							TOTAL	4,383,548.21			
							TOTAL SOCIAL SECTOR MINISTRY	29,342,880.50	-	-	-
							TOTAL FOR ALL SECTORS	212,120,507.44	-	-	-

Note 5: Consolidated Revenue Charges

A-- PENSION AND GRATUITIES STATUTORY BOARD MINNA										
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	DETAILS	ACTUAL EXPENDITURE	APPROVED	REVISED BUDGET	VARIANCE ON REVISED BUDGET
01	25001001	22010102	70131	02101		Pension Statutory	15,754,065.42			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	25,209,011.57			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	-			
01	25001002	22020902	70132	02102		Insurance Premium	-			
01	25001001	22010106	70131	02101		Acturial Valuation	-			
01	25001001	22010107	70131	02101		Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-			
						Deceased 3rd Annual Emolument (CPS)	-			
						TOTAL	40,963,076.99			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	40,963,076.99			

Note 6: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,600,000.00
2% MINNA DEVELOPMENT	8,300,000.00
COMMON SERVICES	7,200,000.00
TOTAL	25,100,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	527,346,336.66
TOTAL CONTRIBUTIONS\	556,146,336.66

-

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR													
SECTOR	ADMIN	ECONOMIC	FUNCTION	PROGRAMME		FUND	GEO CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2018	2018 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616		03005	12620500		PUECHASE OF MOTOR YCLES	6,500,000.00			
1	11033001	23010122	70722	010400009616		03005	12620500			-			
1	11033001	23010122	70722	010400009616		03005	12620500			-			
									TOTAL FOR ADMIN SECTOR	6,500,000.00			
													-
ECONOMIC SECTOR													-
2	20001001					03005	12620500		MATERIALS SUPPLY	12,500,000.00			
2									ROADS & BRIDGES	21,500,000.00			-
2									ECONOMIC SECTOR TOTAL	34,000,000.00	-	-	-
													-
SOCIAL SECTOR													-
5			70422	70900002606		03005	12620500						
													-
													-
									SOCIAL SECTOR TOTAL	-	-	-	-
									TOTAL FOR ALL SECTORS	40,500,000.00			-

Note 9: Closing Cash Book/Bank Balances as at 31st December, 2019

ACCOUNT TYPE		AMOUNT
BANK		2,139,211.01
CASH		158.19
TOTAL		2,139,369.20

Note 10: Investment

INVESTMENTS				
Investments in Companies				
	STOCK	HOLDING	PRICE	MARKET VALUE(N)
	TOTAL INVESTMENT			-

Note 11: Development Loan Stock

List the Loans	Balance as at 01/01/2019	ADDITIONAL LOAN	PRINCIPAL REPAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	BALANCE ON PRINCIPAL
BANK LOAN						
TOTAL						

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS	AMOUNT
UNREMITTED DEDUCTIONS	
10% Retention	4,977,038.97
5% Contract Tax	20,762,894.64
Value Added Tax	22,048,269.49
TOTAL	47,788,203.10

**MANAGEMENT REPORT ON AUDITED
ANNUAL FINANCIAL STATEMENT FOR THE
YEAR ENDED 31ST DECEMBER, 2018**

1. SCOPE OF THE AUDIT

The Accounts and Records maintained by Mashegu Local Government Council and Financial Statement produced for audit in respect of the year ended 31st December, 2018 have been examined and all the information that were provided and gathered in respect of monies received and expended have been certified. All the books of account from the book of original entry, General ledger to subsidiary ledger were checked and certified by our team.

2.0 GENERAL STATE OF ACCOUNTS AND RECORD KEEPING

The pattern and manner of keeping and rendering accounting books and records as observed in the Local Governments Councils were inadequate as highlighted in this report and are stated below:

- Most of the payment vouchers raised were not having documentary evidences to justify the payments made.
- Most of the purchases made lacked essential documentary evidence such as Receipt Vouchers, and Store Issue Vouchers which shows that they were not supplied or supplied but not taken charge.
- In some cases, approvals in respect of expenditure incurred were not presented for audit.
- Deductions made for WHT and VAT were in some cases not remitted to the appropriate tax authorities within time.
- Some payment vouchers were not checked and passed by the Internal Audit Unit.
- Absence of signatures of relevant parties to Payment Vouchers.

- Lack of adequate budgetary discipline.
- Non-maintenance of Fixed/Moveable Asset register.

2.1 GENERAL RECOMMENDATION

- All Directors should ensure that they maintain their Departmental Vote Expenditure Account Books and reconcile same monthly.
- All supplies made to Departments should be received from the suppliers in the presence of the Internal Auditor, for certification of the prime, completeness, and validity of the goods supplied.
- All payment vouchers must contain authenticated documents duly signed by the respective officials and the supplier.
- No payment vouchers should be entertained by the Internal Auditor if it is not accompanied with Departmental Vote Expenditure Account Book (D.V.E.A) and Departmental Payment Voucher Register (D.P.V.R) in order to avoid over expenditure and omission of some payment vouchers and posted into D.V.E.A. Book.
- No voucher should be paid by the Cashier without being certified by the Internal Auditor and duly checked and passed by the Treasurer.
- Copies of contract awards documents must be sent to the office of the Internal Auditor for his awareness and record purposes.

- Payment for contract awards, being it part payment, must be accompanied with photocopies of the council’s approval and award of contract forms. Final payment must be accompanied with the original copies of the contract agreement form and relevant supporting documents for payment.
- Appointment of employees, resignation of appointment, termination of appointment, retirement from service, suspension from work, dismissal from service and deaths should be notified to the Internal Auditor immediately.
- All expenditure account books must be promptly reconciled with the treasury books to maintain efficiency and accountability.
- Rubber Stamp marked “ENTERED INTO VOTE BOOK” should be impressed on any payment sent to the Treasury to ensure that the voucher has been entered into Vote Book.
- Tell Book should equally be maintained by the Cashier for the purpose of Daily Cash Balance or the day’s taking to ascertain the liquid cash available at the close of each day’s business transactions after balancing up the Revenue and Expenditure cash Book for the day.
- The Revenue Staff (Collectors) should ensure that all revenue earning books are returned to the officer in charge after they have completely been used off.
- Store Officers should ensure that they keep all records up-to-date should the Internal Auditor will be going round to check and examine the accounts.
- A Job Cost Book should be kept in the Works Department on form **LGT 97 (F.M. 33.6)**.

3. REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Mashegu Local Government Council for the year ended 31st December 2018 is shown in the table 1 below.

Table 1: Breakdown of revenues and Expenditures

TOTAL REVENUE		AMOUNT ₦	%
	Internally Generated Revenue	8,510,171.74	0.58
	Statutory Allocation	1,467,196,624.87	99.42
	TOTAL	1,475,706,796.61	100
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	608,202,486.12	41.01
	Overhead Cost	212,120,507.44	14.30
	Consolidated Revenue Fund Charges	40,963,076.99	2.76
•	Contributions	556,146,336.66	37.50
•	Other Operating Activities	-	-
•	Other Transfers	25,100,000.00	1.69
•	Capital Expenditures	40,500,000.00	2.74
	TOTAL	1,483,032,407.21	100

3.1 REVENUE

The sum of ₦1,475,706,796.61 accrued to Mashegu Local Government Councils as total receipts for the year ended 31st December 2018.

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Mashegu Local Government Council amounted to ₦8,510,171.74 only for the year ended 31st December 2018 which represents 0.58 % of the total accrued revenue of ₦1,475,706,796.61

This shows that the council solely depend on statutory allocation from the Federation Account for survival. This could result to non-survival of the Council if there is a decline of revenue from the Federation Account.

I advised the Local Government Council to take the following measures to boost their internally generated revenue collection.

- Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- Control over issuance of revenue receipts
- Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.

3.1.2 STATUTORY ALLOCATION

The sum of ₦1,466,184,686.70 was disbursed to Mashegu Local Governments Council for the year under review. Statutory allocation comprises VAT, Excess Crude and Statutory Allocation etc. The reporting framework provides that each revenue class is reported separately in the financial statements and the notes thereto.

It was, however, noted that these classes of revenue are only identified at the Ministry for Local Government (Joint Account) while the disbursements to Local Government Councils are only classified as Statutory Allocation.

This makes it difficult to trace and account for each revenue classes at the Local Government Council level and possibly reconciliation of disbursement from the Federation Account and the receipts by the Local Government Council.

I advised the Ministry for Local Governments to share with the Local Government councils the breakdown of revenues from the Federation Accounts to ensure that they are correctly reported by the Councils.

3.2 CASH AND BANK BALANCES

The total cash balances stood at ₦158.19 in respect of Mashegu Local Government Council at the end of the financial year ended 31st December 2018.

While the total bank balances stood at ₦2,139,211.01 in respect of Mashegu Local Government Council as at the end of the financial year ended 31st December 2018.

4. INTERNAL CONTROL

During the course of our audit exercise, it was observed that despite reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued. The non-compliance was evidenced by the Payment Vouchers been

prepared and paid out without being endorsed by the Internal Audit Units, the non-endorsement of Officer Controlling the Vote, and Checks by the respective accounting Officers.

Also evidenced is lack of Asset Register to ascertain the Assets, their Condition, their Location and values of such assets. And all efforts made by my Office to ensure the maintenance of the Register are not encouraging.

In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that henceforth all Payment Vouchers raised are passed through Internal Audit Unit for certification before such payment are effected and equally ensure the maintenance of Asset Register before my next audit.

4.1 RECOMMENDATION

- It is recommended that the Internal Control System in existence has to be strengthened, proper record keeping and documentation of all financial transactions so as to enhance proper accountability.

5. BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦8,510,171.74 was generated as Internally Generated Revenue which represents 40.61% when compared with the total budgeted Internally Generated Revenue amounting to ₦20,955,000.00 during the year under review. This is a fairly performance.

5.1 RECOMMENDATION

- It is recommended that preparation of cash flow statement should be adequately monitored to reduce the unnecessary expenditure on overhead and given priority to project execution.

- More efforts should be made so as to attain the target set on revenue generation internally in the next financial year. This will reduce over dependence of the Council on Statutory Allocation from Federation Accounts which is no longer attainable.

6. PERSONNEL COST

It was observed that the total sum of ₦608,202,486.12 and ₦350,073,861.21 was spent as total personnel cost for the year 2018 and 2017 respectively with an increase of ₦258,128,624.91 over the previous year. This is as a result of salary increase made by the state government during the year under review.

7. CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No 5 of Revenue and Expenditure revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦546,806,469.00 and only the sum of ₦40,500,000.00 representing 7.41% was spent leaving the balance of ₦506,306,469.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	146,500,000.00	6,500,000.00	140,000,000.00
02	Economic Sector	346,290,725.00	34,000,000.00	312,290,725.00
05	Social Sector	54,015,744.00	-	54,015,744.00
TOTAL		<u>546,806,469.00</u>	<u>40,500,000.00</u>	<u>506,306,469.00</u>

7.1 RECOMMENDATION

- It is recommended that the previous statistical data should be used in the preparation of a reliable budget that could be attainable.
- Also, Capital projects should be encouraged and priority should be given to its execution as it has direct bearing to the grass roots development.

8. PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No. 3 revealed that the Total Revenue stood at ₦1,475,706,796.61 with a Total Expenditure of ₦1,483,032,407.21 and close with a surplus balance of ₦4878422.33 This is a healthy statement of account.

9.0 DEPOSITS

Deposits comprise statutory deductions which relate to contracts awarded (Value Added Tax (VAT) and Withholding Tax (WHT)) and employment which are deducted at source by the Local Government Council and are supposed to be remitted to the relevant tax collecting bodies in accordance with relevant legislation. I observed that a total of ₦47,788,203.10 stood as outstanding consolidated deposit balances as at the end of the period under review. Table below shows the list of the outstanding deposits as at 31st December 2018.

Outstanding deductions as at 31 December 2018.

DETAILS	AMOUNT ₦
5% Contract VAT	22,048,269.49
5% Withholding Tax	20,762,894.64
Retention fees	4,977,038.97
TOTAL	47,788,203.10

From the above table, the Councils recorded outstanding VAT amounting to ₦22,048,269.49 and WHT of ₦20,762,894.64 as at 31st December, 2018.

Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that the outstanding balance may be deducted from the Statutory allocations due to the Councils and in addition the councils may be fined and penalized for delayed remittance and hence affect the amount of money meant for developmental activities.

I advised the Local Government Councils to take steps to remit the outstanding deductions to the relevant authorities as a matter of urgency to avoid fines and penalties. I also advised the councils comply with the legislation in regard to future deductions.

10. OUTSTANDING AUDIT INSPECTION

AGX/FO.18/TA/MSG/VOL.1

Dated:4th September, 2019

(i)Rehabilitation of Kawo-Mashegu road (13km) payment made for work not done	140,000,000.00
(ii)Non remittance of 5% VAT, TAX and 1% Stamp Duty	39,500,000.00
(iii)Settlement of liabilities without Evidence of payment	10,000,000.00
(iv)Payment not accounted for	6,000,000.00

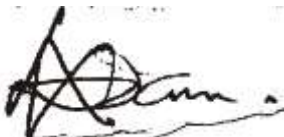
10.1 REQUIRED

The council is required to response to the outstanding Inspection Report or else necessary action and sanction will be taken.

11. CONCLUSION

We wish to use this medium to express our appreciation to the Chairman and the entire staff of Local Government for the cooperation given to the staff of this Office to carry out the Audit exercise.

It is our sincere hope that you would not hesitate to contact this Office for further clarification and explanations you might require in connection with the Audited Annual Financial Statement and Management Reports.



LAWAL ADAMU

*Director Statutory and Special Operations,
For: Auditor General*

**NIGER STATE OF NIGERIA
MASHEGU LOCAL GOVERNMENT COUNCIL
MASHEGU**



**AUDITED ACCOUNTS
FOR
THE YEAR ENDED
31ST DECEMBER 2018**

**AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
P. M. B. 53, MINNA
NIGER STATE**

PERSONALITY PROFILE

G. FINANCIAL STATEMENT

Statement of Financial Responsibility

Council Officials

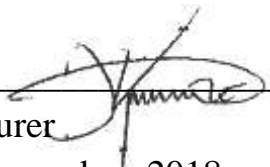
Auditor General's Opinion

H. AUDIT REPORT

- Cash Flow Statements
- Statement of Assets & Liabilities
- Statement of Consolidated Revenue Funds
- State of Capital Development Funds
- Notes to the Accounts.
- Statement of Accounting Policies
- Scope of Audit
- General State of Accounts and Records Keeping
- General Recommendation
- Review of Financial Statement
- Internal Control
- Budgetary Control
- Personnel Cost
- Capital Expenditure
- Performance of Operation Activities
- Deposits
- Outstanding Audit Inspection
- Conclusion

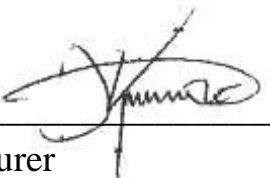
STATEMENT OF FINANCIAL RESPONSIBILITY

These Financial Statements have been prepared by the Treasurer of Mashegu Local Government Council in accordance with the provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements complied with generally accepted accounting practices. The Treasury is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper records, the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of Internal Control has operated adequately throughout the reporting period.

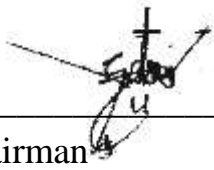


Treasurer
31st December, 2018

We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended. In our opinion, these financial statements fairly reflect the financial position of Mashegu Local Governments as at 31st December, 2018 and its operations for the year ended on the date.



Treasurer
31st December, 2018



Chairman
31st December, 2018

COUNCIL OFFICIALS

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Alhaji Alhassan Isah M/Kuka Executive Chairman

Honourable Aminu Ibrahim Matane Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:	DEPARTMENTS	DESIGNATION
Hassan Salihu Assah	Personnel Management	H. O. D
Adamu Abubakar Kulho	Finance and Supply	H. O. D
Amina Musa Kaboji	Primary Health Care	H. O. D
Garba Magaji	Agriculture and Natural Resources	H. O. D
Musa Abdullahi	Works and Housing	H. O. D
Mohammed Baba Isah	Budget and Planning	H. O. D
Mammam Kolo Fala	Social Development	H. O. D

- **BANKERS**

ADDRESS

First Bank Plc.	Kontagora Branch
Eco Bank Plc.	Kontagora Branch
Unity Bank	Kontagora Branch
Zenith Bank Plc.	Kontagora Branch
UBA Plc.	Kontagora Branch
Tattali Microfinance Bank	Makera

- **AUDITORS**

Auditor General

Office of the Auditor General for Local Governments

P.M.B. 53 Minna,

Niger State.

AUDITOR GENERAL'S OPINION

I have examined the financial statement which have been prepared in accordance with standardized Local Government Treasury Procedures, Financial Memoranda and Circular guidelines. I obtained all information and explanations which I requested for the purpose of my Audit.

In my opinion, the accounts readable in conjunction with notes subject to the issues raised in the management report issued separately with this account gives a true and fair view of affairs of the Council as at 31st December, 2018 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.



Ibrahim Ahmed, B. Sc, MPA, FCNA, FCTI, CPA
Auditor General for Local Governments

1: Cash Flow Statement for the Year Ended 31st December, 2018

ANNUAL BUDGET 2018		NOTES	ACTUAL YEAR 2018	PREVIOUS YEAR 2017
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,699,988,170.00	Statutory Allocations:FAAC	1	1,467,196,624.87	
	Value Added Tax Allocation	1		
1,699,988,170.00	Sub-total - Statutory Allocation		1,467,196,624.87	
700,000.00	Direct Taxes	2	2,074,900.00	
8,702,104.00	Licences & FEES	2	4,929,620.00	
	Mining Rents:	2		
3,379,000.00	RATES	2	-	
	Fees:	2		
	Fines	2		
	Sales	2		
4,473,905.00	Earnings :	2	1,454,000.00	
500,000.00	Sales/Rent of Government Buildings:	2	-	
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
	Interest Earned	2		2,568,530,528.54
	Re-imbusement	2		65,175,000.00
3,200,000.00	MISELLANEOUS	2	51,651.74	2,633,705,528.54
20,955,009.00	Sub-total - Independent Revenue			
	Other Revenue Sources of the -Government	3		
20,955,009.00	TOTAL INDEPENDANT REVENUE		8,510,171.74	
	Commercial Bank Loan		-	
1,720,943,179.00	TOTAL RECEIPTS		1,475,706,796.61	
	Payments:			
426,608,587.00	Personnel Costs	3	608,202,486.12	
608,000,000.00	Overhead Charges:	4	212,120,507.44	2,631,005,465.16
	Consolidated Revenue Fund Charges .	5	40,963,076.99	2,633,805,528.54
	contributions	7	556,146,336.66	(2,800,063.38)
	Other Operating Activities		-	
	Financial Charges		-	
-	Other Transfers	6	25,100,000.00	
1,034,608,587.00	Total Payments		1,442,532,407.21	
686,334,592.00	Net Cash Flow from Operating Activities		33,174,389.40	1,483,032,507.21
				1,442,532,507.21

	CashFlows from Investment Activities:			
	Capital Expenditure:Administrative Sector:	8	6,500,000.00	
	Capital Expenditure: Economic Sector:	8	34,000,000.00	
	capital expenditure: Social Service Sector:	8	-	
	Capital Expenditure: Funded from Aid and Grants:		-	
546,806,469.00	Total Cash Flow from Investment Activities:		40,500,000.00	
139,528,123.00	Net Cash Flow from Investment Activities:		(7,325,610.60)	
	CashFlows from Financing Activities:			
	Proceeds from Aid and Grants		-	
	Proceeds from ExternaL Loan :		-	
	Proceeds from Internal Loans: Bonds :		-	
	Proceeds from Development loan stock		-	
	Proceeds of Loans from Other Funds		-	
	Repayment of External Loans (Including Servicing)		-	
	Repayment of Treasury Bonds :		-	
	Repayment of Loans from Development loan stock		-	
	Repayment of Loans from Other Funds	11	-	
-	Total Cash Flow from Financing Activities:		-	
139,528,123.00	Net Cash Flow from Financing Activities:		(7,325,610.60)	
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	
	Net (Increase)/Decrease in Other Cash Equivalents:		-	
	Total Cashflow from other Cash equivalent Accounts		-	
	Net Cash for the year		(7,325,610.60)	
	Cash & Its Equivalent as at 1st January, 2018		9,464,979.80	
	Cash & Its Equivalent as at 31st December, 2018	9	2,139,369.20	

2: Statement of Assets and Liabilities as at 31st December, 2018

	NOTES	CURRENT YEAR 2018	PREVIOUS YEAR 2017
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:		158.19	
CASH AT BANK	9	2,139,211.01	
TOTAL LIQUID ASSETS		2,139,369.20	
NON CURRENT ASSETS:			
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	
TOTAL ASSETS		2,139,369.20	
LIABILITIES OVER ASSETS		47,788,203.10	
TOTAL		49,927,572.30	
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	2,139,369.20	
Capital Development Fund:		-	
TOTAL PUBLIC FUNDS		2,139,369.20	
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	-	
		-	
		-	
		-	
TOTAL EXTERNAL AND INTERNAL LOANS		-	
OTHER LIABILITIES			
UNREMITTED DEDUCTIONS			
10% Retention	12	4,977,038.97	
5% Contract Tax	12	20,762,894.64	
Value Added Tax	12	22,048,269.49	
TOTAL LIABILITIES		47,788,203.10	
TOTAL LIABILITIES AND PUBLIC FOUNDS		49,927,572.30	

3: Statement of Consolidated Revenue for the year ended 31st December, 2018

ACTUAL PREVIOUS YEAR 2017		NOTES	ACTUAL YEAR 2018	FINAL BUDGET 2018	INITIAL/ORIGINAL BUDGET 2018
₦			₦	₦	₦
	Opening Balance:		9,464,979.80		
	ADD: REVENUE				
	Statutory Allocations:FAAC	1	1,467,196,624.87	1,699,988,170.00	
	Value Added Tax Allocation	1	-		
	Sub-Total - Statutory Allocation		1,467,196,624.87	1,699,988,170.00	
	Direct Taxes	2	2,074,900.00	700,000.00	
	Licences	2	4,929,620.00	8,702,104.00	
	RATES	2	-	3,379,000.00	
	Fees:	2	-		
	Fines	2	-		
	Sales	2	-		
	Earnings :	2	1,454,000.00	4,473,905.00	
	Sales/Rent of Government Buildings:	2	-	500,000.00	
	Sale/Rent on Lands and Others:	2	-		
	MISCELLANEOUS	2	51,651.74	3,200,000.00	
	Investment Income	2	-		
	Interest Earned	2	-		
	Re-Imbursements	2	-		
	Sub-Total - Independent Revenue		8,510,171.74	20,955,009.00	
	Other Revenue Sources of the ---Government		-	-	
	TOTAL REVENUE:		1,485,171,776.41	1,720,943,179.00	
	LESS:EXPENDITURE				
	Personnel Costs:	3	608,202,486.12	426,608,587.00	
	Overhead Charges:	4	212,120,507.44	608,000,000.00	
	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	40,963,076.99		
	contributions	7	556,146,336.66		
	Other Operating Activities		-		
	Financial Charges.		-		
	Other Transfers	6	25,100,000.00		
	TOTAL EXPENDITURE:		1,442,532,407.21	1,034,608,587.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
	Repayments:External Loans:States			-	
	Repayments:States Bonds.			-	
	Repayments:Development Loan Stock			-	
	Repayments:Internal Loans from Other Funds	11		-	
	TOTAL EXPENDITURE:			-	
	OPERATING BALANCE:			42,639,369.20	
	APPROPRIATIONS/TRANSFERS:				
	Transfer to Capital Development Fund:			40,500,000.00	
	Closing Balance:			2,139,369.20	

4: Statement of Capital Development Fund for the year ended 31st December, 2018

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2017			EXPENDITURE 2018	BUDGET 2018	BUDGET 2018	BUDGET 2018
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
	Transfer from Consolidated Revenue Fund:		40,500,000.00			
	Aid and Grants		-			
	TOTAL REVENUE AVAILABLE:		40,500,000.00			
	LESS: CAPITAL EXPENDITURE					
	Capital Expenditure:Administrative Sector:	10	6,500,000.00			
	Capital Expenditure: Economic Sector:	10	34,000,000.00			
	Capital Expenditure: Social Service Sector:	10	-			
	Capital Expenditure: Funded from Aid and Grants:		-			
	TOTAL CAPITAL EXPENDITURE:		40,500,000.00	546,806,469.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2018

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₱	₱
Net Share of Statutory Allocation from FAAC	A	1,252,138,543.71	
Net Share of Statutory Allocation from FAAC	A	517,493,557.48	
Add :Deduction at source for Loan Repayment	B	949,703,067.39	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			1,467,196,624.87
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)		Actual	Budget	Variance
		₱	₱	₱
TAXES		2,074,900.00	700,000.00	(1,374,900.00)
RATES		-	3,379,000.00	3,379,000.00
LINCENCES & FEES		4,929,620.00	8,702,104.00	3,772,484.00
EARNING FROM COMMERCIAL UNDERTAKING		1,454,000.00	4,473,905.00	3,019,905.00
RENT ON LOCAL GOVERNMENT PROPERTY		-	500,000.00	500,000.00
INTREST AND DIVIDEND		-	-	-
MISELLANEOUS		51,651.74	1,699,988,170.00	1,699,936,518.26
TOTAL I G R		8,510,171.74	1,717,743,179.00	1,709,233,007.26

Note 3: Personnel Cost

ADMINISTRATIVE SECTOR										
SECTOR	Admin	Economic	Function	Fund	GEO CODE		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
OFFICE OF THE CHAIRMAN										
01	11001001	21010101	70111	2101		TOTAL PERSONNEL COST	4,291,618.70			
THE COUNCCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	23,849,217.18			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	2,224,601.77			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	39,257,031.79			
TOTAL ADMIN SECTOR							69,622,469.44			
ECONOMIC SECTOR										
Sector	Admin	Economic	Function	Fund			ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	19,732,453.70			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	1,626,263.81			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	27,334,168.90			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	18,105,263.28			
TOTAL ECONOMIC SECTOR							66,798,149.69			

SOCIAL SECTOR									
Sector	Admin	Economic	Function	Fund		ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
ADULT EDUCATION									
05	17001001	21010101	70960	2101	TOTAL PERSONNEL COST	11,942,660.49			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	115,218,642.07			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	17,126,910.69			
TOTAL SOCIAL SECTOR						144,288,213.25			
TOTAL FOR ALL SECTORS						280,708,832.38			
ADJUSTMENT :									
PAYEE						9,999,176.49			
PAYEE (POLITICAL OFFICE						3,809,094.00			
UNION DUES						16,316,234.43			
NHF(2,5%)						2,307,049.34			
EMIRATE COUNCIL						40,179,250.08			
PRIMARY EDUCATION						254,882,849.40			
TOTAL PERSONNEL COST FOR ALL SECTORS						608,202,486.12			

Note 4: Overhead Cost

ADMINISTRATIVE SECTOR											
OFFICE OF THE CHAIRMAN											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11001001	22020101	70111	2101		2	Travel & Transport	11,086,000.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	-			
01	11001001	22020402	70111	2101		6	Maintenance of office	-			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	3,000,000.00			
01	11001001	22020701	70111	2101		8	Consultancy Services	-			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	22,167,459.35			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	10,350,393.50			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	39,422,000.00			
							TOTAL	86,025,852.85			
THE COUNCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	5,700,000.00			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	-			
01	12003001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	1,000,000.00			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles andCapital assets	1,000,000.00			
01	12003001	22020701	70111	2101		8	Consultancy Services	500,000.00			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	12003001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	7,900,000.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	8,392,365.80			
							TOTAL	24,492,365.80			

OFFICE OF THE SECRETARY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11013001	22020101	70111	2101		2	Travel & Transport	990,000.00			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	-			
01	11013001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	-			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	-			
01	11013001	22020701	70111	2101		8	Consultancy Services	-			
01	11013001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11013001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11013001	22021001	70111	2101		11	Entertainment & Hospitality	300,000.00			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	1,762,236.58			
							TOTAL	3,052,236.58			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	4,737,477.76			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	-			
01	25001001	22020402	70131	2101		6	Maintenance of officefurniture & equipment	-			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	-			
01	25001001	22020701	70131	2101		8	Consultancy Services	-			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	-			
01	25001001	22020501	70131	2101		10	Training and staff Development	1,505,000.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	2,700,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	4,754,496.41			
							TOTAL	13,696,974.17			
							TOTAL ADMIN MINISTIES	127,267,429.40	-	-	#REF!

ECONOMIC SECTOR											
FINANCE AND SUPPLY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	20001001	22020101	70112	2101		2	Travel & Transport	1,559,605.50			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	-			
02	20001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	20001001	22020701	70112	2101		8	Consultancy Services	-			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	27,183,848.03			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	2,000,000.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	3,089,373.61			
							TOTAL	33,832,827.14			
BUDGET;PLANNING & RESEARCH											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	38001001	22020101	70112	2101		2	Travel & Transport	320,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	550,000.00			
02	38001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	38001001	22020701	70112	2101		8	Consultancy Services	-			
02	38001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	38001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	38001001	22021001	70112	2101		11	Entertainment & Hospitality	276,409.34			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	250,000.00			
							TOTAL	1,396,409.34			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	1,902,598.98			
02	34001001	22020201	70451	2101		3	Utility Services	-			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	-			
02	34001001	22020402	70451	2101		6	Maintenance of officefurniture & equipment	-	4,806,909.13		
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	450,000.00	2,105,065.29		
02	34001001	22020701	70451	2101		8	Consultancy Services	-	6,911,974.42		
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	-			
02	34001001	22020501	70451	2101		10	Short term Training and Consultancy	-			
02	34001001	22021001	70451	2101		11	Entertament & Hospitality	2,650,000.00			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	6,911,974.42			
							TOTAL	11,914,573.40			
AGRICULTURE AND NATURAL RESURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	650,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	-			
02	15001001	22020402	70421	2101		6	Maintenance of officefurniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	3,200,000.00			
02	15001001	22020701	70421	2101		8	Consultancy Services	-			
02	15001001	22040109	70421	2101		9	Grants, Contributions & Subventions	-	801,387.66		
02	15001001	22020501	70421	2101		10	Training and staff Development	-	3,175,000.00		
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	540,000.00	3,976,387.66		
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	3,976,387.66			
							Provision of Servicable Materials	-			
							TOTAL	8,366,387.66			
							TOTAL ECONOMIC SECTOR MINISTRY	55,510,197.54	-	-	-

SOCIAL SECTOR											
ADULT EDUCATION											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	17001001	22020101	70922	2101		2	Travel & Transport	-			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	-			
05	17001001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	17001001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	17001001	22020701	70922	2101		8	Consultancy Services	-			
05	17001001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	17001001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	-			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport	1,123,967.96			
05	51003001	22020201	70922	2101		3	Utility Services	-			
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	51003001	22020301	70922	2101		5	Stationary	-			
05	51003001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	51003001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51003001	22020701	70922	2101		8	Consultancy Services	-			
05	51003001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	51003001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	51003001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	2,966,287.95			
							TOTAL	4,090,255.91			

PRIMARY HEALTH CARE											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	21001001	22020101	70731	2101		2	Travel & Transport	2,620,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	-			
05	21001001	22020402	70731	2101		6	Maintenance of officefurniture & equipment	395,000.00			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	1,550,000.00			
05	21001001	22020701	70731	2101		8	Consultancy Services	-	8,760,000.00		
05	21001001	22020501	70731	2101		10	Training and staff Development	-	7,544,076.38		
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	-	16,304,076.38		
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	16,304,076.38			
							TOTAL	20,869,076.38			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	280,000.00			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	-			
05	51002002	22020402	70180	2101		6	Maintenance of officefurniture & equipment	-			
05	51002002	22020401	70180	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51002002	22020701	70180	2101		8	Consultancy Services	-			
05	51002002	22040109	70180	2101		9	Grants, Contribution & Subvention	290,000.00			
05	51002002	22020501	70180	2101		10	Training and staff Development	-			
05	51002002	22021001	70180	2101		11	Entertainment & Hospitality	2,310,000.00			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	1,503,548.21			
							TOTAL	4,383,548.21			
							TOTAL SOCIAL SECTOR MINISTRY	29,342,880.50	-	-	-
							TOTAL FOR ALL SECTORS	212,120,507.44	-	-	-

Note 5: Consolidated Revenue Charges

A-- PENSION AND GRATUITIES STATUTORY BOARD MINNA										
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	DETAILS	ACTUAL EXPENDITURE	APPROVED	REVISED BUDGET	VARIANCE ON REVISED BUDGET
01	25001001	22010102	70131	02101		Pension Statutory	15,754,065.42			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	25,209,011.57			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	-			
01	25001002	22020902	70132	02102		Insurance Premium	-			
01	25001001	22010106	70131	02101		Acturial Valuation	-			
01	25001001	22010107	70131	02101		Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-			
						Deceased 3rd Annual Emolument (CPS)	-			
						TOTAL	40,963,076.99			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	40,963,076.99			

Note 6: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,600,000.00
2% MINNA DEVELOPMENT	8,300,000.00
COMMON SERVICES	7,200,000.00
TOTAL	25,100,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	527,346,336.66
TOTAL CONTRIBUTIONS\	556,146,336.66

-

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECONOMIC	FUNCTION	PROGRAMME	FUND	GEO CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2018	2018 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616	03005	12620500		PUECHASE OF MOTOR YCLES	6,500,000.00			
1	11033001	23010122	70722	010400009616	03005	12620500			-			
1	11033001	23010122	70722	010400009616	03005	12620500			-			
								TOTAL FOR ADMIN SECTOR	6,500,000.00			
												-
ECONOMIC SECTOR												-
2	20001001				03005	12620500		MATERIALS SUPPLY	12,500,000.00			
2								ROADS & BRIDGES	21,500,000.00			-
2								ECONOMIC SECTOR TOTAL	34,000,000.00	-	-	-
												-
SOCIAL SECTOR												-
5			70422	70900002606	03005	12620500						
												-
												-
								SOCIAL SECTOR TOTAL	-	-	-	-
								TOTAL FOR ALL SECTORS	40,500,000.00			-

Note 9: Closing Cash Book/Bank Balances as at 31st December, 2019

ACCOUNT TYPE		AMOUNT
BANK		2,139,211.01
CASH		158.19
TOTAL		2,139,369.20

Note 10: Investment

INVESTMENTS				
Investments in Companies				
	STOCK	HOLDING	PRICE	MARKET VALUE(N)
	TOTAL INVESTMENT			-

Note 11: Development Loan Stock

List the Loans	Balance as at 01/01/2019	ADDITIONAL LOAN	PRINCIPAL REPAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	BALANCE ON PRINCIPAL
BANK LOAN						
TOTAL						

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS	AMOUNT
UNREMITTED DEDUCTIONS	
10% Retention	4,977,038.97
5% Contract Tax	20,762,894.64
Value Added Tax	22,048,269.49
TOTAL	47,788,203.10

**MANAGEMENT REPORT ON AUDITED
ANNUAL FINANCIAL STATEMENT FOR THE
YEAR ENDED 31ST DECEMBER, 2018**

1. SCOPE OF THE AUDIT

The Accounts and Records maintained by Mashegu Local Government Council and Financial Statement produced for audit in respect of the year ended 31st December, 2018 have been examined and all the information that were provided and gathered in respect of monies received and expended have been certified. All the books of account from the book of original entry, General ledger to subsidiary ledger were checked and certified by our team.

2.0 GENERAL STATE OF ACCOUNTS AND RECORD KEEPING

The pattern and manner of keeping and rendering accounting books and records as observed in the Local Governments Councils were inadequate as highlighted in this report and are stated below:

- Most of the payment vouchers raised were not having documentary evidences to justify the payments made.
- Most of the purchases made lacked essential documentary evidence such as Receipt Vouchers, and Store Issue Vouchers which shows that they were not supplied or supplied but not taken charge.
- In some cases, approvals in respect of expenditure incurred were not presented for audit.
- Deductions made for WHT and VAT were in some cases not remitted to the appropriate tax authorities within time.
- Some payment vouchers were not checked and passed by the Internal Audit Unit.
- Absence of signatures of relevant parties to Payment Vouchers.

- Lack of adequate budgetary discipline.
- Non-maintenance of Fixed/Moveable Asset register.

2.1 GENERAL RECOMMENDATION

- All Directors should ensure that they maintain their Departmental Vote Expenditure Account Books and reconcile same monthly.
- All supplies made to Departments should be received from the suppliers in the presence of the Internal Auditor, for certification of the prime, completeness, and validity of the goods supplied.
- All payment vouchers must contain authenticated documents duly signed by the respective officials and the supplier.
- No payment vouchers should be entertained by the Internal Auditor if it is not accompanied with Departmental Vote Expenditure Account Book (D.V.E.A) and Departmental Payment Voucher Register (D.P.V.R) in order to avoid over expenditure and omission of some payment vouchers and posted into D.V.E.A. Book.
- No voucher should be paid by the Cashier without being certified by the Internal Auditor and duly checked and passed by the Treasurer.
- Copies of contract awards documents must be sent to the office of the Internal Auditor for his awareness and record purposes.

- Payment for contract awards, being it part payment, must be accompanied with photocopies of the council’s approval and award of contract forms. Final payment must be accompanied with the original copies of the contract agreement form and relevant supporting documents for payment.
- Appointment of employees, resignation of appointment, termination of appointment, retirement from service, suspension from work, dismissal from service and deaths should be notified to the Internal Auditor immediately.
- All expenditure account books must be promptly reconciled with the treasury books to maintain efficiency and accountability.
- Rubber Stamp marked “ENTERED INTO VOTE BOOK” should be impressed on any payment sent to the Treasury to ensure that the voucher has been entered into Vote Book.
- Tell Book should equally be maintained by the Cashier for the purpose of Daily Cash Balance or the day’s taking to ascertain the liquid cash available at the close of each day’s business transactions after balancing up the Revenue and Expenditure cash Book for the day.
- The Revenue Staff (Collectors) should ensure that all revenue earning books are returned to the officer in charge after they have completely been used off.
- Store Officers should ensure that they keep all records up-to-date should the Internal Auditor will be going round to check and examine the accounts.
- A Job Cost Book should be kept in the Works Department on form **LGT 97 (F.M. 33.6)**.

3. REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Mashegu Local Government Council for the year ended 31st December 2018 is shown in the table 1 below.

Table 1: Breakdown of revenues and Expenditures

TOTAL REVENUE		AMOUNT ₦	%
	Internally Generated Revenue	8,510,171.74	0.58
	Statutory Allocation	1,467,196,624.87	99.42
	TOTAL	1,475,706,796.61	100
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	608,202,486.12	41.01
	Overhead Cost	212,120,507.44	14.30
	Consolidated Revenue Fund Charges	40,963,076.99	2.76
•	Contributions	556,146,336.66	37.50
•	Other Operating Activities	-	-
•	Other Transfers	25,100,000.00	1.69
•	Capital Expenditures	40,500,000.00	2.74
	TOTAL	1,483,032,407.21	100

3.1 REVENUE

The sum of ₦1,475,706,796.61 accrued to Mashegu Local Government Councils as total receipts for the year ended 31st December 2018.

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Mashegu Local Government Council amounted to ₦8,510,171.74 only for the year ended 31st December 2018 which represents 0.58 % of the total accrued revenue of ₦1,475,706,796.61

This shows that the council solely depend on statutory allocation from the Federation Account for survival. This could result to non-survival of the Council if there is a decline of revenue from the Federation Account.

I advised the Local Government Council to take the following measures to boost their internally generated revenue collection.

- Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- Control over issuance of revenue receipts
- Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.

3.1.2 STATUTORY ALLOCATION

The sum of ₦1,466,184,686.70 was disbursed to Mashegu Local Governments Council for the year under review. Statutory allocation comprises VAT, Excess Crude and Statutory Allocation etc. The reporting framework provides that each revenue class is reported separately in the financial statements and the notes thereto.

It was, however, noted that these classes of revenue are only identified at the Ministry for Local Government (Joint Account) while the disbursements to Local Government Councils are only classified as Statutory Allocation.

This makes it difficult to trace and account for each revenue classes at the Local Government Council level and possibly reconciliation of disbursement from the Federation Account and the receipts by the Local Government Council.

I advised the Ministry for Local Governments to share with the Local Government councils the breakdown of revenues from the Federation Accounts to ensure that they are correctly reported by the Councils.

3.2 CASH AND BANK BALANCES

The total cash balances stood at ₦158.19 in respect of Mashegu Local Government Council at the end of the financial year ended 31st December 2018.

While the total bank balances stood at ₦2,139,211.01 in respect of Mashegu Local Government Council as at the end of the financial year ended 31st December 2018.

4. INTERNAL CONTROL

During the course of our audit exercise, it was observed that despite reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued. The non-compliance was evidenced by the Payment Vouchers been

prepared and paid out without being endorsed by the Internal Audit Units, the non-endorsement of Officer Controlling the Vote, and Checks by the respective accounting Officers.

Also evidenced is lack of Asset Register to ascertain the Assets, their Condition, their Location and values of such assets. And all efforts made by my Office to ensure the maintenance of the Register are not encouraging.

In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that henceforth all Payment Vouchers raised are passed through Internal Audit Unit for certification before such payment are effected and equally ensure the maintenance of Asset Register before my next audit.

4.1 RECOMMENDATION

- It is recommended that the Internal Control System in existence has to be strengthened, proper record keeping and documentation of all financial transactions so as to enhance proper accountability.

5. BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦8,510,171.74 was generated as Internally Generated Revenue which represents 40.61% when compared with the total budgeted Internally Generated Revenue amounting to ₦20,955,000.00 during the year under review. This is a fairly performance.

5.1 RECOMMENDATION

- It is recommended that preparation of cash flow statement should be adequately monitored to reduce the unnecessary expenditure on overhead and given priority to project execution.

- More efforts should be made so as to attain the target set on revenue generation internally in the next financial year. This will reduce over dependence of the Council on Statutory Allocation from Federation Accounts which is no longer attainable.

6. PERSONNEL COST

It was observed that the total sum of ₦608,202,486.12 and ₦350,073,861.21 was spent as total personnel cost for the year 2018 and 2017 respectively with an increase of ₦258,128,624.91 over the previous year. This is as a result of salary increase made by the state government during the year under review.

7. CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No 5 of Revenue and Expenditure revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦546,806,469.00 and only the sum of ₦40,500,000.00 representing 7.41% was spent leaving the balance of ₦506,306,469.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	146,500,000.00	6,500,000.00	140,000,000.00
02	Economic Sector	346,290,725.00	34,000,000.00	312,290,725.00
05	Social Sector	54,015,744.00	-	54,015,744.00
TOTAL		<u>546,806,469.00</u>	<u>40,500,000.00</u>	<u>506,306,469.00</u>

7.1 RECOMMENDATION

- It is recommended that the previous statistical data should be used in the preparation of a reliable budget that could be attainable.
- Also, Capital projects should be encouraged and priority should be given to its execution as it has direct bearing to the grass roots development.

8. PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No. 3 revealed that the Total Revenue stood at ₦1,475,706,796.61 with a Total Expenditure of ₦1,483,032,407.21 and close with a surplus balance of ₦4878422.33 This is a healthy statement of account.

9.0 DEPOSITS

Deposits comprise statutory deductions which relate to contracts awarded (Value Added Tax (VAT) and Withholding Tax (WHT)) and employment which are deducted at source by the Local Government Council and are supposed to be remitted to the relevant tax collecting bodies in accordance with relevant legislation. I observed that a total of ₦47,788,203.10 stood as outstanding consolidated deposit balances as at the end of the period under review. Table below shows the list of the outstanding deposits as at 31st December 2018.

Outstanding deductions as at 31 December 2018.

DETAILS	AMOUNT ₦
5% Contract VAT	22,048,269.49
5% Withholding Tax	20,762,894.64
Retention fees	4,977,038.97
TOTAL	47,788,203.10

From the above table, the Councils recorded outstanding VAT amounting to ₦22,048,269.49 and WHT of ₦20,762,894.64 as at 31st December, 2018.

Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that the outstanding balance may be deducted from the Statutory allocations due to the Councils and in addition the councils may be fined and penalized for delayed remittance and hence affect the amount of money meant for developmental activities.

I advised the Local Government Councils to take steps to remit the outstanding deductions to the relevant authorities as a matter of urgency to avoid fines and penalties. I also advised the councils comply with the legislation in regard to future deductions.

10. OUTSTANDING AUDIT INSPECTION

AGX/FO.18/TA/MSG/VOL.1

Dated:4th September, 2019

(i)Rehabilitation of Kawo-Mashegu road (13km) payment made for work not done	140,000,000.00
(ii)Non remittance of 5% VAT, TAX and 1% Stamp Duty	39,500,000.00
(iii)Settlement of liabilities without Evidence of payment	10,000,000.00
(iv)Payment not accounted for	6,000,000.00

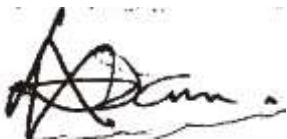
10.1 REQUIRED

The council is required to response to the outstanding Inspection Report or else necessary action and sanction will be taken.

11. CONCLUSION

We wish to use this medium to express our appreciation to the Chairman and the entire staff of Local Government for the cooperation given to the staff of this Office to carry out the Audit exercise.

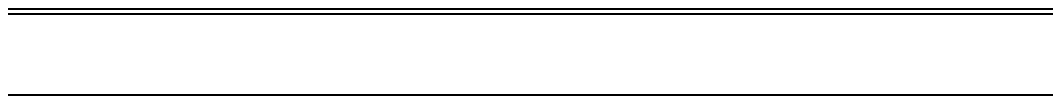
It is our sincere hope that you would not hesitate to contact this Office for further clarification and explanations you might require in connection with the Audited Annual Financial Statement and Management Reports.



LAWAL ADAMU

*Director Statutory and Special Operations,
For: Auditor General*

**NIGER STATE OF NIGERIA
CHANCHAGA LOCAL GOVERNMENT COUNCIL
MINNA**



AUDITED ACCOUNTS

**FOR
THE YEAR ENDED
31ST DECEMBER 2018**

**AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
P. M. B. 53, MINNA
NIGER STATE**

PERSONALITY PROFILE

I. FINANCIAL STATEMENT

Statement of Financial Responsibility

Council Officials

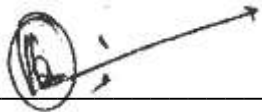
Auditor General's Opinion

J. AUDIT REPORT

- Cash Flow Statements
- Statement of Assets & Liabilities
- Statement of Consolidated Revenue Funds
- State of Capital Development Funds
- Notes to the Accounts.
- Statement of Accounting Policies
- Scope of Audit
- General State of Accounts and Records Keeping
- General Recommendation
- Review of Financial Statement
- Internal Control
- Budgetary Control
- Personnel Cost
- Capital Expenditure
- Performance of Operation Activities
- Deposits
- Outstanding Audit Inspection
- Conclusion

STATEMENT OF FINANCIAL RESPONSIBILITY

These Financial Statements have been prepared by the Treasurer of Chanchaga Local Government Council in accordance with the provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements complied with generally accepted accounting practices. The Treasury is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper records, the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of Internal Control has operated adequately throughout the reporting period.



Treasurer

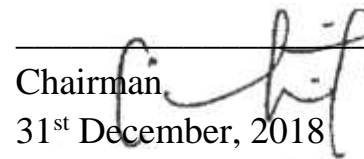
31st December, 2018

We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended. In our opinion, these financial statements fairly reflect the financial position of Chanchaga Local Governments as at 31st December, 2018 and its operations for the year ended on the date.



Tr

31st December, 2018



Chairman

31st December, 2018

COUNCIL OFFICIALS

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Ibrahim Abubakar	Executive Chairman
Honourable Adamu Umar Ayawa	Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:	DEPARTMENTS	DESIGNATION
Danjuma Ma'aji	Personnel Management	H. O. D
Abubakar Ibrahim	Finance and Supply	H. O. D
Fati Garba	Primary Health Care	H. O. D
John T. Aulawa	Agriculture and Natural Resources	H. O. D
Abdullahi Nakanti	Works and Housing	H. O. D
Awwalu Musa	Budget and Planning	H. O. D
Aliyu Babasule	Social Development	H. O. D

- **BANKERS**

	ADDRESS
Fidelity Bank Plc.	Minna Branch
United Bank for Africa Plc.	Minna Branch
Zenith Bank Plc.	Minna Branch
Wema Bank Plc.	Minna Branch

- **AUDITORS**

Auditor General

Office of the Auditor General for Local Governments

P.M.B. 53 Minna,

Niger State.

AUDITOR GENERAL'S OPINION

I have examined the financial statement which have been prepared in accordance with standardized Local Government Treasury Procedures, Financial Memoranda and Circular guidelines. I obtained all information and explanations which I requested for the purpose of my Audit.

In my opinion, the accounts readable in conjunction with notes subject to the issues raised in the management report issued separately with this account gives a true and fair view of affairs of the Council as at 31st December, 2018 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.



Ibrahim Ahmed, B. Sc, MPA, FCNA, FCTI, CPA
Auditor General for Local Governments

1: Cash Flow Statement for the Year Ended 31st December, 2018

ANNUAL BUDGET 2018		NOTES	ACTUAL YEAR 2018	PREVIOUS YEAR 2017
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
2,118,605,052.00	Statutory Allocations:FAAC	1	3,533,817,371.21	
	Value Added Tax Allocation	1		
2,118,605,052.00	Sub-total - Statutory Allocation		3,533,817,371.21	
1,200,000.00	Direct Taxes	2	6,000.00	
28,670,000.00	Licences & FEES	2	33,685,268.00	
	Mining Rents:	2		
31,000,000.00	RATES	2	8,497,500.00	
	Fees:	2		
	Fines	2		
	Sales	2		
64,750,000.00	Earnings :	2	44,998,985.00	
3,100,000.00	Sales/Rent of Government Buildings:	2	2,533,368.15	
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
	Interest Earned	2		-
	Re-imbusement	2		-
3,300,000.00	MISELLANEOUS	2	3,472,649.05	-
2,250,625,052.00	Sub-total - Independent Revenue			
	Other Revenue Sources of the -Government	3		
	TOTAL INDEPENDANT REVENUE		93,193,770.20	
	Commercial Bank Loan		-	
2,250,625,052.00	TOTAL RECEIPTS		3,627,011,141.41	
	Payments:			
995,357,627.00	Personnel Costs	3	2,384,588,671.72	
206,900,000.00	Overhead Charges:	4	296,438,366.46	-
	Consolidated Revenue Fund Charges .	5	182,297,450.78	-
	contributions	7	578,716,814.91	-
	Other Operating Activities		-	
	Financial Charges		-	
	Other Transfers	6	85,100,000.00	
1,202,257,627.00	Total Payments		3,527,141,303.87	
1,048,367,425.00	Net Cash Flow from Operating Activities		99,869,837.54	

	CashFlows from Investment Activities:			
	Capital Expenditure:Administrative Sector:	8	1,230,000.00	
	Capital Expenditure: Economic Sector:	8	16,725,404.92	
	capital expenditure: Social Service Sector:	8	77,036,010.29	
926,121,249.00	Capital Expenditure: Funded from Aid and Grants:		-	
	Total Cash Flow from Investment Activities:		94,991,415.21	
	Net Cash Flow from Investment Activities:		4,878,422.33	
	CashFlows from Financing Activities:			
	Proceeds from Aid and Grants		-	
	Proceeds from ExternaL Loan :		-	
	Proceeds from Internal Loans: Bonds :		-	
	Proceeds from Development loan stock		-	
	Proceeds of Loans from Other Funds		-	
	Repayment of External Loans (Including Servicing)		-	
	Repayment of Treasury Bonds :		-	
	Repayment of Loans from Development loan stock		-	
	Repayment of Loans from Other Funds	11	-	
	Total Cash Flow from Financing Activities:		-	
	Net Cash Flow from Financing Activities:		4,878,422.33	
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	
	Net (Increase)/Decrease in Other Cash Equivalents:		-	
	Total Cashflow from other Cash equivalent Accounts		-	
	Net Cash for the year		4,878,422.33	
	Cash & Its Equivalent as at 1st January, 2018		18,282,156.46	
	Cash & Its Equivalent as at 31st December, 2018	9	23,160,578.79	

2: Statement of Assets and Liabilities as at 31st December, 2018

	NOTES	CURRENT YEAR 2018	PREVIOUS YEAR 2017
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:			
Liquid Assets:-			
Cash Held by AGNS:			
CASH AT hand		440.00	
CASH AT BANK	9	23,160,138.79	
TOTAL LIQUID ASSETS		23,160,578.79	
NON CURRENT ASSETS:			
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	
TOTAL ASSETS		23,160,578.79	
LIABILITIES OVER ASSETS		12,667,826.58	
TOTAL		35,828,405.37	
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	23,160,578.79	
Capital Development Fund:		-	
TOTAL PUBLIC FUNDS		23,160,578.79	
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	-	
		-	
		-	
		-	
TOTAL EXTERNAL AND INTERNAL LOANS		-	
OTHER LIABILITIES			
UNREMITTED DEDUCTIONS		-	
5% Value Added Tax (VAT)		6,333,913.29	
Withholding Tax		6,333,913.29	
TOTAL LIABILITIES		12,667,826.58	
TOTAL LIABILITIES AND PUBLIC FUNDS		35,828,405.37	

3: Statement of Consolidated Revenue for the year ended 31st December, 2018

ACTUAL PREVIOUS YEAR 2017		NOTES	ACTUAL YEAR 2018	FINAL BUDGET 2018	INITIAL/ORIGINAL BUDGET 2018
₦			₦	₦	₦
	Opening Balance:		18,282,156.46		
	ADD: REVENUE				
	Statutory Allocations:FAAC	1	3,533,817,371.21	2,118,605,052.00	
	Value Added Tax Allocation	1	-		
	Sub-Total - Statutory Allocation		3,533,817,371.21	2,118,605,052.00	
	Direct Taxes	2	6,000.00	1,200,000.00	
	Licences	2	33,685,268.00	28,670,000.00	
	RATES	2	8,497,500.00	31,000,000.00	
	Fees:	2	-		
	Fines	2	-		
	Sales	2	-		
	Earnings :	2	44,998,985.00	64,750,000.00	
	Sales/Rent of Government Buildings:	2	2,533,368.15	3,100,000.00	
	Sale/Rent on Lands and Others:	2	-		
	MISCELLANEOUS	2	3,472,649.05	3,300,000.00	
	Investment Income	2	-		
	Interest Earned	2	-		
	Re-Imbursements	2	-		
	Sub-Total - Independent Revenue		93,193,770.20	132,020,000.00	
	Other Revenue Sources of the ---Government		-		
	TOTAL REVENUE:		3,645,293,297.87	2,250,625,052.00	
	LESS:EXPENDITURE				
	Personnel Costs:	3	2,384,588,671.72	995,357,627.00	
	Overhead Charges:	4	296,438,366.46	206,900,000.00	
	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	182,297,450.78		
	contributions	7	578,716,814.91		
	Other Operating Activities		-		
	Financial Charges.		-		
	Other Transfers	6	85,100,000.00		
	TOTAL EXPENDITURE:		3,527,141,303.87		

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
	Repayments:External Loans:States			-	
	Repayments:States Bonds.			-	
	Repayments:Development Loan Stock			-	
	Repayments:Internal Loans from Other Funds	11		-	
	TOTAL EXPENDITURE:			-	
	OPERATING BALANCE:		118,151,994.00		
	APPROPRIATIONS/TRANSFERS:				
	Transfer to Capital Development Fund:		94,991,415.21	926,121,249.00	
	Closing Balance:		23,160,578.79		

4: Statement of Capital Development Fund for the year ended 31st December, 2018

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2017			EXPENDITURE 2018	BUDGET 2018	BUDGET 2018	BUDGET 2018
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
	Transfer from Consolidated Revenue Fund:		94,991,415.21	926,121,249.00		
	Aid and Grants		-			
	TOTAL REVENUE AVAILIABLE:		94,991,415.21	926,121,249.00		
	LESS: CAPITAL EXPENDITURE					
	Capital Expenditure:Administrative Sector:	10	1,230,000.00			
	Capital Expenditure: Economic Sector:	10	16,725,404.92			
	Capital Expenditure: Social Service Sector:	10	77,036,010.29			
	Capital Expenditure: Funded from Aid and Grants:		-			
	TOTAL CAPITAL EXPENDITURE:		94,991,415.21	926,121,249.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2018

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₦	₦
Net Share of Statutory Allocation from FAAC	A	1,261,378,894.69	
Add :Deduction at source for Loan Repayment	B	2,272,438,476.52	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			3,533,817,371.21
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₦	₦	₦
TAXES	6,000.00		
RATES	8,497,500.00		
LINCENCES & FEES	33,685,268.00		
EARNING FROM COMMERCIAL UNDERTAKING	44,998,985.00		
RENT ON LOCAL GOVERNMENT PROPERTY	2,533,368.15		
INTEREST AND DIVIDEND	100,000.00		
MISCELLANEOUS	3,472,649.05		
TOTAL I G R	93,293,770.20		

Note 3: Personnel Cost

ADMINISTRATIVE SECTOR										
SECTOR	Admin	Economic	Function	Fund	GEO CODE		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
OFFICE OF THE CHAIRMAN										
01	11001001	21010101	70111	2101		TOTAL PERSONNEL COST	9,590,708.00			
							-			
THE COUNCCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	23,641,598.92			
							-			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	4,608,139.70			
							-			
							-			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	91,831,290.67			
TOTAL ADMIN SECTOR							129,671,737.29			
							-			
ECONOMIC SECTOR										
Sector	Admin	Economic	Function	Fund			ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	115,771,041.84			
							-			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	10,789,398.97			
							-			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	62,886,261.01			
							-			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	66,764,262.01			
TOTAL ECONOMIC SECTOR							256,210,963.83			

SOCIAL SECTOR									
Sector	Admin	Economic	Function	Fund		ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
ADULT EDUCATION									
05	17001001	21010101	70960	2101	TOTAL PERSONNEL COST	-			
						-			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	485,147,350.07			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	2,536,934.68			
SOCIAL DEVELOPMENT									
05		21010101	70131	2101	TOTAL PERSONNELCOST	84,697,475.02			
TOTAL SOCIAL SECTOR						572,381,759.77			
TOTAL FOR ALL SECTORS						958,264,460.89			
ADJUSTMENT :									
PAYEE						41,988,623.58			
PAYEE (POLITICAL OFFICE						4,096,200.00			
UNION DUES						63,934,089.58			
NHF(2,5%)						7,046,937.16			
EMIRATE COUNCIL						41,545,611.84			
PRIMARY EDUCATION						1,267,712,748.67			
TOTAL PERSONNEL COST FOR ALL SECTORS						2,384,588,671.72			

Note 4: Overhead Cost

ADMINISTRATIVE SECTOR											
OFFICE OF THE CHAIRMAN											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11001001	22020101	70111	2101		2	Travel & Transport	5,918,400.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	130,000.00			
01	11001001	22020402	70111	2101		6	Maintenance of office	693,000.00			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	-			
01	11001001	22020701	70111	2101		8	Consultancy Services	2,776,000.00			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	32,651,268.99			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	8,052,105.20			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	43,445,790.04			
							PROVISION OF SERVICE MATERIALS	-			
							TOTAL	93,666,564.23			
THE COUNCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	220,000.00			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	40,000.00			
01	12003001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	7,240,333.83			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles andCapital assets	-			
01	12003001	22020701	70111	2101		8	Consultancy Services	-			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	12003001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	700,000.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	12,044,000.00			
*							PROVISION FOR SERVICEABLE	-			
							TOTAL	20,244,333.83			

OFFICE OF THE SECRETARY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11013001	22020101	70111	2101		2	Travel & Transport	359,900.00			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	40,000.00			
01	11013001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	-			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	-			
01	11013001	22020701	70111	2101		8	Consultancy Services	-			
01	11013001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11013001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11013001	22021001	70111	2101		11	Entertainment & Hospitality	-			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	1,120,000.00			
							TOTAL	1,519,900.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	1,257,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	1,967,824.00			
01	25001001	22020402	70131	2101		6	Maintenance of officefurniture & equipment	265,000.00			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	-			
01	25001001	22020701	70131	2101		8	Consultancy Services	-			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	25,291,499.03			
01	25001001	22020501	70131	2101		10	Training and staff Development	4,884,606.09			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	-			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	4,352,498.07			
							TOTAL	38,018,427.19			
							TOTAL ADMIN	153,449,225.25	#REF!	#REF!	#REF!

ECONOMIC SECTOR											
FINANCE AND SUPPLY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	20001001	22020101	70112	2101		2	Travel & Transport	1,355,500.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	2,430,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	20001001	22020701	70112	2101		8	Consultancy Services	31,194,010.54			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	57,302,606.00			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	3,401,297.22			
							TOTAL	95,683,413.76			
BUDGET;PLANNING & RESEARCH											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	38001001	22020101	70112	2101		2	Travel & Transport	285,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	90,000.00			
02	38001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	269,000.00			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	38001001	22020701	70112	2101		8	Consultancy Services	-			
02	38001001	22040109	70112	2101		9	Grants, Contributions & Subventions	1,629,665.97			
02	38001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	38001001	22021001	70112	2101		11	Entertainment & Hospitality	120,000.00			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	875,000.00			
							TOTAL	3,268,665.97			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	-			
02	34001001	22020201	70451	2101		3	Utility Services	2,120,000.00			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	-			
02	34001001	22020402	70451	2101		6	Maintenance of officefurniture & equipment	-			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	950,000.00			
02	34001001	22020701	70451	2101		8	Consultancy Services	-			
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	-			
02	34001001	22020501	70451	2101		10	Short term Training and Consultancy	-			
02	34001001	22021001	70451	2101		11	Entertament & Hospitality	-			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	1,343,000.00			
							TOTAL	4,413,000.00			
AGRICULTURE AND NATURAL RESURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	-			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	-			
02	15001001	22020402	70421	2101		6	Maintenance of officefurniture & equipment	20,000.00			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	7,470,333.83			
02	15001001	22020701	70421	2101		8	Consultancy Services	-			
02	15001001	22040109	70421	2101		9	Grants, Contributions & Subventions	-			
02	15001001	22020501	70421	2101		10	Training and staff Development	-			
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	-			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	2,410,000.00			
							PROVISION OF SERVICEABLE	-			
							TOTAL	9,900,333.83			
							TOTAL ECONOMIC SECTOR	113,265,413.56	#REF!	#REF!	#REF!

SOCIAL SECTOR											
ADULT EDUCATION											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	17001001	22020101	70922	2101		2	Travel & Transport	-			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	-			
05	17001001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	17001001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	17001001	22020701	70922	2101		8	Consultancy Services	-			
05	17001001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	17001001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	-			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport	700,000.00			
05	51003001	22020201	70922	2101		3	Utility Services	-			
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	51003001	22020301	70922	2101		5	Stationary	403,200.47			
05	51003001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	470,000.00			
05	51003001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51003001	22020701	70922	2101		8	Consultancy Services	-			
05	51003001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	51003001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	51003001	22021001	70922	2101		11	Entertainment & Hospitality	50,000.00			
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	3,039,000.00			
							TOTAL	4,662,200.47			

PRIMARY HEALTH CARE											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	21001001	22020101	70731	2101		2	Travel & Transport	650,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	-			
05	21001001	22020402	70731	2101		6	Maintenance of officefurniture & equipment	-			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	-			
05	21001001	22020701	70731	2101		8	Consultancy Services	-			
05	21001001	22020501	70731	2101		10	Training and staff Development	-			
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	5,000.00			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	2,628,000.00			
							INTEGRATED MGT. OF CHILD ILLINESS	160,000.00			
							NPI	5,145,000.00			
							ASSISTED PROGRAM (SUMMAP)	60,000.00			
							TOTAL	8,648,000.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	-			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	-			
05	51002002	22020402	70180	2101		6	Maintenance of officefurniture & equipment	-			
05	51002002	22020401	70180	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51002002	22020701	70180	2101		8	Consultancy Services	-			
05	51002002	22040109	70180	2101		9	Grants, Contribution & Subvention	-			
05	51002002	22020501	70180	2101		10	Training and staff Development	-			
05	51002002	22021001	70180	2101		11	Entertainment & Hospitality	-			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	16,413,527.18			
							TOTAL	16,413,527.18			
							TOTAL SOCIAL SECTOR MINISTRY	29,723,727.65			
							TOTAL FOR ALL SECTORS	296,438,366.46			

Note 5: Consolidated Revenue Charges

A-- PENSION AND GRATUITIES STATUTORY BOARD MINNA										
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	DETAILS	ACTUAL EXPENDITURE	APPROVED	REVISED BUDGET	VARIANCE ON REVISED BUDGET
01	25001001	22010102	70131	02101		Pension Statutory	108,988,416.46			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	73,309,034.32			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	-			
01	25001002	22020902	70132	02102		Insurance Premium	-			
01	25001001	22010106	70131	02101		Acturial Valuation	-			
01	25001001	22010107	70131	02101		Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-			
						Deceased 3rd Annual Emolument (CPS)	-			
						TOTAL	182,297,450.78			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	182,297,450.78			

Note 6: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,600,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	8,300,000.00
NISEPA	60,000,000.00
TOTAL	85,100,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	549,916,814.91
TOTAL CONTRIBUTIONS	578,716,814.91

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECONOMIC	FUNCTION	PROGRAMME	FUND	GEO CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2018	2018 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616	03005			INFORMATION	1,230,000.00			
1	11033001								-			
1	11033001								-			
								TOTAL FOR ADMIN SECTOR	1,230,000.00			
ECONOMIC SECTOR												-
2	20001001				03005			FINANCE	1,595,000.00			
2								TRANSPORT	1,350,000.00			(1,350,000.00)
								WATER RESOURCES	13,780,404.92			
2								ECONOMIC SECTOR TOTAL	16,725,404.92	-	-	(1,350,000.00)
												-
SOCIAL SECTOR												-
5			70422	70900002606	03005			EDUCATION SECTOR	13,638,895.00			
								HEALTH SECTOR	375,000.00			
								SOCIAL DEV. AND CULTURE	7,455,500.00			
								ENVIRONMENT	2,250,000.00			
								COMMUNITY DEVELOPMENT	15,003,000.00			
								SPECIAL PROJECT INTERVENTION	31,533,615.29			
								HOUSING	6,780,000.00			
								SOCIAL SECTOR TOTAL	77,036,010.29	-	-	-
								TOTAL FOR ALL SECTORS	94,991,415.21			

Note 9: Closing Cash Book/Bank Balances as at 31st December, 2019

ACCOUNT TYPE		AMOUNT
ZENITH BANK 1		19,169,421.93
ZENITH BANK 11		19,043.00
UBA		3,660,993.72
FEDELITY BANK		207,784.67
WEMA		4,702.63
SKYE BANK		33,342.95
UNITY BANK I		17,227.41
UNITY BANK II		13,762.48
UNITY BANK III		33,860.00
TOTAL		23,160,138.79

Note 10: Investment

INVESTMENTS				
Investments in Companies				
	STOCK	HOLDING	PRICE	MARKET VALUE(N)
	TOTAL INVESTMENT			-

Note 11: Development Loan Stock

List the Loans	Balance as at 01/01/2019	ADDITIONAL LOAN	PRINCIPAL REPAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	BALANCE ON PRINCIPAL
BANK LOAN						
TOTAL						

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS		AMOUNT
5% VALUE ADDED TAX (VAT)		6,333,913.29
WITHHOLDING TAX		6,333,913.29
TOTAL		12,667,826.58

**ANAGEMENT REPORT ON AUDITED
ANNUAL FINANCIAL STATEMENT FOR THE
YEAR ENDED 31ST DECEMBER, 2018**

1. SCOPE OF THE AUDIT

The Accounts and Records maintained by Minna Local Government Council and Financial Statement produced for audit in respect of the year ended 31st December, 2019 have been examined and all the information that were provided and gathered in respect of monies received and expended have been certified. All the books of account from the book of original entry, General ledger to subsidiary ledger were checked and certified by our team.

2.0 GENERAL STATE OF ACCOUNTS AND RECORD KEEPING

The pattern and manner of keeping and rendering accounting books and records as observed in the Local Governments Councils were inadequate as highlighted in this report and are stated below:

- Most of the payment vouchers raised were not having documentary evidences to justify the payments made.
- Most of the purchases made lacked essential documentary evidence such as Receipt Vouchers, and Store Issue Vouchers which shows that they were not supplied or supplied but not taken charge.
- In some cases, approvals in respect of expenditure incurred were not presented for audit.
- Deductions made for WHT and VAT were in some cases not remitted to the appropriate tax authorities within time.
- Some payment vouchers were not checked and passed by the Internal Audit Unit.
- Absence of signatures of relevant parties to Payment Vouchers.
- Lack of adequate budgetary discipline.
- Non-maintenance of Fixed/Moveable Asset register.

2.1 GENERAL RECOMMENDATION

- All Directors should ensure that they maintain their Departmental Vote Expenditure Account Books and reconcile same monthly.
- All supplies made to Departments should be received from the suppliers in the presence of the Internal Auditor, for certification of the prime, completeness, and validity of the goods supplied.
- All payment vouchers must contain authenticated documents duly signed by the respective officials and the supplier.
- No payment vouchers should be entertained by the Internal Auditor if it is not accompanied with Departmental Vote Expenditure Account Book (D.V.E.A) and Departmental Payment Voucher Register (D.P.V.R) in order to avoid over expenditure and omission of some payment vouchers and posted into D.V.E.A. Book.

- No voucher should be paid by the Cashier without being certified by the Internal Auditor and duly checked and passed by the Treasurer.
- Copies of contract awards documents must be sent to the office of the Internal Auditor for his awareness and record purposes.
- Payment for contract awards, being it part payment, must be accompanied with photocopies of the council's approval and award of contract forms. Final payment must be accompanied with the original copies of the contract agreement form and relevant supporting documents for payment.
- Appointment of employees, resignation of appointment, termination of appointment, retirement from service, suspension from work, dismissal from service and deaths should be notified to the Internal Auditor immediately.
- All expenditure account books must be promptly reconciled with the treasury books to maintain efficiency and accountability.
- Rubber Stamp marked "ENTERED INTO VOTE BOOK" should be impressed on any payment sent to the Treasury to ensure that the voucher has been entered into Vote Book.
- Tell Book should equally be maintained by the Cashier for the purpose of Daily Cash Balance or the day's taking to ascertain the liquid cash available at the close of each day's business transactions after balancing up the Revenue and Expenditure cash Book for the day.
- The Revenue Staff (Collectors) should ensure that all revenue earning books are returned to the officer in charge after they have completely been used off.

- Store Officers should ensure that they keep all records up-to-date should the Internal Auditor will be going round to check and examine the accounts.
- A Job Cost Book should be kept in the Works Department on form **LGT 97 (F.M. 33.6)**.

3. REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Minna Local Government Council for the year ended 31st December 2018 is shown in the table 1 below.

Table 1: Breakdown of revenues and Expenditures

TOTAL REVENUE		AMOUNT ₦	%
	Internally Generated Revenue	93,193,770.20	2.54
	Statutory Allocation	3,883,919,614.43	97.46
TOTAL		3,533,817,371.21	100.00
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	2,384,588,671.72	65.83
	Overhead Cost	296,438,366.46	8.18
	Consolidated Revenue Fund Charges	182,297,450.78	5.03
•	Contributions	578,716,814.91	15.98
•	Other Operating Activities	-	-
•	Other Transfers	85,100,000.00	2.35
•	Capital Expenditures	94,991,415.21	2.63
TOTAL		3,622,132,719.08	100.00

3.1 REVENUE

The sum of ₦3,627,011,141.41 accrued to Minna Local Government Councils as total receipts for the year ended 31st December 2018

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Minna Local Government Council amounted to ₦93,193,770.20 only for the year ended 31st December 2018 which represents 2.54 % of the total accrued revenue of ₦3,627,011,141.41

This shows that the council solely depend on statutory allocation from the Federation Account for survival. This could result to non-survival of the Council if there is a decline of revenue from the Federation Account.

I advised the Local Government Council to take the following measures to boost their internally generated revenue collection.

- Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- Control over issuance of revenue receipts
- Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.

3.1.2 STATUTORY ALLOCATION

The sum of ₦3,533,817,371.21 was disbursed to Minna Local Governments Council for the year under review. Statutory allocation comprises VAT, Excess Crude and Statutory Allocation etc. The reporting framework provides that each revenue class is reported separately in the financial statements and the notes thereto.

It was, however, noted that these classes of revenue are only identified at the Ministry for Local Government (Joint Account) while the disbursements to Local Government Councils are only classified as Statutory Allocation.

This makes it difficult to trace and account for each revenue classes at the Local Government Council level and possibly reconciliation of disbursement from the Federation Account and the receipts by the Local Government Council.

I advised the Ministry for Local Governments to share with the Local Government councils the breakdown of revenues from the Federation Accounts to ensure that they are correctly reported by the Councils.

3.2 CASH AND BANK BALANCES

The total cash balances stood at ₦440.00 in respect of Minna Local Government Council at the end of the financial year ended 31st December 2018

While the total bank balances stood at ₦23,160,138.79 in respect of Minna Local Government Council as at the end of the financial year ended 31st December 2018

4. INTERNAL CONTROL

During the course of our audit exercise, it was observed that despite reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued. The non-compliance was evidenced by the Payment Vouchers been prepared and paid out without being endorsed by the Internal Audit Units, the non-endorsement of Officer Controlling the Vote, and Checks by the respective accounting Officers.

Also evidenced is lack of Asset Register to ascertain the Assets, their Condition, their Location and values of such assets. And all efforts made by my Office to ensure the maintenance of the Register are not encouraging.

In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that henceforth all Payment Vouchers raised are passed through Internal Audit Unit for certification before such payment are effected and equally ensure the maintenance of Asset Register before my next audit.

4.1 RECOMMENDATION

- It is recommended that the Internal Control System in existence has to be strengthened, proper record keeping and documentation of all financial transactions so as to enhance proper accountability.

5. BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦93,193,770.2 was generated as Internally Generated Revenue which represents 70.599% when compared with the total budgeted Internally Generated Revenue amounting to ₦132,020,000.00 during the year under review. This is a great performance.

5.1 RECOMMENDATION

- It is recommended that preparation of cash flow statement should be adequately monitored to reduce the unnecessary expenditure on overhead and given priority to project execution.
- More efforts should be made so as to attain the target set on revenue generation internally in the next financial year. This will reduce over dependence of the Council on Statutory Allocation from Federation Accounts which is no longer attainable.

6. PERSONNEL COST

It was observed that the total sum of ₦2,384,588,671.72 and ₦902,273,780.15 was spent as total personnel cost for the year 2018 and 2017 respectively with an increase of ₦1,482,314,891.57 over the previous year. This is as a result of salary increase made by the state government during the year under review.

7. CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No 5 of Revenue and Expenditure revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦926,121,249.00 and only the sum of ₦94,991,415.21 representing 7.83% was spent leaving the balance of ₦831,129,833.79 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	158,431,340.00	1,230,000.00	157,201,340.00
02	Economic Sector	326,629,909.00	16,725,404.92	309,904,504.08
05	Social Sector	441,060,000.00	77,036,010.29	364,023,989.71

TOTAL	<u>926,121,249</u>	<u>94,991,415.21</u>	<u>831,129,833.79</u>
--------------	---------------------------	-----------------------------	------------------------------

7.1 RECOMMENDATION

- It is recommended that the previous statistical data should be used in the preparation of a reliable budget that could be attainable.
- Also, Capital projects should be encouraged and priority should be given to its execution as it has direct bearing to the grass roots development.

8. PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No. 3 revealed that the Total Revenue stood at ₦3,627,011,141.41 with a Total Expenditure of ₦3,622,132,719.08 and close with a surplus balance of ₦4,878,422.33 This is a healthy statement of account.

9.0 DEPOSITS

Deposits comprise statutory deductions which relate to contracts awarded (Value Added Tax (VAT) and Withholding Tax (WHT)) and employment which are deducted at source by the Local Government Council and are supposed to be remitted to the relevant tax collecting bodies in accordance with relevant legislation. I observed that a total of ₦12,667,826.58 stood as outstanding consolidated deposit balances as at the end of the period under review. Table below shows the list of the outstanding deposits as at 31st December 2018.

Outstanding deductions as at 31 December 2018.

DETAILS	AMOUNT ₦
5% VAT	6,333,913.29
5% Withholding Tax	6,333,913.29
LEA	-
Co-operative Society	-
1% Stamp Duty	-
TOTAL	12,667,826.58

From the above table, the Councils recorded outstanding VAT amounting to ₦6,333,913.29 and WHT of ₦6,333,913.29 as at 31st December, 2018.

Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that the outstanding balance may be deducted from the Statutory allocations due to the Councils and in addition the councils may be fined and penalized for delayed remittance and hence affect the amount of money meant for developmental activities.

I advised the Local Government Councils to take steps to remit the outstanding deductions to the relevant authorities as a matter of urgency to avoid fines and penalties. I also advised the councils comply with the legislation in regard to future deductions.

10. OUTSTANDING AUDIT INSPECTION

AGX/FO.18/TA/CHA/VOL.1

Dated:8th July 2019

(i)Interception of Internally Generated Revenue	11,617,150.00
(ii)Outstanding Revenue Receipts Booklet	574,000.00
(iii)Revenue Receipts Return without Remittance	358,000.00
(iv)Indiscriminate Financial Assistance	507,000.00

10.1 REQUIRED

The council is required to response to the outstanding Inspection Report or else necessary action and sanction will be taken.

11. CONCLUSION

We wish to use this medium to express our appreciation to the Chairman and the entire staff of Local Government for the cooperation given to the staff of this Office to carry out the Audit exercise.

It is our sincere hope that you would not hesitate to contact this Office for further clarification and explanations you might require in connection with the Audited Annual Financial Statement and Management Reports.



LAWAL ADAMU

*Director Statutory and Special Operations,
For: Auditor General*

**NIGER STATE OF NIGERIA
MOKWA LOCAL GOVERNMENT COUNCIL
MOKWA**

**AUDITED ACCOUNTS
FOR
THE YEAR ENDED
31ST DECEMBER 2018**

**AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
P. M. B. 53, MINNA
NIGER STATE**

PERSONALITY PROFILE

K. FINANCIAL STATEMENT

Statement of Financial Responsibility

Council Officials

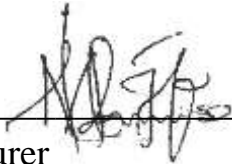
Auditor General's Opinion

L. AUDIT REPORT

- Cash Flow Statements
- Statement of Assets & Liabilities
- Statement of Consolidated Revenue Funds
- State of Capital Development Funds
- Notes to the Accounts.
- Statement of Accounting Policies
- Scope of Audit
- General State of Accounts and Records Keeping
- General Recommendation
- Review of Financial Statement
- Internal Control
- Budgetary Control
- Personnel Cost
- Capital Expenditure
- Performance of Operation Activities
- Deposits
- Outstanding Audit Inspection
- Conclusion

STATEMENT OF FINANCIAL RESPONSIBILITY

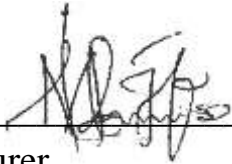
These Financial Statements have been prepared by the Treasurer of Mokwa Local Government Council in accordance with the provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements complied with generally accepted accounting practices. The Treasury is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper records, the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of Internal Control has operated adequately throughout the reporting period.



Treasurer

31st December, 2018

We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended. In our opinion, these financial statements fairly reflect the financial position of Mokwa Local Governments as at 31st December, 2018 and its operations for the year ended on the date.



Treasurer

31st December, 2018



Chairman

31st December, 2018

COUNCIL OFFICIALS

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Yahaya M. Abubakar	Executive Chairman
Honourable Mohammed Yahaya Muregi	Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:	DEPARTMENTS	DESIGNATION
Sidi Muhammad	Personnel Management	H. O. D
Aliyu Muhammad Naibi	Finance and Supply	H. O. D
Alh. Umar Moh'd	Primary Health Care	H. O. D
Tsonfada Isah Ndagi	Agriculture and Natural Resources	H. O. D
Alhassan Mohammed	Works and Housing	H. O. D
Baba Moh'd Kasim	Budget and Planning	H. O. D
Egiyaya Baba Alh.	Social Development	H. O. D

- **BANKERS**

	ADDRESS
U. B. A. Plc Mokwa Branch	Mokwa Branch
Zenith Bank Plc Mokwa Branch	Mokwa Branch
Keystone Bank Plc Bida Branch	Mokwa Branch

- **AUDITORS**

Auditor General
Office of the Auditor General for Local Governments
P.M.B. 53 Minna,
Niger State.

AUDITOR GENERAL'S OPINION

I have examined the financial statement which have been prepared in accordance with standardized Local Government Treasury Procedures, Financial Memoranda and Circular guidelines. I obtained all information and explanations which I requested for the purpose of my Audit.

In my opinion, the accounts readable in conjunction with notes subject to the issues raised in the management report issued separately with this account gives a true and fair view of affairs of the Council as at 31st December, 2018 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.



Ibrahim Ahmed, B. Sc, MPA, FCNA, FCTI, CPA
Auditor General for Local Governments

1: Cash Flow Statement for the Year Ended 31st December, 2018

ANNUAL BUDGET 2018		NOTES	ACTUAL YEAR 2018	PREVIOUS YEAR 2017
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,667,804,202.00	Statutory Allocations:FAAC	1	2,220,275,263.31	
	Value Added Tax Allocation	1		
1,667,804,202.00	Sub-total - Statutory Allocation		2,220,275,263.31	
1,302,000.00	Direct Taxes	2	-	
4,863,000.00	Licences & FEES	2	914,900.00	
	Mining Rents:	2		
25,000,000.00	RATES	2	12,308,526.42	
	Fees:	2		
	Fines	2		
	Sales	2		
9,960,000.00	Earnings :	2	13,187,445.00	
3,460,000.00	Sales/Rent of Government Buildings:	2	511,577.35	
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
6,000.00	Interest& DIVIDEND Earned	2	133.62	
	Re-imbusement	2		
1,000,000.00	MISELLANEOUS	2	269,157.58	
45,591,000.00	Sub-total - Independent Revenue			
	Other Revenue Sources of the -Government	3		
45,591,000.00	TOTAL INDEPENDANT REVENUE		27,191,739.97	
	Commercial Bank Loan		-	
1,713,395,202.00	TOTAL RECEIPTS		2,247,467,003.28	
	Payments:			
688,589,326.00	Personnel Costs	4	1,360,456,405.89	
128,760,000.00	Overhead Charges:	5	206,403,655.61	
	Consolidated Revenue Fund Charges .	6	107,667,651.08	
	contributions	9	537,470,520.78	
	Other Operating Activities	7	-	
	Financial Charges	7b	-	
-	Other Transfers	8	25,100,000.00	
817,349,326.00	Total Payments		2,237,098,233.36	
896,045,876.00	Net Cash Flow from Operating Activities		10,368,769.92	

	CashFlows from Investment Activities:			
	Capital Expenditure:Administrative Sector:	10	3,000,000.00	
	Capital Expenditure: Economic Sector:	10	6,700,000.00	
	Capital Expenditure: Law and Justice:	10	-	
	Capital Expenditure:Regional Development	10	-	
	capital expenditure: Social Service Sector:	10	2,740,000.00	
	Capital Expenditure: Funded from Aid and Grants:		-	
802,865,191.00	Total Cash Flow from Investment Activities:		12,440,000.00	
93,180,685.00	Net Cash Flow from Investment Activities:		(2,071,230.08)	
	CashFlows from Financing Activities:			
	Proceeds from Aid and Grants	3B	-	
	Proceeds from ExernaL Loan :	13	-	
	Proceeds from Internal Loans: Bonds :	14	-	
	Proceeds from Development loan stock	15	-	
	Proceeds of Loans from Other Funds	16	-	
	Repayment of External Loans (Including Servicing)	13	-	
	Repayment of Treasury Bonds :	14	-	
	Repayment of Loans from Development loan stock	15	-	
-	Repayment of Loans from Other Funds	16	-	
-	Total Cash Flow from Financing Activities:		-	
93,180,685.00	Net Cash Flow from Financing Activities:		(2,071,230.08)	
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	
	Net (Increase)/Decrease in Other Cash Equivalents:		-	
	Total Cashflow from other Cash equivalent Accounts		-	
	Net Cash for the year		(2,071,230.08)	
	Cash & Its Equivalent as at 1st January, 2018		11,336,461.99	
	Cash & Its Equivalent as at 31st December, 2018		9,265,231.91	

2: Statement of Assets and Liabilities as at 31st December, 2018

	NOTES	CURRENT YEAR 2018	PREVIOUS YEAR 2017
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:			
Liquid Assets:-			
Cash at Hand		427.2	
CASH AT BANK	9	9,264,804.71	
TOTAL LIQUID ASSETS		9,265,231.91	
NON CURRENT ASSETS:			
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	
TOTAL ASSETS		9,265,231.91	
LIABILITIES OVER ASSETS		3,517,406.02	
TOTAL		12,782,637.93	
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	9,265,231.91	
Capital Development Fund:		-	
TOTAL PUBLIC FUNDS		9,265,231.91	
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	-	
		-	
TOTAL EXTERNAL AND INTERNAL LOANS		-	
OTHER LIABILITIES			
UNREMITTED DEDUCTIONS			
5% Vat Deduction		1,065,813.36	
5% Tax		2,331,592.66	
Retention		120,000.00	
TOTAL LIABILITIES		3,517,406.02	
TOTAL LIABILITIES AND PUBLIC FOUNDS		12,782,637.93	

3: Statement of Consolidated Revenue for the year ended 31st December, 2018

ACTUAL PREVIOUS YEAR 2017		NOTES	ACTUAL YEAR 2018	FINAL BUDGET 2018	INITIAL/ORIGINAL BUDGET 2018
₦			₦	₦	₦
-	Opening Balance:		11,336,461.99		
-			-	-	-
-	ADD: REVENUE		-	-	-
-	Statutory Allocations:FAAC	1	2,220,275,263.31	1,667,804,202.00	-
-	Value Added Tax Allocation	1	-	-	-
-	Sub-Total - Statutory Allocation		2,231,611,725.30	1,667,804,202.00	-
-	Direct Taxes	2	-	1,302,000.00	-
-	Licences	2	914,900.00	4,863,000.00	-
-	Mining Rents:	2	-	-	-
-	RATE	2	12,308,526.42	25,000,000.00	-
-	Fees:	2	-	-	-
-	Fines	2	-	-	-
-	Sales	2	-	-	-
-	Earnings :	2	13,187,445.00	9,960,000.00	-
-	Sales/Rent of Government Buildings:	2	511,577.35	3,460,000.00	-
-	Sale/Rent on Lands and Others:	2	-	-	-
-	Repayment:General:	2	-	-	-
-	Investment Income	2	-	-	-
-	Interest Earned	2	133.62	6,000.00	-
-	MISCELLANEOUS	2	269,157.58	1,000,000.00	-
-	Re-Imbursements	2	-	-	-
-	Sub-Total - Independent Revenue		27,191,739.97	45,591,000.00	-
-	Other Revenue Sources of the ---Government	3	-	-	-
-	TOTAL REVENUE:		2,258,803,465.27	1,713,395,202.00	-
-	LESS:EXPENDITURE				
-	Personnel Costs:	4	1,360,456,405.89	688,589,326.00	-
-	Overhead Charges:	5	206,403,655.61	128,760,000.00	-
-	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	6	107,667,651.08	-	-
-	Subvention to Parastatals:	9	537,470,520.78	-	-
-	Other Operating Activities	7	-	-	-
-	Financial Charges.	7b	-	-	-
-	Other Transfers	8	25,100,000.00	-	-
-	TOTAL EXPENDITURE:		2,237,098,233.36	817,349,326.00	-

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
-	Repayments:External Loans:States	13	-	-	-
-	Repayments:States Bonds.	14	-	-	-
-	Repayments:Development Loan Stock	15	-	-	-
-	Repayments:Internal Loans from Other Funds	16	-	-	-
-	TOTAL EXPENDITURE:		-	-	-
-	OPERATING BALANCE:		21,705,231.91	817,349,326.00	-
	APPROPRIATIONS/TRANSFERS:				
-	Transfer to Capital Development Fund:		12,440,000.00	-	-
-	Closing Balance:		9,265,231.91		

4: Statement of Capital Development Fund for the year ended 31st December, 2018

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2017			EXPENDITURE 2018	BUDGET 2018	BUDGET 2018	BUDGET 2018
₦			₦	₦	₦	₦
-	Opening Balance:		-			
-	ADD: REVENUE		-	-	-	-
-	Transfer from Consolidated Revenue Fund:		12,440,000.00	-	-	-
-	Aid and Grants		-	-	-	-
-	TOTAL REVENUE AVAILABLE:		12,440,000.00	-	-	-
	LESS: CAPITAL EXPENDITURE					
-	Capital Expenditure:Administrative Sector:	10	3,000,000.00	-	-	-
-	Capital Expenditure: Economic Sector:	10	6,700,000.00	-	-	-
-	Capital Expenditure: Law and Justice:	10	-	-	-	-
-	Capital Expenditure:Regional Development	10	-	-	-	-
-	Capital Expenditure: Social Service Sector:	10	2,740,000.00	-	-	-
-	Capital Expenditure: Funded from Aid and Grants:		-	-	-	-
-	TOTAL CAPITAL EXPENDITURE:		12,440,000.00	802,865,191.00	-	-
-	Intangible Assets					
	LOSS ON INVESTMENT		-			
-	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2018

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₱	₱
Net Share of Statutory Allocation from FAAC	A	824,851,270.50	
Add :Deduction at source for Loan Repayment	B	1,395,423,992.81	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			2,220,275,263.31
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₱	₱	₱
TAXES	95,000.00		
TAXES	-	1,302,000.00	1,302,000.00
RATES	12,308,526.42	25,000,000.00	12,691,473.58
LINCENCES & FEES	914,900.00	4,863,000.00	3,948,100.00
EARNING FROM COMMERCIAL UNDERTAKING	13,187,445.00	9,960,000.00	(3,227,445.00)
RENT ON LOCAL GOVERNMENT PROPERTY	511,577.35	3,460,000.00	2,948,422.65
Interest& DIVIDEND Earned	133.62		
MISELLANEOUS	269,157.58	1,000,000.00	730,842.42
TOTAL I G R	27,191,739.97	45,585,000.00	18,393,393.65

Note 3: Personnel Cost

ADMINISTRATIVE SECTOR										
SECTOR	Admin	Economic	Function	Fund	GEO CODE		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
OFFICE OF THE CHAIRMAN										
01	11001001	21010101	70111	2101		TOTAL PERSONNEL COST	6,161,371.55			
THE COUNCCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	32,493,394.56			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	2,953,944.96			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	47,056,242.22			
TOTAL ADMIN SECTOR							88,664,953.29			
ECONOMIC SECTOR										
Sector	Admin	Economic	Function	Fund			ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	61,027,150.03			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	-			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	57,862,590.32			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	89,495,302.35			
TOTAL ECONOMIC SECTOR							208,385,042.70			

SOCIAL SECTOR									
Sector	Admin	Economic	Function	Fund		ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
ADULT EDUCATION									
05	17001001	21010101	70960	2101	TOTAL PERSONNEL COST	51,517,105.80			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	223,264,643.15			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	63,438,840.00			
TOTAL SOCIAL SECTOR						338,220,588.95			
TOTAL FOR ALL SECTORS						635,270,584.94	688,589,326.00		
ADJUSTMENT :									
PAYEE						21,290,232.01			
PAYEE (POLITICAL OFFICE						4,096,200.00			
UNION DUES						36,445,682.09			
NHF(2,5%)						4,408,060.10			
EMIRATE COUNCIL						37,711,638.84			
PRIMARY EDUCATION						621,234,007.91			
TOTAL PERSONNEL COST FOR ALL SECTORS						1,360,456,405.89			

Note 4: Overhead Cost

ADMINISTRATIVE SECTOR											
OFFICE OF THE CHAIRMAN											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11001001	22020101	70111	2101		2	Travel & Transport	16,316,000.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	3,255,000.00			
01	11001001	22020402	70111	2101		6	Maintenance of office	-			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	-			
01	11001001	22020701	70111	2101		8	Consultancy Services	35,000.00			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	34,265,000.00			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	6,023,000.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	77,144,213.51			
							Provision of Serviceable Materials	280,000.00			
							TOTAL	137,318,213.51			
THE COUNCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	3,310,000.00			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	-			
01	12003001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	500,000.00			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles andCapital assets	-			
01	12003001	22020701	70111	2101		8	Consultancy Services	-			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	4,251,880.00			
01	12003001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	960,000.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	13,430,000.00			
							TOTAL	22,451,880.00			

OFFICE OF THE SECRETARY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11013001	22020101	70111	2101		2	Travel & Transport	875,000.00			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	-			
01	11013001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	-			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	-			
01	11013001	22020701	70111	2101		8	Consultancy Services	-			
01	11013001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11013001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11013001	22021001	70111	2101		11	Entertainment & Hospitality	100,000.00			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	1,420,000.00			
							TOTAL	2,395,000.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	2,015,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	475,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of officefurniture & equipment	-			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	15,000.00			
01	25001001	22020701	70131	2101		8	Consultancy Services	-			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	-			
01	25001001	22020501	70131	2101		10	Training and staff Development	-			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	-			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	2,751,000.00			
							TOTAL	5,256,000.00			
							TOTAL ADMIN MINISTIES	167,421,093.51	-	-	-

ECONOMIC SECTOR											
FINANCE AND SUPPLY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	20001001	22020101	70112	2101		2	Travel & Transport	2,762,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	1,056,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	20001001	22020701	70112	2101		8	Consultancy Services	390,000.00			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	8,666,572.29			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	1,815,000.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	3,681,980.00			
							TOTAL	18,371,552.29			
BUDGET;PLANNING & RESEARCH											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	38001001	22020101	70112	2101		2	Travel & Transport	725,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	510,000.00			
02	38001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	38001001	22020701	70112	2101		8	Consultancy Services	-			
02	38001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	38001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	38001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	-			
							TOTAL	1,235,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	2,175,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	-			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	-			
02	34001001	22020402	70451	2101		6	Maintenance of officefurniture & equipment	330,000.00			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	1,977,000.00			
02	34001001	22020701	70451	2101		8	Consultancy Services	-			
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	-			
02	34001001	22020501	70451	2101		10	Short term Training and Consultancy	-			
02	34001001	22021001	70451	2101		11	Entertament & Hospitality	-			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	5,673,000.00			
							Provision of Serviceable Materials	35,000.00			
							TOTAL	10,190,000.00			
AGRICULTURE AND NATURAL RESURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	2,241,009.81			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	-			
02	15001001	22020402	70421	2101		6	Maintenance of officefurniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	-			
02	15001001	22020701	70421	2101		8	Consultancy Services	-			
02	15001001	22040109	70421	2101		9	Grants, Contributions & Subventions	-			
02	15001001	22020501	70421	2101		10	Training and staff Development	-			
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	-			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	3,141,000.00			
							TOTAL	5,382,009.81			
TOTAL ECONOMIC SECTOR MINISTRY								35,178,562.10	-	-	-

SOCIAL SECTOR											
ADULT EDUCATION											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	17001001	22020101	70922	2101		2	Travel & Transport	445,000.00			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	-			
05	17001001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	17001001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	17001001	22020701	70922	2101		8	Consultancy Services	-			
05	17001001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	17001001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	-			
							Provision of Serviceable Materials	985,000.00			
							TOTAL	1,430,000.00			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport	-			
05	51003001	22020201	70922	2101		3	Utility Services	-			
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	51003001	22020301	70922	2101		5	Stationary	-			
05	51003001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	51003001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51003001	22020701	70922	2101		8	Consultancy Services	-			
05	51003001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	51003001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	51003001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	-			

PRIMARY HEALTH CARE											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	21001001	22020101	70731	2101		2	Travel & Transport	561,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	-			
05	21001001	22020402	70731	2101		6	Maintenance of officefurniture & equipment	-			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	-			
05	21001001	22020701	70731	2101		8	Consultancy Services	-			
05	21001001	22020501	70731	2101		10	Training and staff Development	-			
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	-			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	600,000.00			
							Provision of Serviceable Materials	1,093,000.00			
							TOTAL	2,254,000.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	-			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	-			
05	51002002	22020402	70180	2101		6	Maintenance of officefurniture & equipment	-			
05	51002002	22020401	70180	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51002002	22020701	70180	2101		8	Consultancy Services	-			
05	51002002	22040109	70180	2101		9	Grants, Contribution & Subvention	-			
05	51002002	22020501	70180	2101		10	Training and staff Development	-			
05	51002002	22021001	70180	2101		11	Entertainment & Hospitality	100,000.00			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	20,000.00			
							TOTAL	120,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	3,804,000.00	-	-	-
							TOTAL FOR ALL SECTORS	206,403,655.61	-	-	-

Note 5: Consolidated Revenue Charges

A-- PENSION AND GRATUITIES STATUTORY BOARD MINNA										
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	DETAILS	ACTUAL EXPENDITURE	APPROVED	REVISED BUDGET	VARIANCE ON REVISED BUDGET
01	25001001	22010102	70131	02101		Pension Statutory	54,701,489.37			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	52,966,161.71			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	-			
01	25001002	22020902	70132	02102		Insurance Premium	-			
01	25001001	22010106	70131	02101		Acturial Valuation	-			
01	25001001	22010107	70131	02101		Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-			
						Deceased 3rd Annual Emolument (CPS)	-			
						TOTAL	107,667,651.08			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	107,667,651.08			

Note 6: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,600,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	8,300,000.00
TOTAL	25,100,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	508,670,520.78
TOTAL CONTRIBUTIONS\	537,470,520.78

-

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR													
SECTOR	ADMIN	ECONOMIC	FUNCTION	PROGRAMME		FUND	GEO CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2018	2018 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
01	11033001	23010122	70722	010400009616		03005			ADMINSTRATION	3,000,000.00			
01	11033001	23010122	70722	010400009616		03005			LEGISLATIVE CHAMBERS	-			
01	11033001	23010122	70722	010400009616		03005			GUEST HOUSE	-			
									TOTAL FOR ADMIN SECTOR	3,000,000.00			
													-
ECONOMIC SECTOR													-
02	20001001					03005			PORTABLE WATER SUPPLY	2,000,000.00			
02									ELECTRIFICATION	1,700,000.00			(1,700,000.00)
									MARKET	3,000,000.00			
									TOTAL FOR ECONOMIC SECTOR	6,700,000.00			
SOCIAL SECTOR													-
05			70422	70900002606		03005			RENOVATION OF PRIMARY SCHOOLS	1,640,000.00			
									HEALTH	1,100,000.00			
										-			
										-			
									SOCIAL SECTOR TOTAL	2,740,000.00	-	-	-
									TOTAL FOR ALL SECTORS	12,440,000.00			#REF!

Note 9: Closing Cash Book/Bank Balances as at 31st December, 2019

ACCOUNT TYPE		AMOUNT
UBA PLC (SALARY ACCT)		9,110,140.22
UBA PLC		16,776.97
UBA PLC		12,158.27
UBA PLC		8,355.01
UBA PLC		-
UBA PLC		-
MICRO FIN BANK		102,740.00
ZENITH		9,556.98
KEYSTONE BANK		5,077.26
TOTAL		9,264,804.71

Note 10: Investment

INVESTMENTS				
Investments in Companies				
	STOCK	HOLDING	PRICE	MARKET VALUE(N)
	TOTAL INVESTMENT			-

Note 11: Development Loan Stock

List the Loans	Balance as at 01/01/2019	ADDITIONAL LOAN	PRINCIPAL REPAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	BALANCE ON PRINCIPAL
BANK LOAN						
TOTAL						

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS		AMOUNT
5% Vat Deduction		1,065,813.36
5% Tax		2,331,592.66
Retention		120,000.00
TOTAL		3,517,406.02

**MANAGEMENT REPORT ON AUDITED
ANNUAL FINANCIAL STATEMENT FOR THE
YEAR ENDED 31ST DECEMBER, 2018**

1. SCOPE OF THE AUDIT

The Accounts and Records maintained by Mokwa Local Government Council and Financial Statement produced for audit in respect of the year ended 31st December, 2018 have been examined and all the information that were provided and gathered in respect of monies received and expended have been certified. All the books of account from the book of original entry, General ledger to subsidiary ledger were checked and certified by our team.

2.0 GENERAL STATE OF ACCOUNTS AND RECORD KEEPING

The pattern and manner of keeping and rendering accounting books and records as observed in the Local Governments Councils were inadequate as highlighted in this report and are stated below:

- Most of the payment vouchers raised were not having documentary evidences to justify the payments made.
- Most of the purchases made lacked essential documentary evidence such as Receipt Vouchers, and Store Issue Vouchers which shows that they were not supplied or supplied but not taken charge.
- In some cases, approvals in respect of expenditure incurred were not presented for audit.
- Deductions made for WHT and VAT were in some cases not remitted to the appropriate tax authorities within time.
- Some payment vouchers were not checked and passed by the Internal Audit Unit.
- Absence of signatures of relevant parties to Payment Vouchers.

- Lack of adequate budgetary discipline.
- Non-maintenance of Fixed/Moveable Asset register.

2.1 GENERAL RECOMMENDATION

- All Directors should ensure that they maintain their Departmental Vote Expenditure Account Books and reconcile same monthly.
- All supplies made to Departments should be received from the suppliers in the presence of the Internal Auditor, for certification of the prime, completeness, and validity of the goods supplied.
- All payment vouchers must contain authenticated documents duly signed by the respective officials and the supplier.
- No payment vouchers should be entertained by the Internal Auditor if it is not accompanied with Departmental Vote Expenditure Account Book (D.V.E.A) and Departmental Payment Voucher Register (D.P.V.R) in order to avoid over expenditure and omission of some payment vouchers and posted into D.V.E.A. Book.
- No voucher should be paid by the Cashier without being certified by the Internal Auditor and duly checked and passed by the Treasurer.
- Copies of contract awards documents must be sent to the office of the Internal Auditor for his awareness and record purposes.

- Payment for contract awards, being it part payment, must be accompanied with photocopies of the council’s approval and award of contract forms. Final payment must be accompanied with the original copies of the contract agreement form and relevant supporting documents for payment.
- Appointment of employees, resignation of appointment, termination of appointment, retirement from service, suspension from work, dismissal from service and deaths should be notified to the Internal Auditor immediately.
- All expenditure account books must be promptly reconciled with the treasury books to maintain efficiency and accountability.
- Rubber Stamp marked “ENTERED INTO VOTE BOOK” should be impressed on any payment sent to the Treasury to ensure that the voucher has been entered into Vote Book.
- Tell Book should equally be maintained by the Cashier for the purpose of Daily Cash Balance or the day’s taking to ascertain the liquid cash available at the close of each day’s business transactions after balancing up the Revenue and Expenditure cash Book for the day.
- The Revenue Staff (Collectors) should ensure that all revenue earning books are returned to the officer in charge after they have completely been used off.
- Store Officers should ensure that they keep all records up-to-date should the Internal Auditor will be going round to check and examine the accounts.
- A Job Cost Book should be kept in the Works Department on form **LGT 97 (F.M. 33.6)**.

3. REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Mokwa Local Government Council for the year ended 31st December 2018 is shown in the table 1 below.

Table 1: Breakdown of revenues and Expenditures

TOTAL REVENUE		AMOUNT ₦	%
	Internally Generated Revenue	27,191,739.97	1.21
	Statutory Allocation	2,220,275,263.31	98.79
TOTAL		2,247,467,003.28	100
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	1,360,456,405.89	60.47
	Overhead Cost	206,403,655.61	9.18
	Consolidated Revenue Fund Charges	107,667,651.08	4.79
•	Contributions	537,470,520.78	23.89
•	Other Operating Activities	-	
•	Other Transfers	25,100,000.00	1.12
•	Capital Expenditures	12,440,000.00	0.55
TOTAL		2,249,538,233.36	100

3.1 REVENUE

The sum of ₦2,247,467,003.28 accrued to Mokwa Local Government Councils as total receipts for the year ended 31st December 2018.

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Mokwa Local Government Council amounted to ₦27,191,739.97 only for the year ended 31st December 2018 which represents 1.21 % of the total accrued revenue of ₦2,247,467,003.28

This shows that the council solely depend on statutory allocation from the Federation Account for survival. This could result to non-survival of the Council if there is a decline of revenue from the Federation Account.

I advised the Local Government Council to take the following measures to boost their internally generated revenue collection.

- Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- Control over issuance of revenue receipts
- Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.

3.1.2 STATUTORY ALLOCATION

The sum of ₦2,220,275,263.31 was disbursed to Mokwa Local Governments Council for the year under review. Statutory allocation comprises VAT, Excess Crude and Statutory Allocation etc. The reporting framework provides that each revenue class is reported separately in the financial statements and the notes thereto.

It was, however, noted that these classes of revenue are only identified at the Ministry for Local Government (Joint Account) while the disbursements to Local Government Councils are only classified as Statutory Allocation.

This makes it difficult to trace and account for each revenue classes at the Local Government Council level and possibly reconciliation of disbursement from the Federation Account and the receipts by the Local Government Council.

I advised the Ministry for Local Governments to share with the Local Government councils the breakdown of revenues from the Federation Accounts to ensure that they are correctly reported by the Councils.

3.2 CASH AND BANK BALANCES

The total cash balances stood at ₦427.20 in respect of Mokwa Local Government Council at the end of the financial year ended 31st December 2018.

While the total bank balances stood at ₦9,264,804.71 in respect of Mokwa Local Government Council as at the end of the financial year ended 31st December 2018

4. INTERNAL CONTROL

During the course of our audit exercise, it was observed that despite reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued. The non-compliance was evidenced by the Payment Vouchers been

prepared and paid out without being endorsed by the Internal Audit Units, the non-endorsement of Officer Controlling the Vote, and Checks by the respective accounting Officers.

Also evidenced is lack of Asset Register to ascertain the Assets, their Condition, their Location and values of such assets. And all efforts made by my Office to ensure the maintenance of the Register are not encouraging.

In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that henceforth all Payment Vouchers raised are passed through Internal Audit Unit for certification before such payment are effected and equally ensure the maintenance of Asset Register before my next audit.

4.1 RECOMMENDATION

- It is recommended that the Internal Control System in existence has to be strengthened, proper record keeping and documentation of all financial transactions so as to enhance proper accountability.

5. BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦27,191,739.97 was generated as Internally Generated Revenue which represents 59.64% when compared with the total budgeted Internally Generated Revenue amounting to ₦45,591,000.00 during the year under review. This is a good performance.

5.1 RECOMMENDATION

- It is recommended that preparation of cash flow statement should be adequately monitored to reduce the unnecessary expenditure on overhead and given priority to project execution.

- More efforts should be made so as to attain the target set on revenue generation internally in the next financial year. This will reduce over dependence of the Council on Statutory Allocation from Federation Accounts which is no longer attainable.

-

6. PERSONNEL COST

It was observed that the total sum of ₦1,360,456,405.89 and ₦628,589,326.77 was spent as total personnel cost for the year 2018 and 2017 respectively with an increase of ₦731,867,079.12 over the previous year. This is as a result of salary increase made by the state government during the year under review.

7. CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No 5 of Revenue and Expenditure revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦802,865,191.00 and only the sum of ₦12,440,000.00 representing 1.56% was spent leaving the balance of ₦790,425,191.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	193,617,007.00	3,000,000.00	190,617,007.00
02	Economic Sector	432,411,316.00	6,700,000.00	425,711,316.00
05	Social Sector	176,836,868.00	2,740,000.00	174,096,868.00
TOTAL		802,865,191.00	12,440,000.00	790,425,191.00

7.1 RECOMMENDATI-ON

- It is recommended that the previous statistical data should be used in the preparation of a reliable budget that could be attainable.
- Also, Capital projects should be encouraged and priority should be given to its execution as it has direct bearing to the grass roots development.

8. PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No. 3 revealed that the Total Revenue stood at ₦2,247,467,003.28 with a Total Expenditure of ₦2,249,538,233.36 and close with a surplus balance of (₦2,071,230.08) This is an unhealthy statement of account.

9. 0 DEPOSITS

Deposits comprise statutory deductions which relate to contracts awarded (Value Added Tax (VAT) and Withholding Tax (WHT)) and employment which are deducted at source by the Local Government Council and are supposed to be remitted to the relevant tax collecting bodies in accordance with relevant legislation. I observed that a total of ₦3,517,406.02 stood as outstanding consolidated deposit balances as at the end of the period under review. Table below shows the list of the outstanding deposits as at 31st December 2018.

Outstanding deductions as at 31 December 2018.

DETAILS	AMOUNT ₦
5% Contract VAT	1,065,813.36
5% Withholding Tax	2,331,592.66
Retention fees	120,000.00
TOTAL	3,517,406.02

From the above table, the Councils recorded outstanding VAT amounting to ₦1,065,813.36 and WHT of ₦2,331,592.66 as at 31st December, 2018.

Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that the outstanding balance may be deducted from the Statutory allocations due to the Councils and in addition the councils may be fined and penalized for delayed remittance and hence affect the amount of money meant for developmental activities.

I advised the Local Government Councils to take steps to remit the outstanding deductions to the relevant authorities as a matter of urgency to avoid fines and penalties. I also advised the councils comply with the legislation in regard to future deductions.

10. OUTSTANDING AUDIT INSPECTION

AGX/FO:18/TA/MKW/VOL.1 **Dated:18th April 2019**

(I)Payment made without payment vouchers ₦100,000.00

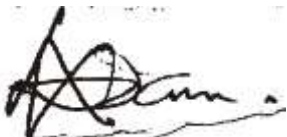
10.1 REQUIRED

The council is required to response to the outstanding Inspection Report or else necessary action and sanction will be taken.

11. CONCLUSION

We wish to use this medium to express our appreciation to the Chairman and the entire staff of Local Government for the cooperation given to the staff of this Office to carry out the Audit exercise.

It is our sincere hope that you would not hesitate to contact this Office for further clarification and explanations you might require in connection with the Audited Annual Financial Statement and Management Reports.



LAWAL ADAMU

*Director Statutory and Special Operations,
For: Auditor General*

**NIGER STATE OF NIGERIA
MUNYA LOCAL GOVERNMENT COUNCIL
SARKIN PAWA**



AUDITED ACCOUNTS

**FOR
THE YEAR ENDED
31ST DECEMBER 2018**

**AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
P. M. B. 53, MINNA
NIGER STATE**

PERSONALITY PROFILE

M. FINANCIAL STATEMENT

Statement of Financial Responsibility

Council Officials


Auditor General's Opinion

N. AUDIT REPORT

- Cash Flow Statements
- Statement of Assets & Liabilities
- Statement of Consolidated Revenue Funds
- State of Capital Development Funds
- Notes to the Accounts.
- Statement of Accounting Policies
- Scope of Audit
- General State of Accounts and Records Keeping
- General Recommendation
- Review of Financial Statement
- Internal Control
- Budgetary Control
- Personnel Cost
- Capital Expenditure
- Performance of Operation Activities
- Deposits
- Outstanding Audit Inspection
- Conclusion


STATEMENT OF FINANCIAL RESPONSIBILITY

These Financial Statements have been prepared by the Treasurer of Munya Local Government Council in accordance with the provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements complied with generally accepted accounting practices. The Treasury is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper records, the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of Internal Control has operated adequately throughout the reporting period.




Treasurer
31st December, 2018

We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended. In our opinion, these financial statements fairly reflect the financial position of Munya Local Governments as at 31st December, 2018 and its operations for the year ended on the date.



Treasurer
31st December, 2018



Chairman
31st December, 2018

COUNCIL OFFICIALS

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Garba Muhammad Daza	Executive Chairman
Honourable James Jagaba	Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:	DEPARTMENTS	DESIGNATION
Mr. Joshua M. Bako	Personnel Management	H. O. D
Alh. Haruna M. Madaki	Finance and Supply	H. O. D
Mr. David Barde	Primary Health Care	H. O. D
Hajiya Y. Haruna	Agriculture and Natural Resources	H. O. D
Mohammed K. Adamu	Works and Housing	H. O. D
Yunusa Ahmed	Budget and Planning	H. O. D
Mr. Abel S. Inuwa (Jp)	Social Development	H. O. D

- **BANKERS**

ADDRESS

United Bank for Africa (UBA) Plc.	Minna Branch
Zenith Bank Plc.	Minna Branch

- **AUDITORS**

Auditor General
Office of the Auditor General for Local Governments
P.M.B. 53 Minna,
Niger State.

AUDITOR GENERAL'S OPINION

I have examined the financial statement which have been prepared in accordance with standardized Local Government Treasury Procedures, Financial Memoranda and Circular guidelines. I obtained all information and explanations which I requested for the purpose of my Audit.

In my opinion, the accounts readable in conjunction with notes subject to the issues raised in the management report issued separately with this account gives a true and fair view of affairs of the Council as at 31st December, 2018 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.



Ibrahim Ahmed, B. Sc, MPA, FCNA, FCTI, CPA
Auditor General for Local Governments

1: Cash Flow Statement for the Year Ended 31st December, 2018

ANNUAL BUDGET 2018		NOTES	ACTUAL YEAR 2018	PREVIOUS YEAR 2017
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,310,163,775.00	Statutory Allocations:FAAC	1	1,649,482,139.65	-
	Value Added Tax Allocation	1		
1,310,163,775.00	Sub-total - Statutory Allocation		1,649,482,139.65	-
510,000.00	Direct Taxes	2	-	-
10,209,680.00	Licences & FEES	2	6,712,751.00	-
	Mining Rents:	2		-
1,000,000.00	RATES	2	-	-
	Fees:	2		-
	Fines	2		-
	Sales	2		-
3,879,120.00	Earnings :	2	5,088,870.00	-
	Sales/Rent of Government Buildings:	2	-	-
	Sale/Rent on Lands and Others:	2		-
	Repayments-General:	2		-
	Investment Income	2		-
	Interest Earned	2		-
	Re-imbusement	2		-
1,080,260.00	MISELLANEOUS	2	3,474,831.67	-
16,679,060.00	Sub-total - Independent Revenue			-
	Other Revenue Sources of the -Government	3		-
1,326,842,835.00	TOTAL INDEPENDANT REVENUE		15,276,452.67	-
	Commercial Bank Loan		-	-
1,326,842,835.00	TOTAL RECEIPTS		1,664,758,592.32	-
	Payments:			-
475,258,390.00	Personnel Costs	3	727,159,713.92	-
234,594,892.00	Overhead Charges:	4	184,682,567.62	-
	Consolidated Revenue Fund Charges .	5	42,091,606.46	-
	contributions	7	600,156,453.49	-
	Other Operating Activities		-	-
	Financial Charges		-	-
	Other Transfers	6	25,100,000.00	-
709,853,282.00	Total Payments		1,579,190,341.49	-
				-
616,989,553.00	Net Cash Flow from Operating Activities		85,568,250.83	-
				-

				-
	CashFlows from Investment Activities:			
	Capital Expenditure:Administrative Sector:	8	71,700,000.00	
	Capital Expenditure: Economic Sector:	8	9,367,000.00	
	capital expenditure: Social Service Sector:	8	12,619,100.00	
659,234,231.00	Capital Expenditure: Funded from Aid and Grants:		-	
	Total Cash Flow from Investment Activities:		93,686,100.00	
	Net Cash Flow from Investment Activities:		(8,117,849.17)	
	CashFlows from Financing Activities:			
	Proceeds from Aid and Grants		-	
	Proceeds from ExternaL Loan :		-	
	Proceeds from Internal Loans: Bonds :		-	
	Proceeds from Development loan stock		-	
	Proceeds of Loans from Other Funds		-	
	Repayment of External Loans (Including Servicing)		-	
	Repayment of Treasury Bonds :		-	
	Repayment of Loans from Development loan stock		-	
	Repayment of Loans from Other Funds	11	-	
	Total Cash Flow from Financing Activities:		-	
	Net Cash Flow from Financing Activities:		(8,117,849.17)	
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	
	Net (Increase)/Decrease in Other Cash Equivalents:		-	
	Total Cashflow from other Cash equivalent Accounts		-	
	Net Cash for the year		(8,117,849.17)	
	Cash & Its Equivalent as at 1st January, 2018		10,085,444.28	
	Cash & Its Equivalent as at 31st December, 2018	9	1,967,595.11	

2: Statement of Assets and Liabilities as at 31st December, 2018

	NOTES	CURRENT YEAR 2018		PREVIOUS YEAR 2017
		N		N
CURRENT ASSETS:-				
Liquid Assets:-				
Cash Held by AGNS:				
CASH AT HAND	9	391.44		
CASH IN BANK		1,967,203.67		
TOTAL LIQUID ASSETS		1,967,595.11		
NON CURRENT ASSETS:				
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-		
TOTAL ASSETS		1,967,595.11		
LIABILITIES OVER ASSETS		15,260,532.89		
TOTAL		17,228,128.00		
LIABILITIES:-				
PUBLIC FUNDS				
Consolidated Revenue Fund:	CRF	1,967,595.11		
Capital Development Fund:		-		
TOTAL PUBLIC FUNDS		1,967,595.11		
EXTERNAL AND INTERNAL LOANS				
BANK LOANS	11	-		
		-		
TOTAL EXTERNAL AND INTERNAL LOANS		-		
OTHER LIABILITIES				
UNREMITTED DEDUCTIONS		-		
PAYE	12	270,897.97		
5% VAT (Value Added Tax)	12	7,639,969.15		
Federal Mortgage Bank	12	70,103.17		
Medical and Health Union	12	91,581.70		
2.5% Housing Funds	12	203,610.00		
5% Withholding Tax	12	6,614,493.77		
Compensation Funds	12	213,000.00		
Comrade Cycle	12	156,877.13		
TOTAL LIABILITIES		15,260,532.89		
TOTAL LIABILITIES AND PUBLIC FOUNDS		17,228,128.00		

3: Statement of Consolidated Revenue for the year ended 31st December, 2018

ACTUAL PREVIOUS YEAR 2017		NOTES	ACTUAL YEAR 2018	FINAL BUDGET 2018	INITIAL/ORIGINAL BUDGET 2018
N			N	N	N
	Opening Balance:		10,085,444.28		
	ADD: REVENUE				
	Statutory Allocations:FAAC	1	1,649,482,139.65	1,310,163,775.00	
	Value Added Tax Allocation	1	-		
	Sub-Total - Statutory Allocation		1,649,482,139.65	1,310,163,775.00	
	Direct Taxes	2	-	510,000.00	
	Licences	2	6,712,751.00	10,209,680.00	
	RATES	2	-	1,000,000.00	
	Fees:	2	-		
	Fines	2	-		
	Sales	2	-		
	Earnings :	2	5,088,870.00	3,879,120.00	
	Sales/Rent of Government Buildings:	2	-		
	Sale/Rent on Lands and Others:	2	-		
	MISCELLANEOUS	2	3,474,831.67	1,080,260.00	
	Investment Income	2	-		
	Interest Earned	2	-		
	Re-Imbursements	2	-		
	Sub-Total - Independent Revenue		15,276,452.67	16,679,060.00	
	Other Revenue Sources of the ---Government		-		
	TOTAL REVENUE:		1,674,844,036.60	1,326,842,835.00	
	LESS:EXPENDITURE				
	Personnel Costs:	3	727,159,713.92	475,258,390.00	
	Overhead Charges:	4	184,682,567.62	234,594,892.00	
	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	42,091,606.46		
	contributions	7	600,156,453.49		
	Other Operating Activities		-		
	Financial Charges.		-		
	Other Transfers	6	25,100,000.00		
	TOTAL EXPENDITURE:		1,579,190,341.49	709,853,282.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
	Repayments:External Loans:States			-	
	Repayments:States Bonds.			-	
	Repayments:Development Loan Stock			-	
	Repayments:Internal Loans from Other Funds	11		-	
	TOTAL EXPENDITURE:			-	
	OPERATING BALANCE:			95,653,695.11	
	APPROPRIATIONS/TRANSFERS:				
	Transfer to Capital Development Fund:			93,686,100.00	659,234,231.00
	Closing Balance:			1,967,595.11	

4: Statement of Capital Development Fund for the year ended 31st December, 2018

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2017			EXPENDITURE 2018	BUDGET 2018	BUDGET 2018	BUDGET 2018
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
	Transfer from Consolidated Revenue Fund:		93,686,100.00	659,234,231.00		
	Aid and Grants		-			
	TOTAL REVENUE AVAILABLE:		93,686,100.00	659,234,231.00		
	LESS: CAPITAL EXPENDITURE					
	Capital Expenditure:Administrative Sector:	10	71,700,000.00			
	Capital Expenditure: Economic Sector:	10	9,367,000.00			
	Capital Expenditure: Social Service Sector:	10	12,619,100.00			
	Capital Expenditure: Funded from Aid and Grants:		-			
	TOTAL CAPITAL EXPENDITURE:		93,686,100.00	659,234,231.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2018

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₱	₱
Net Share of Statutory Allocation from FAAC	A	624,160,536.60	
Add :Deduction at source for Loan Repayment	B	1,025,321,603.05	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			1,649,482,139.65
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₱	₱	₱
TAXES			
RATES	-		
LINCENCES & FEES	6,712,751.00		
EARNING FROM COMMERCIAL UNDERTAKING	5,088,870.00		
RENT ON LOCAL GOVERNMENT PROPERTY	-		
MISELLANEOUS	3,474,831.67		
TOTAL I G R	15,276,452.67		

Note 3: Personnel Cost

ADMINISTRATIVE SECTOR										
SECTOR	Admin	Economic	Function	Fund	GEO CODE		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
OFFICE OF THE CHAIRMAN										
01	1E+07	21010101	70111	2101		TOTAL PERSONNEL COST	3,545,806.57			
							-			
THE COUNCIL										
01	1E+07	21010101	70111	2101		TOTAL PERSONNEL COST	26,594,439.33			
							-			
OFFICE OF THE SECRETARY										
01	1E+07	21010101	70111	2101		TOTAL PERSONNEL COST	3,067,602.06			
							-			
							-			
PERSONEL MANAGEMENT										
01	3E+07	21010101	70131	2101		TOTAL PERSONNELCOST	16,388,730.76			
TOTAL ADMIN SECTOR							49,596,578.72			
							-			
ECONOMIC SECTOR										
Sector	Admin	Economic	Function	Fund			ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
FINANCE AND SUPPLY										
02	2E+07	21010101	70112	2101		TOTAL PERSONNELCOST	28,811,008.35			
							-			
BUDGET;PLANNING & RESEARCH										
02	4E+07	21010101	70112	2101		TOTAL PERSONNELCOST	2,301,405.92			
							-			
WORKS & HOUSING										
02	3E+07	21010101	70112	2101		TOTAL PERSONNELCOST	41,889,004.73			
							-			
AGRICULTURE AND NATURAL RESURCES										
02	2E+07	21010101	70421	2101		TOTAL PERSONNELCOST	42,043,800.45			
TOTAL ECONOMIC SECTOR							115,045,219.45			

SOCIAL SECTOR									
Sector	Admin	Economic	Function	Fund		ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
SOCIAL DEVELOPMENT									
05	2E+07	21010101	70960	2101	TOTAL PERSONNEL COST	26,070,654.33			
						-			
PRIMARY HEALTH CARE									
05	2E+07	21010101	70131	2101	TOTAL PERSONNELCOST	171,126,689.19			
						-			
TRADITIONAL OFFICE									
05	5E+07	21010101	70131	2101	TOTAL PERSONNELCOST	7,347,029.13			
TOTAL SOCIAL SECTOR						204,544,372.65			
TOTAL FOR ALL SECTORS						369,186,170.82			
ADJUSTMENT :									
PAYEE						11,004,806.28			
PAYEE (POLITICAL OFFICE						4,096,200.00			
UNION DUES						18,616,962.67			
NHF(2,5%)						2,719,050.28			
EMIRATE COUNCIL						41,545,611.84			
PRIMARY EDUCATION						279,990,912.03			
TOTAL PERSONNEL COST FOR ALL SECTORS						727,159,713.92			

Note 4: Overhead Cost

ADMINISTRATIVE SECTOR											
OFFICE OF THE CHAIRMAN											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11001001	22020101	70111	2101		2	Travel & Transport	4,880,000.00			
01	11001001	22020201	70111	2101		3	Utility Services	1,300,000.00			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	1,000,000.00			
01	11001001	22020301	70111	2101		5	Stationary	3,409,886.00			
01	11001001	22020402	70111	2101		6	Maintenance of office	6,658,453.40			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	3,800,000.00			
01	11001001	22020701	70111	2101		8	Consultancy Services	900,000.00			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	9,857,546.60			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	3,000,000.00			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	1,052,000.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	61,782,067.40			
							PROVISION OF SERVICE MATERIALS	-			
							TOTAL	97,639,953.40			
THE COUNCCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	2,380,000.00			
01	12003001	22020201	70111	2101		3	Utility Services	1,470,145.00			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	2,100,700.00			
01	12003001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	1,650,000.00			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles andCapital assets	-			
01	12003001	22020701	70111	2101		8	Consultancy Services	1,654,638.00			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	12003001	22020501	70111	2101		10	Short term Training and Consultancy	9,881,773.00			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	600,000.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	14,275,382.00			
							PROVISION FOR SERVICEABLE	-			
							TOTAL	34,012,638.00			

OFFICE OF THE SECRETARY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11013001	22020101	70111	2101		2	Travel & Transport	763,500.00			
01	11013001	22020201	70111	2101		3	Utility Services	900,000.00			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	263,500.00			
01	11013001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	500,000.00			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	740,000.00			
01	11013001	22020701	70111	2101		8	Consultancy Services	-			
01	11013001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11013001	22020501	70111	2101		10	Short term Training and Consultancy	480,000.00			
01	11013001	22021001	70111	2101		11	Entertainment & Hospitality	3,250,000.00			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	900,000.00			
							TOTAL	7,797,000.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	655,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	620,000.00			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	1,100,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of officefurniture & equipment	2,800,000.00			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	600,000.00			
01	25001001	22020701	70131	2101		8	Consultancy Services	-			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	-			
01	25001001	22020501	70131	2101		10	Training and staff Development	967,000.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	550,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	270,000.00			
							TOTAL	7,562,000.00			
							TOTAL ADMIN	147,011,591.40			

ECONOMIC SECTOR											
FINANCE AND SUPPLY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	20001001	22020101	70112	2101		2	Travel & Transport	121,008.60			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	200,000.00			
02	20001001	22020301	70112	2101		5	Stationary	75,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	60,000.00			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	20001001	22020701	70112	2101		8	Consultancy Services	100,000.00			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	206,640.00			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	100,000.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	10,221,027.62			
							TOTAL	11,083,676.22			
BUDGET;PLANNING & RESEARCH											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	38001001	22020101	70112	2101		2	Travel & Transport	500,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	1,295,000.00			
02	38001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	38001001	22020701	70112	2101		8	Consultancy Services	-			
02	38001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	38001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	38001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	-			
							TOTAL	1,795,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	1,120,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	750,000.00			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	540,900.00			
02	34001001	22020402	70451	2101		6	Maintenance of officefurniture & equipment	-			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	1,200,000.00			
02	34001001	22020701	70451	2101		8	Consultancy Services	469,700.00			
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	-			
02	34001001	22020501	70451	2101		10	Short term Training and Consultancy	-			
02	34001001	22021001	70451	2101		11	Entertament & Hospitality	2,660,000.00			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	1,700,300.00			
							TOTAL	8,440,900.00			
AGRICULTURE AND NATURAL RESURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	600,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	650,000.00			
02	15001001	22020402	70421	2101		6	Maintenance of officefurniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	2,666,600.00			
02	15001001	22020701	70421	2101		8	Consultancy Services	-			
02	15001001	22040109	70421	2101		9	Grants, Contributions & Subventions	-			
02	15001001	22020501	70421	2101		10	Training and staff Development	533,400.00			
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	150,000.00			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	-			
							PROVISION OF SERVICEABLE	-			
							TOTAL	4,600,000.00			
TOTAL ECONOMIC SECTOR MINISTRY								25,919,576.22			

SOCIAL SECTOR											
ADULT EDUCATION											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	17001001	22020101	70922	2101		2	Travel & Transport	-			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	-			
05	17001001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	17001001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	17001001	22020701	70922	2101		8	Consultancy Services	-			
05	17001001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	17001001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	-			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport	1,260,000.00			
05	51003001	22020201	70922	2101		3	Utility Services	250,000.00			
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	51003001	22020301	70922	2101		5	Stationary	1,108,000.00			
05	51003001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	250,400.00			
05	51003001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	3,143,000.00			
05	51003001	22020701	70922	2101		8	Consultancy Services	-			
05	51003001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	51003001	22020501	70922	2101		10	Short term Training and Consultancy	900,000.00			
05	51003001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	850,000.00			
							TOTAL	7,761,400.00			

PRIMARY HEALTH CARE											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	21001001	22020101	70731	2101		2	Travel & Transport	1,000,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	800,000.00			
05	21001001	22020402	70731	2101		6	Maintenance of officefurniture & equipment	-			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	1,090,000.00			
05	21001001	22020701	70731	2101		8	Consultancy Services	-			
05	21001001	22020501	70731	2101		10	Training and staff Development	700,000.00			
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	-			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	400,000.00			
							PROVISION OF SERVICEABLE	-			
							TOTAL	3,990,000.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	-			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	-			
05	51002002	22020402	70180	2101		6	Maintenance of officefurniture & equipment	-			
05	51002002	22020401	70180	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51002002	22020701	70180	2101		8	Consultancy Services	-			
05	51002002	22040109	70180	2101		9	Grants, Contribution & Subvention	-			
05	51002002	22020501	70180	2101		10	Training and staff Development	-			
05	51002002	22021001	70180	2101		11	Entertainment & Hospitality	-			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	-			
							TOTAL	-			
							TOTAL SOCIAL SECTOR MINISTRY	11,751,400.00			
							TOTAL FOR ALL SECTORS	184,682,567.62			

Note 5: Consolidated Revenue Charges

A-- PENSION AND GRATUITIES STATUTORY BOARD MINNA										
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	DETAILS	ACTUAL EXPENDITURE	APPROVED	REVISED BUDGET	VARIANCE ON REVISED BUDGET
01	25001001	22010102	70131	02101		Pension Statutory	13,204,300.92			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	28,887,305.54			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	-			
01	25001002	22020902	70132	02102		Insurance Premium	-			
01	25001001	22010106	70131	02101		Acturial Valuation	-			
01	25001001	22010107	70131	02101		Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-			
						Deceased 3rd Annual Emolument (CPS)	-			
						TOTAL	42,091,606.46			
B--STATUTORY OFFICERS SALARY						STATUTORY OFFICERS SALARY	-			
						TOTAL CRF	42,091,606.46			

Note 6: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,600,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	8,300,000.00
TOTAL	25,100,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	571,356,453.49
TOTAL CONTRIBUTIONS	600,156,453.49

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Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR													
SECTOR	ADMIN	ECONOMIC	FUNCTION	PROGRAMME		FUND	GEO CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2018	2018 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
01	11033001	23010122	70722	010400009616		03005			TOWN AND COUNTRY PLANNING	7,910,000.00			
ADMINISTRATIVE SECTOR													
1	11033001	23010122	70722	010400009616		03005			REPAIR OF LOCAL GOVT. VEHICLE	1,000,000.00			
1	11033001								PURCHASE OF RICE	4,200,000.00			
1	11033001								PURCHASE OF BUILDING AS CHIRMAN,S LODGE	60,000,000.00			
									CONSTRUCTION OF LOCAL GOVT.	3,000,000.00			
									CONSTRUCTION OF LEGISLATIVE CHAMBERS	1,000,000.00			
									CONSTRUCTION OF CHAIRMAN LODGE	2,500,000.00			
									TOTAL FOR ADMIN SECTOR	71,700,000.00			
													-
ECONOMIC SECTOR													-
2	20001001					03005			CONSTRUCTION OF FEEDER ROAD	5,500,000.00			
2									CONSTRUCTION OF CELL CULVERT	1,250,000.00			
2									CONSTRUCTION OF MARKET STALLS	757,000.00			
2									CONSTRUCTION OF BUTCHERS STALL	1,040,000.00			
2									CONSTRUCTION OF SLAUGHTER	820,000.00			
2													
2									ECONOMIC SECTOR TOTAL	9,367,000.00	-	-	-
													-

SOCIAL SECTOR														-
5		70422	70900002606		03005			DRILLING OF BOREHOLES	7,668,400.00					
								SUPPLY OF SCHOOL CHAIRS AND TABLES	1,000,000.00					
								RENOVATION OF BASIC HEALTH CENTRE	900,000.00					
								COMPLETION OF FA BLOCK OF 2 CLASSROOM	931,000.00					
								EXTENTION OF ELECTRICITY TO PAI COMM.	2,119,700.00					
								SOCIAL SECTOR TOTAL	12,619,100.00		-		-	-
								TOTAL FOR ALL SECTORS	93,686,100.00					

Note 9: Closing Cash Book/Bank Balances as at 31st December, 2019

ACCOUNT TYPE	AMOUNT
UBA	1,851,312.46
ZENITH BANK	115,891.21
TOTAL	1,967,203.67

Note 10: Investment

INVESTMENTS				
Investments in Companies				
	STOCK	HOLDING	PRICE	MARKET VALUE(N)
	TOTAL INVESTMENT			-

Note 11: Development Loan Stock

List the Loans	Balance as at 01/01/2019	ADDITIONAL LOAN	PRINCIPAL REPAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	BALANCE ON PRINCIPAL
BANK LOAN						
TOTAL						

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS	AMOUNT
PAYE	270,897.97
5% VAT (Value Added Tax)	7,639,969.15
Federal Mortgage Bank	70,103.17
Medical and Health Union	91,581.70
2.5% Housing Funds	203,610.00
5% Withholding Tax	6,614,493.77
Compensation Funds	213,000.00
Comrade Cycle	156,877.13
TOTAL	15,260,532.89

**MANAGEMENT REPORT ON AUDITED
ANNUAL FINANCIAL STATEMENT FOR THE
YEAR ENDED 31ST DECEMBER, 2018**

1. SCOPE OF THE AUDIT

The Accounts and Records maintained by Munya Local Government Council and Financial Statement produced for audit in respect of the year ended 31st December, 2018 have been examined and all the information that were provided and gathered in respect of monies received and expended have been certified. All the books of account from the book of original entry, General ledger to subsidiary ledger were checked and certified by our team.

2.0 GENERAL STATE OF ACCOUNTS AND RECORD KEEPING

The pattern and manner of keeping and rendering accounting books and records as observed in the Local Governments Councils were inadequate as highlighted in this report and are stated below:

- Most of the payment vouchers raised were not having documentary evidences to justify the payments made.
- Most of the purchases made lacked essential documentary evidence such as Receipt Vouchers, and Store Issue Vouchers which shows that they were not supplied or supplied but not taken charge.
- In some cases, approvals in respect of expenditure incurred were not presented for audit.
- Deductions made for WHT and VAT were in some cases not remitted to the appropriate tax authorities within time.
- Some payment vouchers were not checked and passed by the Internal Audit Unit.
- Absence of signatures of relevant parties to Payment Vouchers.

- Lack of adequate budgetary discipline.
- Non-maintenance of Fixed/Moveable Asset register.

2.1 GENERAL RECOMMENDATION

- All Directors should ensure that they maintain their Departmental Vote Expenditure Account Books and reconcile same monthly.
- All supplies made to Departments should be received from the suppliers in the presence of the Internal Auditor, for certification of the prime, completeness, and validity of the goods supplied.
- All payment vouchers must contain authenticated documents duly signed by the respective officials and the supplier.
- No payment vouchers should be entertained by the Internal Auditor if it is not accompanied with Departmental Vote Expenditure Account Book (D.V.E.A) and Departmental Payment Voucher Register (D.P.V.R) in order to avoid over expenditure and omission of some payment vouchers and posted into D.V.E.A. Book.
- No voucher should be paid by the Cashier without being certified by the Internal Auditor and duly checked and passed by the Treasurer.
- Copies of contract awards documents must be sent to the office of the Internal Auditor for his awareness and record purposes.

- Payment for contract awards, being it part payment, must be accompanied with photocopies of the council’s approval and award of contract forms. Final payment must be accompanied with the original copies of the contract agreement form and relevant supporting documents for payment.
- Appointment of employees, resignation of appointment, termination of appointment, retirement from service, suspension from work, dismissal from service and deaths should be notified to the Internal Auditor immediately.
- All expenditure account books must be promptly reconciled with the treasury books to maintain efficiency and accountability.
- Rubber Stamp marked “ENTERED INTO VOTE BOOK” should be impressed on any payment sent to the Treasury to ensure that the voucher has been entered into Vote Book.
- Tell Book should equally be maintained by the Cashier for the purpose of Daily Cash Balance or the day’s taking to ascertain the liquid cash available at the close of each day’s business transactions after balancing up the Revenue and Expenditure cash Book for the day.
- The Revenue Staff (Collectors) should ensure that all revenue earning books are returned to the officer in charge after they have completely been used off.
- Store Officers should ensure that they keep all records up-to-date should the Internal Auditor will be going round to check and examine the accounts.
- A Job Cost Book should be kept in the Works Department on form **LGT 97 (F.M. 33.6)**.

3. REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Munya Local Government Council for the year ended 31st December 2018 is shown in the table 1 below.

Table 1: Breakdown of revenues and Expenditures.

TOTAL REVENUE		AMOUNT ₦	%
	Internally Generated Revenue	15,276,452.67	0.92
	Statutory Allocation	1,649,482,139.65	99.08
TOTAL		1,664,758,592.32	100
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	727,159,713.92	43.47
	Overhead Cost	184,682,567.62	11.04
	Consolidated Revenue Fund Charges	42,091,606.46	2.52
•	Contributions	600,156,453.49	35.87
•	Other Operating Activities	-	-
•	Other Transfers	25,100,000.00	1.50
•	Capital Expenditures	93,686,100.00	5.60
TOTAL		1,672,867,441.49	100

3.1 REVENUE

The sum of ₦1,664,758,592.32 accrued to Munya Local Government Councils as total receipts for the year ended 31st December 2018.

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Munya Local Government Council amounted to ₦15,276,452.67 only for the year ended 31st December 2018 which represents 0.92 % of the total accrued revenue of ₦1,664,758,592.32

This shows that the council solely depend on statutory allocation from the Federation Account for survival. This could result to non-survival of the Council if there is a decline of revenue from the Federation Account.

I advised the Local Government Council to take the following measures to boost their internally generated revenue collection.

- Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- Control over issuance of revenue receipts
- Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.

3.1.2 STATUTORY ALLOCATION

The sum of ₦1,649,482,139.65 was disbursed to Munya Local Governments Council for the year under review. Statutory allocation comprises VAT, Excess Crude and Statutory Allocation etc. The reporting framework provides that each revenue class is reported separately in the financial statements and the notes thereto.

It was, however, noted that these classes of revenue are only identified at the Ministry for Local Government (Joint Account) while the disbursements to Local Government Councils are only classified as Statutory Allocation.

This makes it difficult to trace and account for each revenue classes at the Local Government Council level and possibly reconciliation of disbursement from the Federation Account and the receipts by the Local Government Council.

I advised the Ministry for Local Governments to share with the Local Government councils the breakdown of revenues from the Federation Accounts to ensure that they are correctly reported by the Councils.

3.2 CASH AND BANK BALANCES

The total cash balances stood at ₦391.44 in respect of Munya Local Government Council at the end of the financial year ended 31st December 2018.

While the total bank balances stood at ₦1,967,203.67 in respect of Munya Local Government Council as at the end of the financial year ended 31st December 2018.

4. INTERNAL CONTROL

During the course of our audit exercise, it was observed that despite reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued. The non-compliance was evidenced by the Payment Vouchers been prepared and paid out without being endorsed by the Internal Audit Units, the non-endorsement of Officer Controlling the Vote, and Checks by the respective accounting Officers.

Also evidenced is lack of Asset Register to ascertain the Assets, their Condition, their Location and values of such assets. And all efforts made by my Office to ensure the maintenance of the Register are not encouraging.

In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that henceforth all Payment Vouchers raised are passed through Internal Audit Unit for certification before such payment are effected and equally ensure the maintenance of Asset Register before my next audit.

4.1 RECOMMENDATION

- It is recommended that the Internal Control System in existence has to be strengthened, proper record keeping and documentation of all financial transactions so as to enhance proper accountability.

5. BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦15,276,452.67 was generated as Internally Generated Revenue which represents 91.59% when compared with the total budgeted Internally Generated Revenue amounting to ₦16,679,060.00 during the year under review. This is a great performance.

5.1 RECOMMENDATION

- It is recommended that preparation of cash flow statement should be adequately monitored to reduce the unnecessary expenditure on overhead and given priority to project execution.
- More efforts should be made so as to maintain the target set on revenue generation internally in the next financial year. This will reduce over dependence of the Council on Statutory Allocation from Federation Accounts which is no longer attainable.

6. PERSONNEL COST

It was observed that the total sum of ₦727,159,713.92 and ₦432,789,126.22 was spent as total personnel cost for the year 2018 and 2017 respectively with an increase of ₦294,370,587.70 over the previous year. This is as a result of salary increase made by the state government during the year under review.

7. CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No 5 of Revenue and Expenditure revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦659,234,231.00 and only the sum of ₦93,686,100.00 representing 14. % was spent leaving the balance of ₦565,548,131.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	184,815,088.00	71,700,000.00	113,115,088.00
02	Economic Sector	254,020,123.00	9,367,000.00	244,653,123.00
05	Social Sector	220,399,020.00	12,619,100.00	207,779,920.00
TOTAL		<u>659,234,231.00</u>	<u>93,686,100.00</u>	<u>565,548,131.00</u>

7.1 RECOMMENDATION

- It is recommended that the previous statistical data should be used in the preparation of a reliable budget that could be attainable.
- Also, Capital projects should be encouraged and priority should be given to its execution as it has direct bearing to the grass roots development.

8. PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No. 3 revealed that the Total Revenue stood at ₦1,664,758,592.32 with a Total Expenditure of ₦1,672,876,441.49 and close with a surplus balance of ₦8,117,849.17 This is an unhealthy statement of account.

9.0 DEPOSITS

Deposits comprise statutory deductions which relate to contracts awarded (Value Added Tax (VAT) and Withholding Tax (WHT)) and employment which are deducted at source by the Local Government Council and are supposed to be remitted to the relevant tax collecting bodies in accordance with relevant legislation. I observed that a total of ₦15,260,532.89 stood as outstanding consolidated deposit balances as at the end of the period under review. Table below shows the list of the outstanding deposits as at 31st December 2018.

Outstanding deductions as at 31 December 2018.

DETAILS	AMOUNT ₦
5% Contract VAT	7,639,969.15
5% Withholding Tax	6,614,693.77
PAYE	270,897.97
Federal Mortgage Bank	70,103.17
Medical and Health Union	91,581.70
2.5% housing Fund	203,610.00
Compensation Fund	213,000.00
Comrade cycle	156,877.13
TOTAL	15,260,532.89

From the above table, the Councils recorded outstanding VAT amounting to ₦7,639,969.15 and WHT of ₦6,614,693.77 as at 31st December, 2018.

Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that the outstanding balance may be deducted from the Statutory allocations due to the Councils and in addition the councils may be fined and penalized for delayed remittance and hence affect the amount of money meant for developmental activities.

I advised the Local Government Councils to take steps to remit the outstanding deductions to the relevant authorities as a matter of urgency to avoid fines and penalties. I also advised the councils comply with the legislation in regard to future deductions.

10. OUTSTANDING AUDIT INSPECTION

AGX/FO.18/TA/MUN/VOL.1

Dated:26th august 2019

(i)Purchase of DAF (10 Tyres Tipper)	7,500,000.00
(ii)Purchase of Building for Education Department	1,450,000.00
(iii)Purchase of Mobile Clinic Van	4,150,000.00
(iv)Payment made for supply of 500 table and chairs	1,000,000.00

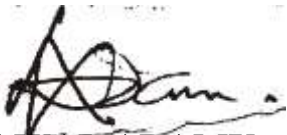
10.1 REQUIRED

The council is required to response to the outstanding Inspection Report or else necessary action and sanction will be taken.

11. CONCLUSION

We wish to use this medium to express our appreciation to the Chairman and the entire staff of Local Government for the cooperation given to the staff of this Office to carry out the Audit exercise.

It is our sincere hope that you would not hesitate to contact this Office for further clarification and explanations you might require in connection with the Audited Annual Financial Statement and Management Reports.



LAWAL ADAMU

*Director Statutory and Special Operations,
For: Auditor General*

**NIGER STATE OF NIGERIA
PAIKORO LOCAL GOVERNMENT COUNCIL
PAIKO**

**AUDITED ACCOUNTS
FOR**

**THE YEAR ENDED
31ST DECEMBER 2018**

**AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
P. M. B. 53, MINNA
NIGER STATE**

PERSONALITY PROFILE

O. FINANCIAL STATEMENT

Statement of Financial Responsibility

Council Officials

Auditor General's Opinion

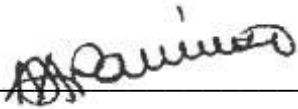
P. AUDIT REPORT

- Cash Flow Statements
- Statement of Assets & Liabilities
- Statement of Consolidated Revenue Funds
- State of Capital Development Funds

- Notes to the Accounts.
- Statement of Accounting Policies
- Scope of Audit
- General State of Accounts and Records Keeping
- General Recommendation
- Review of Financial Statement
- Internal Control
- Budgetary Control
- Personnel Cost
- Capital Expenditure
- Performance of Operation Activities
- Deposits
- Outstanding Audit Inspection
- Conclusion

STATEMENT OF FINANCIAL RESPONSIBILITY

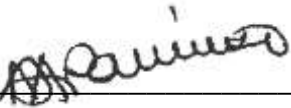
These Financial Statements have been prepared by the Treasurer of Paikoro Local Government Council in accordance with the provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements complied with generally accepted accounting practices. The Treasury is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper records, the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of Internal Control has operated adequately throughout the reporting period.



Treasurer

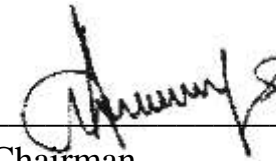
31st December, 2018

We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended. In our opinion, these financial statements fairly reflect the financial position of Paikoro Local Governments as at 31st December, 2018 and its operations for the year ended on the date.



Treasurer

31st December, 2018



Chairman

31st December, 2018

COUNCIL OFFICIALS

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Yakub Yuhana	Executive Chairman
Honourable Adamu Muhammad Garba	Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:	DEPARTMENTS	DESIGNATION
Alh. Sani Balarabe Kagara	Personnel Management	H. O. D
Ahmadu Makun	Finance and Supply	H. O. D
Hadiza Aliyu	Primary Health Care	H. O. D
Haj.Hafsat Gouma Mohd	Agriculture and Natural Resources	H. O. D
Elisah D. Thomas	Works and Housing	H. O. D
Bawa Ibrahim	Budget and Planning	H. O. D
Alhaji Danlami Iliyasu Tanko	Social Development	H. O. D

- **BANKERS**

	ADDRESS
Union Bank Plc.	Paiko Branch
First Bank Plc.	Minna Branch
Unity Bank Plc.	Minna Branch
Pana Micro Finance Bank Ltd.	Paiko Branch
United Bank for Africa Plc.	Minna Branch

- **AUDITORS**

Auditor General
Office of the Auditor General for Local Governments
P.M.B. 53 Minna,
Niger State.

AUDITOR GENERAL'S OPINION

I have examined the financial statement which have been prepared in accordance with standardized Local Government Treasury Procedures, Financial Memoranda and Circular guidelines. I obtained all information and explanations which I requested for the purpose of my Audit.

In my opinion, the accounts readable in conjunction with notes subject to the issues raised in the management report issued separately with this account gives a true and fair view of affairs of the Council as at 31st December, 2018 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.



Ibrahim Ahmed, B. Sc, MPA, FCNA, FCTI, CPA
Auditor General for Local Governments

1: Cash Flow Statement for the Year Ended 31st December, 2018

ANNUAL BUDGET 2018		NOTES	ACTUAL YEAR 2018	PREVIOUS YEAR 2017
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
2,250,294,425.00	Statutory Allocations:FAAC	1	2,342,328,265.61	
	Value Added Tax Allocation	1		
2,250,294,425.00	Sub-total - Statutory Allocation		2,342,328,265.61	
200,000.00	Direct Taxes	2	29,600.00	
17,370,000.00	Licences & FEES	2	10,695,310.00	
	Mining Rents:	2		
5,000,000.00	RATES	2	3,171,102.64	
	Fees:	2		
	Fines	2		
	Sales	2		
24,660,000.00	Earnings :	2	16,737,280.00	
4,500,000.00	Sales/Rent of Government Buildings:	2	1,581,900.00	
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
6,000.00	Interest Earned	2	18,812.56	2,568,530,528.54
	Re-imbusement	2		65,175,000.00
150,000.00	MISELLANEOUS	2	475,000.00	2,633,705,528.54
51,886,000.00	Sub-total - Independent Revenue			
30,000,000.00	Other Revenue Sources of the -Government	3		
81,886,000.00	TOTAL INDEPENDANT REVENUE		32,709,005.20	
-	Commercial Bank Loan		-	
2,332,180,425.00	TOTAL RECEIPTS		2,375,037,270.81	
	Payments:			
638,800,198.00	Personnel Costs	3	1,500,195,693.18	
226,390,000.00	Overhead Charges:	4	182,365,276.41	2,631,005,465.16
	Consolidated Revenue Fund Charges .	5	95,584,380.36	2,633,805,528.54
	contributions	7	530,575,174.31	(2,800,063.38)
	Other Operating Activities		-	
	Financial Charges		-	
	Other Transfers	6	25,100,000.00	
865,190,198.00	Total Payments		2,333,820,524.26	
1,466,990,227.00	Net Cash Flow from Operating Activities		41,216,746.55	

	CashFlows from Investment Activities:			
	Capital Expenditure:Administrative Sector:	8	11,336,250.00	
	Capital Expenditure: Economic Sector:	8	1,250,000.00	
	capital expenditure: Social Service Sector:	8	24,091,000.00	
	Capital Expenditure: Funded from Aid and Grants:		-	
716,990,227.00	Total Cash Flow from Investment Activities:		36,677,250.00	
750,000,000.00	Net Cash Flow from Investment Activities:		4,539,496.55	
	CashFlows from Financing Activities:			
	Proceeds from Aid and Grants		-	
	Proceeds from ExternaL Loan :		-	
	Proceeds from Internal Loans: Bonds :		-	
	Proceeds from Development loan stock		-	
	Proceeds of Loans from Other Funds		-	
	Repayment of External Loans (Including Servicing)		-	
	Repayment of Treasury Bonds :		-	
	Repayment of Loans from Development loan stock		-	
-	Repayment of Loans from Other Funds	11	-	
-	Total Cash Flow from Financing Activities:		-	
750,000,000.00	Net Cash Flow from Financing Activities:		4,539,496.55	
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	
	Net (Increase)/Decrease in Other Cash Equivalents:		-	
	Total Cashflow from other Cash equivalent Accounts		-	
	Net Cash for the year		4,539,496.55	
	Cash & Its Equivalent as at 1st January, 2018		4,115,987.46	
	Cash & Its Equivalent as at 31st December, 2018	9	8,655,484.01	

2: Statement of Assets and Liabilities as at 31st December, 2018

	NOTES	CURRENT YEAR 2018	PREVIOUS YEAR 2017
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:		80.05	
CASH AT BANK	9	8,655,484.01	
TOTAL LIQUID ASSETS		8,655,564.06	
NON CURRENT ASSETS:			
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	
TOTAL ASSETS		8,655,564.06	
ASSETS OVER LIABILITIES		7,003,614.98	
TOTAL		15,659,179.04	
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	8,655,484.01	
Capital Development Fund:		-	
TOTAL PUBLIC FUNDS		8,655,484.01	
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	-	
TOTAL EXTERNAL AND INTERNAL LOANS		-	
OTHER LIABILITIES		8,655,484.01	
UNREMITTED DEDUCTIONS			
5% Withholding Tax	12	3,853,831.72	
5% Value Added Tax	12	2,966,207.62	
Refund of LEA	12	49,655.69	
Retention	12	134,000.00	
TOTAL LIABILITIES		7,003,695.03	
TOTAL LIABILITIES AND PUBLIC FOUNDS		15,659,179.04	
ASSETS OVER LIABILITIES		(7,003,614.98)	
TOTAL		8,655,564.06	

3: Statement of Consolidated Revenue for the year ended 31st December, 2018

ACTUAL PREVIOUS YEAR 2017		NOTES	ACTUAL YEAR 2018	FINAL BUDGET 2018	INITIAL/ORIGINAL BUDGET 2018
₦			₦	₦	₦
	Opening Balance:		4,115,987.46		
	ADD: REVENUE				
	Statutory Allocations:FAAC	1	2,342,328,265.61	2,250,294,425.00	
	Value Added Tax Allocation	1	-		
	Sub-Total - Statutory Allocation		2,342,328,265.61	2,250,294,425.00	
	Direct Taxes	2	29,600.00	200,000.00	
	Licences	2	10,695,310.00	17,370,000.00	
	RATES	2	3,171,102.64	5,000,000.00	
	Fees:	2	-		
	Fines	2	-		
	Sales	2	-		
	Earnings :	2	16,737,280.00	24,660,000.00	
	Sales/Rent of Government Buildings:	2	1,581,900.00	4,500,000.00	
	Sale/Rent on Lands and Others:	2	-		
	MISCELLANEOUS	2	475,000.00	150,000.00	
	Investment Income	2	-		
	Interest Earned	2	18,812.56	6,000.00	
	Re-Imbursements	2	-		
	Sub-Total - Independent Revenue		32,709,005.20	51,886,000.00	
	Other Revenue Sources of the ---Government		-	30,000,000.00	
	TOTAL REVENUE:		2,379,153,258.27	2,332,180,425.00	
	LESS:EXPENDITURE				
	Personnel Costs:	3	1,500,195,693.18	638,800,198.00	
	Overhead Charges:	4	182,365,276.41	226,390,000.00	
	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	95,584,380.36		
	contributions	7	530,575,174.31		
	Other Operating Activities		-		
	Financial Charges.		-		
	Other Transfers	6	25,100,000.00		
	TOTAL EXPENDITURE:		2,333,820,524.26	865,190,198.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
	Repayments:External Loans:States			-	
	Repayments:States Bonds.			-	
	Repayments:Development Loan Stock			-	
	Repayments:Internal Loans from Other Funds	11		-	
	TOTAL EXPENDITURE:			-	
	OPERATING BALANCE:			45,332,734.01	
	APPROPRIATIONS/TRANSFERS:				
	Transfer to Capital Development Fund:			36,677,250.00	
	Closing Balance:			8,655,484.01	

4: Statement of Capital Development Fund for the year ended 31st December, 2018

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2017			EXPENDITURE 2018	BUDGET 2018	BUDGET 2018	BUDGET 2018
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
	Transfer from Consolidated Revenue Fund:		36,677,250.00			
	Aid and Grants		-			
	TOTAL REVENUE AVAILIABLE:		36,677,250.00			
	LESS: CAPITAL EXPENDITURE					
	Capital Expenditure:Administrative Sector:	10	11,336,250.00			
	Capital Expenditure: Economic Sector:	10	1,250,000.00			
	Capital Expenditure: Social Service Sector:	10	24,091,000.00			
	Capital Expenditure: Funded from Aid and Grants:		-			
	TOTAL CAPITAL EXPENDITURE:		36,677,250.00	716,990,227.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2018

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₦	₦
Net Share of Statutory Allocation from FAAC	A	700,926,828.63	
Add :Deduction at source for Loan Repayment	B	1,641,401,436.98	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			2,342,328,265.61
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₦	₦	₦
TAXES	29,600.00	200,000.00	170,400.00
RATES	3,171,102.64	5,000,000.00	1,828,897.36
LINCENCES & FEES	10,695,310.00	17,370,000.00	6,674,690.00
EARNING FROM COMMERCIAL UNDERTAKING	16,737,280.00	24,660,000.00	7,922,720.00
RENT ON LOCAL GOVERNMENT PROPERTY	1,581,900.00	4,500,000.00	2,918,100.00
INTREST AND DIVIDEND	18,812.56	6,000.00	-12812.56
MISELLANEOUS	475,000.00	150,000.00	(325,000.00)
TOTAL I G R	32,709,005.20	51,886,000.00	19,176,994.80

Note 3: Personnel Cost

ADMINISTRATIVE SECTOR										
SECTOR	Admin	Economic	Function	Fund	GEO CODE		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
OFFICE OF THE CHAIRMAN										
01	11001001	21010101	70111	2101		TOTAL PERSONNEL COST	5,200,269.74			
THE COUNCCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	26,690,583.12			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	1,719,143.42			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	46,358,461.08			
TOTAL ADMIN SECTOR							79,968,457.36			
ECONOMIC SECTOR										
Sector	Admin	Economic	Function	Fund			ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	51,549,968.71			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	3,204,357.92			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	44,015,703.80			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	64,681,943.12			
TOTAL ECONOMIC SECTOR							163,451,973.55			

SOCIAL SECTOR									
Sector	Admin	Economic	Function	Fund		ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
ADULT EDUCATION									
05	17001001	21010101	70960	2101	TOTAL PERSONNEL COST	40,662,285.44			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	213,670,602.66			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	12,300,491.86			
TOTAL SOCIAL SECTOR						266,633,379.96			
TOTAL FOR ALL SECTORS						510,053,810.87			
ADJUSTMENT :									
PAYEE						24,945,912.07			
PAYEE (POLITICAL OFFICE						4,096,200.00			
UNION DUES						42,944,353.17			
NHF(2,5%)						3,919,986.02			
EMIRATE COUNCIL						41,545,611.84			
PRIMARY EDUCATION						872,689,819.21			
TOTAL PERSONNEL COST FOR ALL SECTORS						1,500,195,693.18			

Note 4: Overhead Cost

ADMINISTRATIVE SECTOR											
OFFICE OF THE CHAIRMAN											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11001001	22020101	70111	2101		2	Travel & Transport	5,191,000.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	822,600.00			
01	11001001	22020402	70111	2101		6	Maintenance of office	910,000.00			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	-			
01	11001001	22020701	70111	2101		8	Consultancy Services	-			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	41,756,000.00			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	3,420,000.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	42,880,000.00			
							TOTAL	94,979,600.00			
THE COUNCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	4,805,000.00			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	1,000,000.00			
01	12003001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	1,000,000.00			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles andCapital assets	-			
01	12003001	22020701	70111	2101		8	Consultancy Services	-			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	12003001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	980,000.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	6,910,000.00			
							TOTAL	14,695,000.00			

OFFICE OF THE SECRETARY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11013001	22020101	70111	2101		2	Travel & Transport	780,000.00			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	-			
01	11013001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	-			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	-			
01	11013001	22020701	70111	2101		8	Consultancy Services	-			
01	11013001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11013001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11013001	22021001	70111	2101		11	Entertainment & Hospitality	460,000.00			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	900,000.00			
							TOTAL	2,140,000.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	1,996,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	1,265,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of officefurniture & equipment	-			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	-			
01	25001001	22020701	70131	2101		8	Consultancy Services	-			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	-			
01	25001001	22020501	70131	2101		10	Training and staff Development	3,035,000.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	960,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	1,300,000.00			
							TOTAL	8,556,000.00			
							TOTAL ADMIN MINISTIES	120,370,600.00	-	-	#REF!

ECONOMIC SECTOR											
FINANCE AND SUPPLY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	20001001	22020101	70112	2101		2	Travel & Transport	1,982,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	2,926,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	355,000.00			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	20001001	22020701	70112	2101		8	Consultancy Services	-			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	40,847,138.03			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	1,482,000.00	57,102,676.41		
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	2,222,538.38			
							TOTAL	49,814,676.41			
BUDGET;PLANNING & RESEARCH											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	38001001	22020101	70112	2101		2	Travel & Transport	304,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	280,000.00			
02	38001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	38001001	22020701	70112	2101		8	Consultancy Services	-			
02	38001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	38001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	38001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	550,000.00			
							TOTAL	1,134,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	365,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	775,000.00			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	-			
02	34001001	22020402	70451	2101		6	Maintenance of officefurniture & equipment	620,000.00			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	2,289,000.00			
02	34001001	22020701	70451	2101		8	Consultancy Services	-			
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	-			
02	34001001	22020501	70451	2101		10	Short term Training and Consultancy	-			
02	34001001	22021001	70451	2101		11	Entertainment & Hospitality	-			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	711,000.00			
							TOTAL	4,760,000.00			
AGRICULTURE AND NATURAL RESURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	225,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	-			
02	15001001	22020402	70421	2101		6	Maintenance of officefurniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	130,000.00			
02	15001001	22020701	70421	2101		8	Consultancy Services	-			
02	15001001	22040109	70421	2101		9	Grants, Contributions & Subventions	-			
02	15001001	22020501	70421	2101		10	Training and staff Development	-			
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	50,000.00			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	799,000.00			
							Provision of Servicable Materials	190,000.00			
							TOTAL	1,394,000.00			
							TOTAL ECONOMIC SECTOR MINISTRY	57,102,676.41	-	-	-

SOCIAL SECTOR											
ADULT EDUCATION											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	17001001	22020101	70922	2101		2	Travel & Transport	940,000.00			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	-			
05	17001001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	17001001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	17001001	22020701	70922	2101		8	Consultancy Services	-			
05	17001001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	17001001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	465,000.00			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	812,000.00			
							TOTAL	2,217,000.00			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport	-			
05	51003001	22020201	70922	2101		3	Utility Services	-			
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	51003001	22020301	70922	2101		5	Stationary	-			
05	51003001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	51003001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51003001	22020701	70922	2101		8	Consultancy Services	-			
05	51003001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	51003001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	51003001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	-			

PRIMARY HEALTH CARE											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	21001001	22020101	70731	2101		2	Travel & Transport	150,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	550,000.00			
05	21001001	22020402	70731	2101		6	Maintenance of officefurniture & equipment	-			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	-			
05	21001001	22020701	70731	2101		8	Consultancy Services	-			
05	21001001	22020501	70731	2101		10	Training and staff Development	-			
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	500,000.00			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	1,180,000.00			
							TOTAL	2,380,000.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	40,000.00			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	-			
05	51002002	22020402	70180	2101		6	Maintenance of officefurniture & equipment	-			
05	51002002	22020401	70180	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51002002	22020701	70180	2101		8	Consultancy Services	-			
05	51002002	22040109	70180	2101		9	Grants, Contribution & Subvention	-			
05	51002002	22020501	70180	2101		10	Training and staff Development	-			
05	51002002	22021001	70180	2101		11	Entertainment & Hospitality	-			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	255,000.00			
							TOTAL	295,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	4,892,000.00	-	-	-
							TOTAL FOR ALL SECTORS	182,365,276.41	-	-	-

Note 5: Consolidated Revenue Charges

A-- PENSION AND GRATUITIES STATUTORY BOARD MINNA										
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	DETAILS	ACTUAL EXPENDITURE	APPROVED	REVISED BUDGET	VARIANCE ON REVISED BUDGET
01	25001001	22010102	70131	02101		Pension Statutory	52,422,051.36			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	43,162,329.00			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	-			
01	25001002	22020902	70132	02102		Insurance Premium	-			
01	25001001	22010106	70131	02101		Acturial Valuation	-			
01	25001001	22010107	70131	02101		Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-			
						Deceased 3rd Annual Emolument (CPS)	-			
						TOTAL	95,584,380.36			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	95,584,380.36			

Note 6: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,600,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	8,300,000.00
TOTAL	25,100,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	501,775,174.31
TOTAL CONTRIBUTIONS	530,575,174.31

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECONOMIC	FUNCTION	PROGRAMME	FUND	GEO CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2018	2018 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
01	11033001	23010122	70722	010400009616	03005	12620500		OFFICE FURNITURE	1,746,250.00			
01	11033001	23010122	70722	010400009616	03005	12620500		STATE TEACHERS INSTITUTE	420,000.00			
01	11033001	23010122	70722	010400009616	03005	12620500		PURCHASE OF OFFICIAL VEHICLE	9,170,000.00			
								TOTAL FOR ADMIN SECTOR	11,336,250.00			
ECONOMIC SECTOR												
02	20001001				03005	12620500		ROAD/FEEDER ROADS	650,000.00			
02								BRIDGES & CULVERTS	100,000.00			-
02								COMPENSATION OF LAND	500,000.00			
02									-			
02								ECONOMIC SECTOR TOTAL	1,250,000.00	-	-	-
SOCIAL SECTOR												
05			70422	70900002606	03005	12620500		CONSTRUCTION/RENOVATION OF PRIMARY SCHOOLS	2,595,000.00			
								RENOVATION OF DISPENSARIES	480,000.00			
								PROCUREMENT OF WATER DISOSAL BIN	250,000.00			
								WOMEN & YOUTH EMPOW/ YOUTH DEVT PROGRAMMES	6,416,000.00			
								BORE HOLES	6,970,000.00			
								REPAIR OF BORE HOLES	7,380,000.00			
									-			
								SOCIAL SECTOR TOTAL	24,091,000.00	-	-	-
TOTAL FOR ALL SECTORS									36,677,250.00			-

Note 9: Closing Cash Book/Bank Balances as at 31st December, 2019

ACCOUNT TYPE		AMOUNT
UBA MINNA (SAL ACCT)		8,477,910.64
PANA MFB (REV ACCT)		117,969.66
PANA MFB (HEAVY DUTY ACCT)		2,535.56
PANA MFB (TRACTOR HIRING)		1,800.50
FIRST BANK PLC MINNA(PROJECT ACCT)		9,757.49
UNION BANK PLC PAIKO (REV.ACCT)		18715.73
UNION BANK PLC PAIKO (DEPOSIT.ACCT)		7,129.19
UNION BANK PLC PAIKO (O/H.ACCT)		1,183.55
UNITY BANK SALARY (OLD)		18,461.69
TOTAL		8,655,464.01

Note 10: Investment

INVESTMENTS				
Investments in Companies				
	STOCK	HOLDING	PRICE	MARKET VALUE(N)
	TOTAL INVESTMENT			-

Note 11: Development Loan Stock

List the Loans	Balance as at 01/01/2019	ADDITIONAL LOAN	PRINCIPAL REPAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	BALANCE ON PRINCIPAL
BANK LOAN/BANK DRAFT	147,419.50	-	-	-	147,419.50	-
TOTAL						-

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS	AMOUNT
5% WITHHOLDING TAX	3,853,831.72
5% VALUE ADDED TAX	2,966,207.62
REFUND OF LEA	49,655.69
RETENTION	134,000.00
TOTAL	7,003,695.03

**MANAGEMENT REPORT ON AUDITED
ANNUAL FINANCIAL STATEMENT FOR THE
YEAR ENDED 31ST DECEMBER, 2018**

1. SCOPE OF THE AUDIT

The Accounts and Records maintained by Paikoro Local Government Council and Financial Statement produced for audit in respect of the year ended 31st December, 2018 have been examined and all the information that were provided and gathered in respect of monies received and expended have been certified. All the books of account from the book of original entry, General ledger to subsidiary ledger were checked and certified by our team.

2.0 GENERAL STATE OF ACCOUNTS AND RECORD KEEPING

The pattern and manner of keeping and rendering accounting books and records as observed in the Local Governments Councils were inadequate as highlighted in this report and are stated below:

- Most of the payment vouchers raised were not having documentary evidences to justify the payments made.
- Most of the purchases made lacked essential documentary evidence such as Receipt Vouchers, and Store Issue Vouchers which shows that they were not supplied or supplied but not taken charge.
- In some cases, approvals in respect of expenditure incurred were not presented for audit.
- Deductions made for WHT and VAT were in some cases not remitted to the appropriate tax authorities within time.
- Some payment vouchers were not checked and passed by the Internal Audit Unit.
- Absence of signatures of relevant parties to Payment Vouchers.

- Lack of adequate budgetary discipline.
- Non-maintenance of Fixed/Moveable Asset register.

2.1 GENERAL RECOMMENDATION

- All Directors should ensure that they maintain their Departmental Vote Expenditure Account Books and reconcile same monthly.
- All supplies made to Departments should be received from the suppliers in the presence of the Internal Auditor, for certification of the prime, completeness, and validity of the goods supplied.
- All payment vouchers must contain authenticated documents duly signed by the respective officials and the supplier.
- No payment vouchers should be entertained by the Internal Auditor if it is not accompanied with Departmental Vote Expenditure Account Book (D.V.E.A) and Departmental Payment Voucher Register (D.P.V.R) in order to avoid over expenditure and omission of some payment vouchers and posted into D.V.E.A. Book.
- No voucher should be paid by the Cashier without being certified by the Internal Auditor and duly checked and passed by the Treasurer.
- Copies of contract awards documents must be sent to the office of the Internal Auditor for his awareness and record purposes.

- Payment for contract awards, being it part payment, must be accompanied with photocopies of the council’s approval and award of contract forms. Final payment must be accompanied with the original copies of the contract agreement form and relevant supporting documents for payment.
- Appointment of employees, resignation of appointment, termination of appointment, retirement from service, suspension from work, dismissal from service and deaths should be notified to the Internal Auditor immediately.
- All expenditure account books must be promptly reconciled with the treasury books to maintain efficiency and accountability.
- Rubber Stamp marked “ENTERED INTO VOTE BOOK” should be impressed on any payment sent to the Treasury to ensure that the voucher has been entered into Vote Book.
- Tell Book should equally be maintained by the Cashier for the purpose of Daily Cash Balance or the day’s taking to ascertain the liquid cash available at the close of each day’s business transactions after balancing up the Revenue and Expenditure cash Book for the day.
- The Revenue Staff (Collectors) should ensure that all revenue earning books are returned to the officer in charge after they have completely been used off.
- Store Officers should ensure that they keep all records up-to-date should the Internal Auditor will be going round to check and examine the accounts.
- A Job Cost Book should be kept in the Works Department on form **LGT 97 (F.M. 33.6)**.

3. REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Paikoro Local Government Council for the year ended 31st December 2018 is shown in the table 1 below.

Table 1: Breakdown of revenues and Expenditures

TOTAL REVENUE		AMOUNT ₺	%
	Internally Generated Revenue	32,709,005.20	1.38
	Statutory Allocation	2,342,328,265.61	98.62
TOTAL		2,375,037,270.81	100
TOTAL EXPENDITURE		AMOUNT ₺	%
	Salaries and Wages	1,500,195,693.18	63.29
	Overhead Cost	182,365,276.41	7.69
	Consolidated Revenue Fund Charges	95,584,380.36	4.03
•	Contributions	530,575,174..31	22.38
•	Other Operating Activities	-	
•	Other Transfers	25,100,000.00	1.06
•	Capital Expenditures	36,677,250.00	1.55
TOTAL		2,370,497,774.26	100

3.1 REVENUE

The sum of ₺2,375,037,270.81 accrued to Paikoro Local Government Councils as total receipts for the year ended 31st December 2018.

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Paikoro Local Government Council amounted to ₦32,709,005.20 only for the year ended 31st December 2018 which represents 1.38 % of the total accrued revenue of ₦2,375,037,270.81

This shows that the council solely depend on statutory allocation from the Federation Account for survival. This could result to non-survival of the Council if there is a decline of revenue from the Federation Account.

I advised the Local Government Council to take the following measures to boost their internally generated revenue collection.

- Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- Control over issuance of revenue receipts
- Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.

3.1.2 STATUTORY ALLOCATION

The sum of ₦2,342,328,265.61 was disbursed to Paikoro Local Governments Council for the year under review. Statutory allocation comprises VAT, Excess Crude and Statutory Allocation etc. The reporting framework provides that each revenue class is reported separately in the financial statements and the notes thereto.

It was, however, noted that these classes of revenue are only identified at the Ministry for Local Government (Joint Account) while the disbursements to Local Government Councils are only classified as Statutory Allocation.

This makes it difficult to trace and account for each revenue classes at the Local Government Council level and possibly reconciliation of disbursement from the Federation Account and the receipts by the Local Government Council.

I advised the Ministry for Local Governments to share with the Local Government councils the breakdown of revenues from the Federation Accounts to ensure that they are correctly reported by the Councils.

3.2 CASH AND BANK BALANCES

The total cash balances stood at ₦80.05 in respect of Paikoro Local Government Council at the end of the financial year ended 31st December 2018.

While the total bank balances stood at ₦8,655,484.01 in respect of Paikoro Local Government Council as at the end of the financial year ended 31st December 2018.

4. INTERNAL CONTROL

During the course of our audit exercise, it was observed that despite reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued. The non-compliance was evidenced by the Payment Vouchers been

prepared and paid out without being endorsed by the Internal Audit Units, the non-endorsement of Officer Controlling the Vote, and Checks by the respective accounting Officers.

Also evidenced is lack of Asset Register to ascertain the Assets, their Condition, their Location and values of such assets. And all efforts made by my Office to ensure the maintenance of the Register are not encouraging.

In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that henceforth all Payment Vouchers raised are passed through Internal Audit Unit for certification before such payment are effected and equally ensure the maintenance of Asset Register before my next audit.

4.1 RECOMMENDATION

- It is recommended that the Internal Control System in existence has to be strengthened, proper record keeping and documentation of all financial transactions so as to enhance proper accountability.

5. BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦32,709,005.20 was generated as Internally Generated Revenue which represents 63.04% when compared with the total budgeted Internally Generated Revenue amounting to ₦51,886,000.00 during the year under review. This is a good performance.

5.1 RECOMMENDATION

- It is recommended that preparation of cash flow statement should be adequately monitored to reduce the unnecessary expenditure on overhead and given priority to project execution.
- More efforts should be made so as to attain the target set on revenue generation internally in the next financial year. This will reduce over dependence of the Council on Statutory Allocation from Federation Accounts which is no longer attainable.

6. PERSONNEL COST

It was observed that the total sum of ₦1,500,195,693.18 and ₦602,200,480.55 was spent as total personnel cost for the year 2018 and 2017 respectively with an increase of ₦897,995,212.63 over the previous year. This is as a result of salary increase made by the state government during the year under review.

7. CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No 5 of Revenue and Expenditure revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦716,990,227.00 and only the sum of ₦36,677,250.00 representing 5.12% was spent leaving the balance of ₦680,312,977.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	97,636,953.00	11,336,250.00	86,300,703.00
02	Economic Sector	363,539,649.00	1,250,000.00	362,289,649.00
05	Social Sector	255,813,625.00	24,091,000.00	231,722,625.00
TOTAL		<u>716,990,227.00</u>	<u>36,677,250.00</u>	<u>680,312,977.00</u>

7.1 RECOMMENDATION

- It is recommended that the previous statistical data should be used in the preparation of a reliable budget that could be attainable.
- Also, Capital projects should be encouraged and priority should be given to its execution as it has direct bearing to the grass roots development.

8. PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No. 3 revealed that the Total Revenue stood at ₦2,375,037,270.81 with a Total Expenditure of ₦2,370,497,774.26 and close with a surplus balance of ₦4,539,496.55 This is a healthy statement of account.

9.0 DEPOSITS

Deposits comprise statutory deductions which relate to contracts awarded (Value Added Tax (VAT) and Withholding Tax (WHT)) and employment which are deducted at source by the Local Government Council and are supposed to be remitted to the relevant tax collecting bodies in accordance with relevant legislation. I observed that a total of ₦7,003,695.03 stood as outstanding consolidated deposit balances as at

the end of the period under review. Table below shows the list of the outstanding deposits as at 31st December 2018.

Outstanding deductions as at 31 December 2018.

DETAILS	AMOUNT ₦
5% Contract VAT	2,966,207.62
5% Withholding Tax	3,853,831.72
Retention fees	134,000.00
Refund Of LEA	49,655.69
TOTAL	7,003,695.03

From the above table, the Councils recorded outstanding VAT amounting to ₦2,966,207.62 and WHT of ₦3,853,831.72 as at 31st December, 2018.

Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that

the outstanding balance may be deducted from the Statutory allocations due to the Councils and in addition the councils may be fined and penalized for delayed remittance and hence affect the amount of money meant for developmental activities.

I advised the Local Government Councils to take steps to remit the outstanding deductions to the relevant authorities as a matter of urgency to avoid fines and penalties. I also advised the councils comply with the legislation in regard to future deductions.

10. OUTSTANDING AUDIT INSPECTION

AGX/FO,18/TA/PAK/V. Dated:11th June 2019

(i)Payment made without documentation	50,000.00
(ii) Payment made without details of expenditure	100,000.00

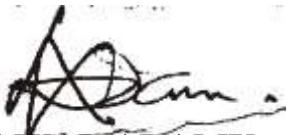
10.1 REQUIRED

The council is required to response to the outstanding Inspection Report or else necessary action and sanction will be taken.

11. CONCLUSION

We wish to use this medium to express our appreciation to the Chairman and the entire staff of Local Government for the cooperation given to the staff of this Office to carry out the Audit exercise.

It is our sincere hope that you would not hesitate to contact this Office for further clarification and explanations you might require in connection with the Audited Annual Financial Statement and Management Reports.



LAWAL ADAMU

*Director Statutory and Special Operations,
For: Auditor General*

**NIGER STATE OF NIGERIA
RAFI LOCAL GOVERNMENT COUNCIL
KAGARA**

**AUDITED ACCOUNTS
FOR
THE YEAR ENDED
31ST DECEMBER 2018**

**AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
P. M. B. 53, MINNA
NIGER STATE**

PERSONALITY PROFILE

Q. FINANCIAL STATEMENT

Statement of Financial Responsibility

Council Officials


Auditor General's Opinion

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- Statement of Consolidated Revenue Funds
- State of Capital Development Funds
- Notes to the Accounts.
- Statement of Accounting Policies
- Scope of Audit
- General State of Accounts and Records Keeping
- General Recommendation
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- Budgetary Control
- Personnel Cost
- Capital Expenditure
- Performance of Operation Activities
- Deposits
- Outstanding Audit Inspection
- Conclusion


STATEMENT OF FINANCIAL RESPONSIBILITY

These Financial Statements have been prepared by the Treasurer of Rafi Local Government Council in accordance with the provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements complied with generally accepted accounting practices. The Treasury is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper records, the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of Internal Control has operated adequately throughout the reporting period.




Treasurer
31st December, 2018

We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended. In our opinion, these financial statements fairly reflect the financial position of Rafi Local Governments as at 31st December, 2018 and its operations for the year ended on the date.



Treasurer
31st December, 2018



Chairman
31st December, 2018

COUNCIL OFFICIALS

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Ismaila Musa MAdibo Executive Chairman

Honourable Mohammed Bala Madaki Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:

Mallam Bala Bawa

Mallam Yakubu Musa Uregi

Mallam M. Danteni Musa

Mallam Tanko B. Waziri

Mallam Adamu Musa Fuka

Mallama Maryam Abubakar Augi

Mallam Ibrahim Yahaya Imam

DEPARTMENTS

Personnel Management

Finance and Supply

Primary Health Care

Agriculture and Natural Resources

Works and Housing

Budget and Planning

Social Development

DESIGNATION

H. O. D

H. O. D

H. O. D

H. O. D

H. O. D

H. O. D

H. O. D

- **BANKERS**

First Bank Plc.

Masoyi Micro Finance Bank

Unity Bank

UBA Plc.

ADDRESS

Kagara Branch

Kagara

Zungeru Branch

Minna Branch

- **AUDITORS**

Auditor General

Office of the Auditor General for Local Governments

P.M.B. 53 Minna,

Niger State.

AUDITOR GENERAL'S OPINION

I have examined the financial statement which have been prepared in accordance with standardized Local Government Treasury Procedures, Financial Memoranda and Circular guidelines. I obtained all information and explanations which I requested for the purpose of my Audit.

In my opinion, the accounts readable in conjunction with notes subject to the issues raised in the management report issued separately with this account gives a true and fair view of affairs of the Council as at 31st December, 2018 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.



Ibrahim Ahmed, B. Sc, MPA, FCNA, FCTI, CPA
Auditor General for Local Governments

1: Cash Flow Statement for the Year Ended 31st December, 2018

ANNUAL BUDGET 2018		NOTES	ACTUAL YEAR 2018	PREVIOUS YEAR 2017
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,732,279,345.00	Statutory Allocations:FAAC	1	2,068,688,139.12	
	Value Added Tax Allocation	1		
1,732,279,345.00	Sub-total - Statutory Allocation		2,068,688,139.12	
1,200,000.00	Direct Taxes	2	10,000.00	
7,703,000.00	Licences & FEES	2	1,413,160.00	
	Mining Rents:	2		
2,000,000.00	RATES	2	3,290,062.50	
	Fees:	2		
	Fines	2		
	Sales	2		
5,250,000.00	Earnings :	2	4,614,525.00	
-	Sales/Rent of Government Buildings:	2	-	
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
-	Interest Earned	2		
	Re-imbusement	2		
-	MISELLANEOUS	2	1.63	
16,153,000.00	Sub-total - Independent Revenue			
	Other Revenue Sources of the -Government	3		
16,153,000.00	TOTAL INDEPENDANT REVENUE		9,327,749.13	
	Commercial Bank Loan		-	
1,748,432,345.00	TOTAL RECEIPTS		2,078,015,888.25	
	Payments:			
506,541,500.00	Personnel Costs	3	953,640,519.95	
294,000,000.00	Overhead Charges:	4	237,614,829.79	
	Consolidated Revenue Fund Charges .	5	71,579,813.63	
	contributions	7	734,603,090.53	
	Other Operating Activities		-	
	Financial Charges		-	
-	Other Transfers	6	25,100,000.00	
800,541,500.00	Total Payments		2,022,538,253.90	
947,890,845.00	Net Cash Flow from Operating Activities		55,477,634.35	

	CashFlows from Investment Activities:			
	Capital Expenditure:Administrative Sector:	8	16,710,000.00	
	Capital Expenditure: Economic Sector:	8	37,543,000.00	
	capital expenditure: Social Service Sector:	8	6,200,000.00	
	Capital Expenditure: Funded from Aid and Grants:		-	
894,255,967.00	Total Cash Flow from Investment Activities:		60,453,000.00	
53,634,878.00	Net Cash Flow from Investment Activities:		(4,975,365.65)	
	CashFlows from Financing Activities:			
	Proceeds from Aid and Grants		-	
	Proceeds from ExternaL Loan :		-	
	Proceeds from Internal Loans: Bonds :		-	
	Proceeds from Development loan stock		-	
	Proceeds of Loans from Other Funds		-	
	Repayment of External Loans (Including Servicing)		-	
	Repayment of Treasury Bonds :		-	
	Repayment of Loans from Development loan stock		-	
-	Repayment of Loans from Other Funds	11	-	
-	Total Cash Flow from Financing Activities:		-	
53,634,878.00	Net Cash Flow from Financing Activities:		(4,975,365.65)	
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	
	Net (Increase)/Decrease in Other Cash Equivalents:		-	
	Total Cashflow from other Cash equivalent Accounts		-	
	Net Cash for the year		(4,975,365.65)	
	Cash & Its Equivalent as at 1st January, 2018		11,765,530.75	
	Cash & Its Equivalent as at 31st December, 2018	9	6,790,165.10	

2: Statement of Assets and Liabilities as at 31st December, 2018

	NOTES	CURRENT YEAR 2018	PREVIOUS YEAR 2017
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:			
CASH AT HAND		0	
CASH AT BANK	9	6,790,165.10	
TOTAL LIQUID ASSETS		6,790,165.10	
NON CURRENT ASSETS:			
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	
TOTAL ASSETS		6,790,165.10	
LIABILITIES OVER ASSETS		16,733,870.11	
TOTAL		23,524,035.21	
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	6,790,165.10	
Capital Development Fund:		-	
TOTAL PUBLIC FUNDS		6,790,165.10	
EXTERNAL AND INTERNAL LOANS			
BANK LOANS(OERDRAFT)	11	-	
TOTAL EXTERNAL AND INTERNAL LOANS		-	
OTHER LIABILITIES			
UNREMITTED DEDUCTIOS:			
5% TAX	12	5,279,903.54	
5% VAT	12	8,476,560.67	
COOPERATIVE DEDUCTIONS	12	2,977,405.90	
TOTAL LIABILITIES		16,733,870.11	
TOTAL LIABILITIES AND PUBLIC FOUNDS		23,524,035.21	

3: Statement of Consolidated Revenue for the year ended 31st December, 2018

ACTUAL PREVIOUS YEAR 2017		NOTES	ACTUAL YEAR 2018	FINAL BUDGET 2018	INITIAL/ORIGINAL BUDGET 2018
₦			₦	₦	₦
	Opening Balance:		11,765,530.75		
	ADD: REVENUE				
	Statutory Allocations:FAAC	1	2,068,688,139.12	1,732,279,345.00	
	Value Added Tax Allocation	1			
	Sub-Total - Statutory Allocation		2,068,688,139.12	1,732,279,345.00	
	Direct Taxes	2	10,000.00	1,200,000.00	
	Licences	2	1,413,160.00	7,703,000.00	
	RATES	2	3,290,062.50	2,000,000.00	
	Fees:	2	-		
	Fines	2	-		
	Sales	2	-		
	Earnings :	2	4,614,525.00	5,250,000.00	
	Sales/Rent of Government Buildings:	2	-		
	Sale/Rent on Lands and Others:	2	-		
	MISCELLANEOUS	2	1.63	-	
	Investment Income	2	-		
	Interest Earned	2	-	-	
	Re-Imbursements	2	-		
	Sub-Total - Independent Revenue		9,327,749.13	16,153,000.00	
	Other Revenue Sources of the ---Government		-		
	TOTAL REVENUE:		2,089,781,419.00	1,748,432,345.00	
	LESS:EXPENDITURE				
	Personnel Costs:	3	953,640,519.95	506,541,500.00	
	Overhead Charges:	4	237,614,829.79	294,000,000.00	
	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	71,579,813.63		
	contributions	7	734,603,090.53		
	Other Operating Activities		-		
	Financial Charges.		-		
	Other Transfers	6	25,100,000.00	-	
	TOTAL EXPENDITURE:		2,022,538,253.90	800,541,500.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
	Repayments:External Loans:States			-	
	Repayments:States Bonds.			-	
	Repayments:Development Loan Stock			-	
	Repayments:Internal Loans from Other Funds	11		-	
	TOTAL EXPENDITURE:			-	
	OPERATING BALANCE:			67,243,165.10	
	APPROPRIATIONS/TRANSFERS:				
	Transfer to Capital Development Fund:			60,453,000.00	
	Closing Balance:			6,790,165.10	

4: Statement of Capital Development Fund for the year ended 31st December, 2018

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2017			EXPENDITURE 2018	BUDGET 2018	BUDGET 2018	BUDGET 2018
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
	Transfer from Consolidated Revenue Fund:		60,453,000.00			
	Aid and Grants		-			
	TOTAL REVENUE AVAILABLE:		60,453,000.00			
	LESS: CAPITAL EXPENDITURE					
	Capital Expenditure:Administrative Sector:	10	16,710,000.00			
	Capital Expenditure: Economic Sector:	10	37,543,000.00			
	Capital Expenditure: Social Service Sector:	10	6,200,000.00			
	Capital Expenditure: Funded from Aid and Grants:		-			
	TOTAL CAPITAL EXPENDITURE:		60,453,000.00	894,255,967.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2018

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₦	₦
Net Share of Statutory Allocation from FAAC	A	747,027,411.35	
Add :Deduction at source for Loan Repayment	B	1,321,660,727.77	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			2,068,688,139.12
B. Value Added Tax			
Share of Value Added Tax (VAT)	E	-	

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₦	₦	₦
TAXES	10,000.00		
RATES	3,290,062.50		
LINCENCES & FEES	1,413,160.00		
EARNING FROM COMMERCIAL UNDERTAKING	4,614,525.00		
RENT ON LOCAL GOVERNMENT PROPERTY	-		
DIVIDEND	1.63		
TOTAL I G R	9,327,749.13		

Note 3: Personnel Cost

ADMINISTRATIVE SECTOR										
SECTOR	Admin	Economic	Function	Fund	GEO CODE		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
OFFICE OF THE CHAIRMAN										
01	11001001	21010101	70111	2101		TOTAL PERSONNEL COST	4,739,063.28			
THE COUNCCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	28,015,228.56			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	2,546,838.96			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	33,369,808.04			
TOTAL ADMIN SECTOR							68,670,938.84			
ECONOMIC SECTOR										
Sector	Admin	Economic	Function	Fund			ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	49,383,976.36			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	-			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	59,393,193.96			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	46,260,086.90			
TOTAL ECONOMIC SECTOR							155,037,257.22			

SOCIAL SECTOR										
Sector	Admin	Economic	Function	Fund			ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
ADULT EDUCATION										
05	17001001	21010101	70960	2101		TOTAL PERSONNEL COST	15,133,479.15			
PRIMARY HEALTH CARE										
05	21001001	21010101	70131	2101		TOTAL PERSONNELCOST	180,103,773.91			
SOCIAL DEVELOPMENT									-	
05	14001001	21010101	70131	2101		TOTAL PERSONNELCOST	20133439.16			
TRADITIONAL OFFICE										
05	51002002	21010101	70131	2101		TOTAL PERSONNELCOST	24,183,808.06			
TOTAL SOCIAL SECTOR							239,554,500.28			
TOTAL FOR ALL SECTORS							463,262,696.34			
ADJUSTMENT :										
PAYEE							15,566,129.22			
PAYEE (POLITICAL OFFICE							4,096,200.00			
UNION DUES							23,748,811.85			
NHF(2,5%)							3,431,441.97			
EMIRATE COUNCIL							98,622,291.00			
PRIMARY EDUCATION							344,912,949.57			
TOTAL PERSONNEL COST FOR ALL SECTORS							953,640,519.95			

Note 4: Overhead Cost

ADMINISTRATIVE SECTOR											
OFFICE OF THE CHAIRMAN											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11001001	22020101	70111	2101		2	Travel & Transport	4,040,000.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	-			
01	11001001	22020402	70111	2101		6	Maintenance of office	830,000.00			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	-			
01	11001001	22020701	70111	2101		8	Consultancy Services	-			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	15,165,673.34			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	5,210,200.00			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	17,508,124.66			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	53,534,300.00			
							TOTAL	96,288,298.00			
THE COUNCCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	3,459,500.00			
01	12003001	22020201	70111	2101		3	Utility Services	1,827,100.00			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	-			
01	12003001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	6,693,500.00			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles andCapital assets	-			
01	12003001	22020701	70111	2101		8	Consultancy Services	-			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	14,693,900.00			
01	12003001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	150,000.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	1,390,500.00			
							TOTAL	28,214,500.00			

OFFICE OF THE SECRETARY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11013001	22020101	70111	2101		2	Travel & Transport	3,638,000.00			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	-			
01	11013001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	550,000.00			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	-			
01	11013001	22020701	70111	2101		8	Consultancy Services	-			
01	11013001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11013001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11013001	22021001	70111	2101		11	Entertainment & Hospitality	122,000.00			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses				
							TOTAL	4,310,000.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	4,842,500.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	465,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of officefurniture & equipment	-			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	-			
01	25001001	22020701	70131	2101		8	Consultancy Services	-			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	1,070,000.00			
01	25001001	22020501	70131	2101		10	Training and staff Development	1,750,000.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	147,800.79			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	2,130,000.00			
							TOTAL	10,405,300.79			
							TOTAL ADMIN MINISTIES	139,218,098.79	-	-	-

ECONOMIC SECTOR											
FINANCE AND SUPPLY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	20001001	22020101	70112	2101		2	Travel & Transport	2,945,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	12,050,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	7,666,000.00			
02	20001001	22020701	70112	2101		8	Consultancy Services	10,000,000.00			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	47,000,256.45			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	1,272,074.55			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	260,000.00			
							TOTAL	81,193,331.00			
BUDGET;PLANNING & RESEARCH											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	38001001	22020101	70112	2101		2	Travel & Transport	-			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	-			
02	38001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	38001001	22020701	70112	2101		8	Consultancy Services	-			
02	38001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	38001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	38001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	-			
							TOTAL	-			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	1,175,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	2,172,900.00			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	100,000.00			
02	34001001	22020402	70451	2101		6	Maintenance of officefurniture & equipment	100,000.00			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	3,334,000.00			
02	34001001	22020701	70451	2101		8	Consultancy Services	-			
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	2,020,000.00			
02	34001001	22020501	70451	2101		10	Short term Training and Consultancy	-			
02	34001001	22021001	70451	2101		11	Entertament & Hospitality	-			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	130,000.00			
							TOTAL	9,031,900.00			
AGRICULTURE AND NATURAL RESURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	700,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	-			
02	15001001	22020402	70421	2101		6	Maintenance of officefurniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	-			
02	15001001	22020701	70421	2101		8	Consultancy Services	-			
02	15001001	22040109	70421	2101		9	Grants, Contributions & Subventions	-			
02	15001001	22020501	70421	2101		10	Training and staff Development	-			
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	100,000.00			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	375,000.00			
							TOTAL	1,175,000.00			
							TOTAL ECONOMIC SECTOR MINISTRY	91,400,231.00	-	-	-

SOCIAL SECTOR											
ADULT EDUCATION											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	17001001	22020101	70922	2101		2	Travel & Transport	760,000.00			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	50,000.00			
05	17001001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	826,500.00			
05	17001001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	17001001	22020701	70922	2101		8	Consultancy Services	-			
05	17001001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	17001001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	1,315,000.00			
							TOTAL	2,951,500.00			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport	910,000.00			
05	51003001	22020201	70922	2101		3	Utility Services	-			
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	51003001	22020301	70922	2101		5	Stationary	-			
05	51003001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	51003001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51003001	22020701	70922	2101		8	Consultancy Services	-			
05	51003001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	51003001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	51003001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	292,000.00			
							TOTAL	1,202,000.00			

PRIMARY HEALTH CARE											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	21001001	22020101	70731	2101		2	Travel & Transport	700,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	-			
05	21001001	22020402	70731	2101		6	Maintenance of officefurniture & equipment	-			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	-			
05	21001001	22020701	70731	2101		8	Consultancy Services	-			
05	21001001	22020501	70731	2101		10	Training and staff Development	-			
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	400,000.00			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	873,000.00			
							TOTAL	1,973,000.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	870,000.00			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	-			
05	51002002	22020402	70180	2101		6	Maintenance of officefurniture & equipment	-			
05	51002002	22020401	70180	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51002002	22020701	70180	2101		8	Consultancy Services	-			
05	51002002	22040109	70180	2101		9	Grants, Contribution & Subvention	-			
05	51002002	22020501	70180	2101		10	Training and staff Development	-			
05	51002002	22021001	70180	2101		11	Entertainment & Hospitality	-			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	-			
							TOTAL	870,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	6,996,500.00	-	-	-
							TOTAL FOR ALL SECTORS	237,614,829.79	-	-	-

Note 5: Consolidated Revenue Charges

A-- PENSION AND GRATUITIES STATUTORY BOARD MINNA										
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	DETAILS	ACTUAL EXPENDITURE	APPROVED	REVISED BUDGET	VARIANCE ON REVISED BUDGET
01	25001001	22010102	70131	02101		Pension Statutory	30,826,108.98			
01	25001001	22010101	70131	02101		Gratuity Statutory				
01	25001001	22010103	70131	02101		Additional Pension	40,753,704.65			
01	25001001	22010104	70131	02101		Gratuity to contract officers				
01	25001001	22010105	70131	02101		142% Pension arrears	-			
01	25001002	22020902	70132	02102		Insurance Premium	-			
01	25001001	22010106	70131	02101		Acturial Valuation	-			
01	25001001	22010107	70131	02101		Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-			
						Deceased 3rd Annual Emolument (CPS)	-			
						TOTAL	71,579,813.63			
B--STATUTORY OFFICERS SALARY						STATUTORY OFFICERS SALARY	-			
						TOTAL CRF	71,579,813.63			

Note 6: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,600,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	8,300,000.00
TOTAL	25,100,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	705,803,090.53
TOTAL CONTRIBUTIONS	734,603,090.53

-

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECONOMIC	FUNCTION	PROGRAMME	FUND	GEO CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2018	2018 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
01	11033001	23010122	70722	010400009616	03005			TOWN AND COUNTRY PLANNING	7,910,000.00			
ADMINISTRATIVE SECTOR												
1	11033001	23010122	70722	010400009616	03005			GENERAL ADMIN	6,600,000.00			
1	11033001							REPAIR OF HOUSES	7,410,000.00			
1	11033001							FIE SRVICE	2,700,000.00			
								TOTAL FOR ADMIN SECTOR	16,710,000.00			
ECONOMIC SECTOR												-
								CONST OF MARKET	4,490,000.00			
								AGRIC	2,100,000.00			
								ELECTRIFICATION	18,500,000.00			
								TOWN PLANING	1,903,000.00			
								RODS & BRIDGES	10,550,000.00			
2								ECONOMIC SECTOR TOTAL	37,543,000.00	-	-	-
SOCIAL SECTOR												-
5			70422	70900002606	03005			SOCIAL DEVL.P.	6,200,000.00			
								SOCIAL SECTOR TOTAL	6,200,000.00	-	-	-
								TOTAL FOR ALL SECTORS	60,453,000.00			#REF!

Note 9: Closing Cash Book/Bank Balances as at 31st December, 2019

ACCOUNT TYPE		AMOUNT
BANK		6,790,165.10
TOTAL		6,790,165.10
OVERDRAWN ACCOUNTS:		
BANK		520,851.43
TOTAL		520,851.43
FIXED DEPOSIT ACCOUNTS		
TOTAL		-

Note 10: Investment

INVESTMENTS				
Investments in Companies				
	STOCK	HOLDING	PRICE	MARKET VALUE(N)
	TOTAL INVESTMENT			-

Note 11: Development Loan Stock

List the Loans	Balance as at 01/01/2019	ADDITIONAL LOAN	PRINCIPAL REPAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	BALANCE ON PRINCIPAL
BANK LOAN						
TOTAL						

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS		AMOUNT
5% TAX		5,279,903.54
5% VAT		8,476,560.67
COOPERATIVE DEDUCTIONS		2,977,405.90
TOTAL		16,733,870.11

**MANAGEMENT REPORT ON AUDITED
ANNUAL FINANCIAL STATEMENT FOR THE
YEAR ENDED 31ST DECEMBER, 2018**

1. SCOPE OF THE AUDIT

The Accounts and Records maintained by Rafi Local Government Council and Financial Statement produced for audit in respect of the year ended 31st December, 2018 have been examined and all the information that were provided and gathered in respect of monies received and expended have been certified. All the books of account from the book of original entry, General ledger to subsidiary ledger were checked and certified by our team.

2.0 GENERAL STATE OF ACCOUNTS AND RECORD KEEPING

The pattern and manner of keeping and rendering accounting books and records as observed in the Local Governments Councils were inadequate as highlighted in this report and are stated below:

- Most of the payment vouchers raised were not having documentary evidences to justify the payments made.
- Most of the purchases made lacked essential documentary evidence such as Receipt Vouchers, and Store Issue Vouchers which shows that they were not supplied or supplied but not taken charge.
- In some cases, approvals in respect of expenditure incurred were not presented for audit.
- Deductions made for WHT and VAT were in some cases not remitted to the appropriate tax authorities within time.
- Some payment vouchers were not checked and passed by the Internal Audit Unit.
- Absence of signatures of relevant parties to Payment Vouchers.

- Lack of adequate budgetary discipline.
- Non-maintenance of Fixed/Moveable Asset register.

2.1 GENERAL RECOMMENDATION

- All Directors should ensure that they maintain their Departmental Vote Expenditure Account Books and reconcile same monthly.
- All supplies made to Departments should be received from the suppliers in the presence of the Internal Auditor, for certification of the prime, completeness, and validity of the goods supplied.
- All payment vouchers must contain authenticated documents duly signed by the respective officials and the supplier.
- No payment vouchers should be entertained by the Internal Auditor if it is not accompanied with Departmental Vote Expenditure Account Book (D.V.E.A) and Departmental Payment Voucher Register (D.P.V.R) in order to avoid over expenditure and omission of some payment vouchers and posted into D.V.E.A. Book.
- No voucher should be paid by the Cashier without being certified by the Internal Auditor and duly checked and passed by the Treasurer.
- Copies of contract awards documents must be sent to the office of the Internal Auditor for his awareness and record purposes.
- Payment for contract awards, being it part payment, must be accompanied with photocopies of the council's approval and award of contract forms. Final payment must be accompanied with the original copies of the contract agreement form and relevant supporting documents for payment.

- Appointment of employees, resignation of appointment, termination of appointment, retirement from service, suspension from work, dismissal from service and deaths should be notified to the Internal Auditor immediately.
- All expenditure account books must be promptly reconciled with the treasury books to maintain efficiency and accountability.
- Rubber Stamp marked “ENTERED INTO VOTE BOOK” should be impressed on any payment sent to the Treasury to ensure that the voucher has been entered into Vote Book.
- Tell Book should equally be maintained by the Cashier for the purpose of Daily Cash Balance or the day’s taking to ascertain the liquid cash available at the close of each day’s business transactions after balancing up the Revenue and Expenditure cash Book for the day.
- The Revenue Staff (Collectors) should ensure that all revenue earning books are returned to the officer in charge after they have completely been used off.
- Store Officers should ensure that they keep all records up-to-date should the Internal Auditor will be going round to check and examine the accounts.
- A Job Cost Book should be kept in the Works Department on form **LGT 97 (F.M. 33.6)**.

3. REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Rafi Local Government Council for the year ended 31st December 2018 is shown in the table 1 below.

Table 1: Breakdown of revenues and Expenditures

TOTAL REVENUE		AMOUNT ₦	%
	Internally Generated Revenue	9,327,749.13	0.45
	Statutory Allocation	2,068,688,139.12	99.55
TOTAL		2,078,015,888.25	100.00
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	953,640,519.95	45.78
	Overhead Cost	237,614,829.79	11.40
	Consolidated Revenue Fund Charges	71,579,813.63	3.44
•	Contributions	734,603,090.53	35.27
•	Other Operating Activities	-	
•	Other Transfers	25,100,000.00	<u>1.20</u>
•	Capital Expenditures	60,453,000.00	<u>2.91</u>
TOTAL		2,082,991,253.90	<u>100.00</u>

3.1 REVENUE

The sum of ₦2,078,015,888.25 accrued to Rafi Local Government Councils as total receipts for the year ended 31st December 2018.

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Rafi Local Government Council amounted to ₦9327,749.13 only for the year ended 31st December 2018 which represents 0.45 % of the total accrued revenue of ₦2,078,015,888.25. This shows that the council solely depend on statutory allocation from the Federation Account for survival. This could result to non-survival of the Council if there is a decline of revenue from the Federation Account.

I advised the Local Government Council to take the following measures to boost their internally generated revenue collection.

- Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- Control over issuance of revenue receipts
- Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.

3.1.2 STATUTORY ALLOCATION

The sum of ₦2,068,688,139.12 was disbursed to Rafi Local Governments Council for the year under review. Statutory allocation comprises VAT, Excess Crude and Statutory Allocation etc. The reporting framework provides that each revenue class is reported separately in the financial statements and the notes thereto.

It was, however, noted that these classes of revenue are only identified at the Ministry for Local Government (Joint Account) while the disbursements to Local Government Councils are only classified as Statutory Allocation.

This makes it difficult to trace and account for each revenue classes at the Local Government Council level and possibly reconciliation of disbursement from the Federation Account and the receipts by the Local Government Council.

I advised the Ministry for Local Governments to share with the Local Government councils the breakdown of revenues from the Federation Accounts to ensure that they are correctly reported by the Councils.

3.2 CASH AND BANK BALANCES

The total cash balances stood at ₦0.00 in respect of Rafi Local Government Council at the end of the financial year ended 31st December 2018.

While the total bank balances stood at ₦6,790,165.10 in respect of Rafi Local Government Council as at the end of the financial year ended 31st December 2018

4. INTERNAL CONTROL

During the course of our audit exercise, it was observed that despite reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued. The non-compliance was evidenced by the Payment Vouchers been prepared and paid out without being endorsed by the Internal Audit Units, the non-endorsement of Officer Controlling the Vote, and Checks by the respective accounting Officers.

Also evidenced is lack of Asset Register to ascertain the Assets, their Condition, their Location and values of such assets. And all efforts made by my Office to ensure the maintenance of the Register are not encouraging.

In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that henceforth all Payment Vouchers raised are passed through Internal Audit Unit for certification before such payment are effected and equally ensure the maintenance of Asset Register before my next audit.

4.1 RECOMMENDATION

- It is recommended that the Internal Control System in existence has to be strengthened, proper record keeping and documentation of all financial transactions so as to enhance proper accountability.

5. BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦9,327,749.13 was generated as Internally Generated Revenue which represents 57.75% when compared with the total budgeted Internally Generated Revenue amounting to ₦16,153,000.00 during the year under review. This is a fairly performance.

5.1 RECOMMENDATION

- It is recommended that preparation of cash flow statement should be adequately monitored to reduce the unnecessary expenditure on overhead and given priority to project execution.
- More efforts should be made so as to attain the target set on revenue generation internally in the next financial year. This will reduce over dependence of the Council on Statutory Allocation from Federation Accounts which is no longer attainable.

6. PERSONNEL COST

It was observed that the total sum of ₦953,640,829.79 and ₦515,384,021.65 was spent as total personnel cost for the year 2018 and 2017 respectively with an increase of ₦438,256,808.14 over the previous year. This is as a result of salary increased made by the state government during the year under review.

7. CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No 5 of Revenue and Expenditure revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦894,255,967.00 and only the sum of ₦60,453,000.00 representing 7.41% was spent leaving the balance of ₦833,802,967.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	314,445,706.00	16,710,000.00	297,735,706.00
02	Economic Sector	322,813,261.00	37,543,000.00	285,270,261.00
05	Social Sector	256,997,000.00	6,200,000.00	250,797,000.00
TOTAL		894,255,967.00	60,453,000.00	833,802,967.00

7.1 RECOMMENDATION

- It is recommended that the previous statistical data should be used in the preparation of a reliable budget that could be attainable.
- Also, Capital projects should be encouraged and priority should be given to its execution as it has direct bearing to the grass roots development.

8. PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No. 3 revealed that the Total Revenue stood at ₦2,078,015,888.25 with a Total Expenditure of ₦2,082,991,253.9 and close with a surplus balance of (₦4,975,365.65) This is an unhealthy statement of account.

9.0 DEPOSITS

Deposits comprise statutory deductions which relate to contracts awarded (Value Added Tax (VAT) and Withholding Tax (WHT)) and employment which are deducted at source by the Local Government Council and are supposed to be remitted to the relevant tax collecting bodies in accordance with relevant legislation. I observed that a total of ₦16,733,870.11 stood as outstanding consolidated deposit balances as at the end of the period under review. Table below shows the list of the outstanding deposits as at 31st December 2018.

Outstanding deductions as at 31 December 2018.

DETAILS	AMOUNT ₦
5% VAT	8,476,560.67
5% Withholding Tax	5,279,903.54
Cooperatives	2,977,405.90
1% Stamp Duty Charges	=
TOTAL	16,733,870.11

From the above table, the Councils recorded outstanding VAT amounting to ₦8,476,560.67 and WHT of ₦5,279,903.54 as at 31st December, 2018.

Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that the outstanding balance may be deducted from the Statutory allocations due to the Councils and in addition the councils may be fined and penalized for delayed remittance and hence affect the amount of money meant for developmental activities.

I advised the Local Government Councils to take steps to remit the outstanding deductions to the relevant authorities as a matter of urgency to avoid fines and penalties. I also advised the councils comply with the legislation in regard to future deductions.

10. OUTSTANDING AUDIT INSPECTION

AGX/FO.18/TA/MSG/VOL.1

Dated: 29th July, 2019

(i) Payment made without council chairman approval	2,180,000.00
(ii) Unreceipted payment vouchers	8,334,995.95
(iii) Outstanding revenue Receipt	87,000.00
(iv) Payment made without supporting documents	6,952,954.00
(v) Payment made without payment vouchers	13,218,285.00
(vi) Over payment made to the contractor (Afrium Company Nigeria Limited) For the construction of Ultramodern town hall	5,110,761.00

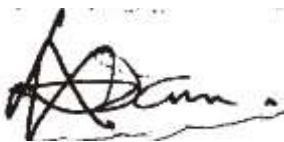
10.1 REQUIRED

The council is required to response to the outstanding Inspection Report or else necessary action and sanction will be taken.

11. CONCLUSION

We wish to use this medium to express our appreciation to the Chairman and the entire staff of Local Government for the cooperation given to the staff of this Office to carry out the Audit exercise.

It is our sincere hope that you would not hesitate to contact this Office for further clarification and explanations you might require in connection with the Audited Annual Financial Statement and Management Reports.



LAWAL ADAMU

*Director Statutory and Special Operations,
For: Auditor General*

NIGER STATE OF NIGERIA

**RIJAU LOCAL GOVERNMENT COUNCIL
RIJAU**

**AUDITED ACCOUNTS
FOR
THE YEAR ENDED
31ST DECEMBER 2018**

**AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
P. M. B. 53, MINNA
NIGER STATE**

PERSONALITY PROFILE

S. FINANCIAL STATEMENT

Statement of Financial Responsibility

Council Officials

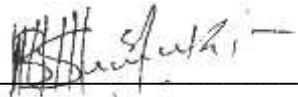
Auditor General's Opinion

T. AUDIT REPORT

- Cash Flow Statements
- Statement of Assets & Liabilities
- Statement of Consolidated Revenue Funds
- State of Capital Development Funds
- Notes to the Accounts.
- Statement of Accounting Policies
- Scope of Audit
- General State of Accounts and Records Keeping
- General Recommendation
- Review of Financial Statement
- Internal Control
- Budgetary Control
- Personnel Cost
- Capital Expenditure
- Performance of Operation Activities
- Deposits
- Outstanding Audit Inspection
- Conclusion

STATEMENT OF FINANCIAL RESPONSIBILITY

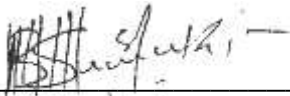
These Financial Statements have been prepared by the Treasurer of Rijau Local Government Council in accordance with the provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements complied with generally accepted accounting practices. The Treasury is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper records, the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of Internal Control has operated adequately throughout the reporting period.



Treasurer

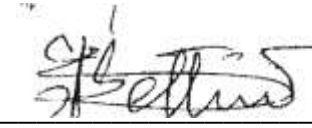
31st December, 2018

We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended. In our opinion, these financial statements fairly reflect the financial position of Rijau Local Governments as at 31st December, 2018 and its operations for the year ended on the date.



Treasurer

31st December, 2018



Chairman

31st December, 2018

COUNCIL OFFICIALS

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Mallam Alhaji Bello Bako Executive Chairman

Honourable Abdullahi Yakubu Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:	DEPARTMENTS	DESIGNATION
Mall. Abubakar M. Damana	Personnel Management	H. O. D
Alhaji Bello Sule Shamaki	Finance and Supply	H. O. D
Larai Usman	Primary Health Care	H. O. D
Isyaku Adamu	Agriculture and Natural Resources	H. O. D
Mallam Ahmed Salka	Works and Housing	H. O. D
Abubakar Bama	Budget and Planning	H. O. D
Barau A. Rijau	Social Development	H. O. D

- **BANKERS**

First Bank Plc.

Gulfare Micro Finance Bank

UBA Plc.

ADDRESS

Rijau Branch

Rijau Branch

Kontagora Branch

- **AUDITORS**

Auditor General

Office of the Auditor General for Local Governments

P.M.B. 53 Minna,

Niger State.

AUDITOR GENERAL'S OPINION

I have examined the financial statement which have been prepared in accordance with standardized Local Government Treasury Procedures, Financial Memoranda and Circular guidelines. I obtained all information and explanations which I requested for the purpose of my Audit.

In my opinion, the accounts readable in conjunction with notes subject to the issues raised in the management report issued separately with this account gives a true and fair view of affairs of the Council as at 31st December, 2018 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.



Ibrahim Ahmed, B. Sc, MPA, FCNA, FCTI, CPA
Auditor General for Local Governments

1: Cash Flow Statement for the Year Ended 31st December, 2018

ANNUAL BUDGET 2018		NOTES	ACTUAL YEAR 2018	PREVIOUS YEAR 2017
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,301,192,760.00	Statutory Allocations:FAAC	1	1,688,867,237.60	
	Value Added Tax Allocation	1		
1,301,192,760.00	Sub-total - Statutory Allocation		1,688,867,237.60	
674,053.00	Direct Taxes	2	180,000.00	
2,500,000.00	Licences & FEES	2	1,206,680.00	
	Mining Rents:	2		
300,000.00	RATES	2	40,000.00	
	Fees:	2		
	Fines	2		
	Sales	2		
2,600,000.00	Earnings :	2	2,936,440.00	
1,125,947.00	Sales/Rent of Government Buildings:	2	626,850.00	
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
594,841.00	Interest Earned	2		-
	Re-imbusement	2		-
	MISELLANEOUS	2	-	-
7,794,841.00	Sub-total - Independent Revenue			
	Other Revenue Sources of the -Government	3		
1,308,987,601.00	TOTAL INDEPENDANT REVENUE		4,989,970.00	
	Commercial Bank Loan		-	
	TOTAL RECEIPTS		1,693,857,207.60	
	Payments:			
623,329,003.00	Personnel Costs	3	888,156,483.03	
170,000,000.00	Overhead Charges:	4	155,456,763.62	-
	Consolidated Revenue Fund Charges .	5	62,412,734.65	-
	contributions	7	560,250,854.22	-
	Other Operating Activities		-	
	Financial Charges		-	
	Other Transfers	6	25,100,000.00	
793,329,003.00	Total Payments		1,691,376,835.52	
515,658,598.00	Net Cash Flow from Operating Activities		2,480,372.08	

	CashFlows from Investment Activities:			
	Capital Expenditure:Administrative Sector:	8	1,500,000.00	
	Capital Expenditure: Economic Sector:	8	3,000,000.00	
	capital expenditure: Social Service Sector:	8	14,050,000.00	
720,705,929.00	Capital Expenditure: Funded from Aid and Grants:		-	
	Total Cash Flow from Investment Activities:		18,550,000.00	
	Net Cash Flow from Investment Activities:		(16,069,627.92)	
	CashFlows from Financing Activities:			
	Proceeds from Aid and Grants		-	
	Proceeds from ExternaL Loan :		-	
	Proceeds from Internal Loans: Bonds :		-	
	Proceeds from Development loan stock		-	
	Proceeds of Loans from Other Funds		-	
	Repayment of External Loans (Including Servicing)		-	
	Repayment of Treasury Bonds :		-	
	Repayment of Loans from Development loan stock		-	
	Repayment of Loans from Other Funds	11	-	
	Total Cash Flow from Financing Activities:		-	
	Net Cash Flow from Financing Activities:		(16,069,627.92)	
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	
	Net (Increase)/Decrease in Other Cash Equivalents:		-	
	Total Cashflow from other Cash equivalent Accounts		-	
	Net Cash for the year		(16,069,627.92)	
	Cash & Its Equivalent as at 1st January, 2018		16,144,250.44	
	Cash & Its Equivalent as at 31st December, 2018	9	74,622.52	

2: Statement of Assets and Liabilities as at 31st December, 2018

	NOTES	CURRENT YEAR 2018	PREVIOUS YEAR 2017
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash at Hand		950.00	
CASH AT BANK	9	73,672.52	
TOTAL LIQUID ASSETS		74,622.52	950.00
			73,672.52
NON CURRENT ASSETS:			74,622.52
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	
TOTAL ASSETS		74,622.52	
LIABILITIES OVER ASSETS		5,267,323.64	
TOTAL		5,341,946.16	
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	74,622.52	
Capital Development Fund:		-	
TOTAL PUBLIC FUNDS		74,622.52	
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	-	
		-	
TOTAL EXTERNAL AND INTERNAL LOANS		-	
OTHER LIABILITIES			
UNREMITTED DEDUCTIONS			
PAYE	12	1,306.83	
NULGE Dues	12	63,575.78	
Withholding Tax	12	2,136,824.21	
Pension Allowance	12	220,667.42	
VAT	12	2,840,924.21	
7.5% Pension Contribution	12	4,025.19	
TOTAL LIABILITIES		5,267,323.64	
TOTAL LIABILITIES AND PUBLIC FOUNDS		5,341,946.16	

3: Statement of Consolidated Revenue for the year ended 31st December, 2018

ACTUAL PREVIOUS YEAR 2017		NOTES	ACTUAL YEAR 2018	FINAL BUDGET 2018	INITIAL/ORIGINAL BUDGET 2018
N			N	N	N
	Opening Balance:		16,144,250.44		
	ADD: REVENUE				
	Statutory Allocations:FAAC	1	1,688,867,237.60	1,301,192,760.00	
	Value Added Tax Allocation	1	-		
	Sub-Total - Statutory Allocation		1,688,867,237.60	1,301,192,760.00	
	Direct Taxes	2	180,000.00	674,053.00	
	Licences	2	1,206,680.00	2,500,000.00	
	RATES	2	40,000.00	300,000.00	
	Fees:	2	-		
	Fines	2	-		
	Sales	2	-		
	Earnings :	2	2,936,440.00	2,600,000.00	
	Sales/Rent of Government Buildings:	2	626,850.00	1,125,947.00	
	Sale/Rent on Lands and Others:	2	-		
	MISCELLANEOUS	2	-		
	Investment Income	2	-		
	Interest Earned	2	-	594,841.00	
	Re-Imbursements	2	-		
	Sub-Total - Independent Revenue		4,989,970.00	7,794,841.00	
	Other Revenue Sources of the ---Government		-		
	TOTAL REVENUE:		1,710,001,458.04	1,308,987,601.00	
	LESS:EXPENDITURE				
	Personnel Costs:	3	888,156,483.03	623,329,003.00	
	Overhead Charges:	4	155,456,763.62	170,000,000.00	
	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	62,412,734.65		
	contributions	7	560,250,854.22		
	Other Operating Activities		-		
	Financial Charges.		-		
	Other Transfers	6	25,100,000.00		
	TOTAL EXPENDITURE:		1,691,376,835.52	793,329,003.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
	Repayments:External Loans:States			-	
	Repayments:States Bonds.			-	
	Repayments:Development Loan Stock			-	
	Repayments:Internal Loans from Other Funds	11		-	
	TOTAL EXPENDITURE:			-	
	OPERATING BALANCE:			18,624,622.52	
	APPROPRIATIONS/TRANSFERS:				
	Transfer to Capital Development Fund:			18,550,000.00	720,705,929.00
	Closing Balance:			74,622.52	

4: Statement of Capital Development Fund for the year ended 31st December, 2018

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2017			EXPENDITURE 2018	BUDGET 2018	BUDGET 2018	BUDGET 2018
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
	Transfer from Consolidated Revenue Fund:		18,550,000.00	720,705,929.00		
	Aid and Grants		-			
	TOTAL REVENUE AVAILABLE:		18,550,000.00	720,705,929.00		
	LESS: CAPITAL EXPENDITURE					
	Capital Expenditure:Administrative Sector:	10	1,500,000.00			
	Capital Expenditure: Economic Sector:	10	3,000,000.00			
	Capital Expenditure: Social Service Sector:	10	14,050,000.00			
	Capital Expenditure: Funded from Aid and Grants:		-			
	TOTAL CAPITAL EXPENDITURE:		18,550,000.00	720,705,929.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2018

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₦	₦
Net Share of Statutory Allocation from FAAC	A	652,971,213.31	
Add :Deduction at source for Loan Repayment	B	1,035,896,024.29	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			1,688,867,237.60
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₦	₦	₦
TAXES	180,000.00		
RATES	40,000.00		
LINCENCES & FEES	1,206,680.00		
EARNING FROM COMMERCIAL UNDERTAKING	2,936,440.00		
RENT ON LOCAL GOVERNMENT PROPERTY	626,850.00		
MISELLANEOUS	-		
TOTAL I G R	4,989,970.00		

Note 3: Personnel Cost

ADMINISTRATIVE SECTOR										
SECTOR	Admin	Economic	Function	Fund	GEO CODE		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
OFFICE OF THE CHAIRMAN										
01	11001001	21010101	70111	2101		TOTAL PERSONNEL COST	51,945,246.05			
THE COUNCCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	29,570,225.41			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	2,334,601.36			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	32,545,563.12			
TOTAL ADMIN SECTOR							116,395,635.94			
ECONOMIC SECTOR										
Sector	Admin	Economic	Function	Fund			ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	46,051,462.57			
							-			
BUDGET;PLANNING & RESEARCH							-			
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	-			
							-			
WORKS & HOUSING							-			
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	36,412,963.67			
							-			
AGRICULTURE AND NATURAL RESURCES							-			
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	34,536,111.26			
TOTAL ECONOMIC SECTOR							117,000,537.50			

SOCIAL SECTOR									
Sector	Admin	Economic	Function	Fund		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
ADULT EDUCATION									
05	17001001	21010101	70960	2101	TOTAL PERSONNEL COST	33,663,495.72			
						-			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	213,970,073.19			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	18,994,305.26			
TOTAL SOCIAL SECTOR						266,627,874.17			
TOTAL FOR ALL SECTORS						500,024,047.61			
ADJUSTMENT :									
PAYEE						17,454,710.66			
PAYEE (POLITICAL OFFICE						4,096,200.00			
UNION DUES						23,130,645.67			
NHF(2,5%)						3,635,182.86			
EMIRATE COUNCIL						40,179,250.08			
PRIMARY EDUCATION						299,636,446.15			
TOTAL PERSONNEL COST FOR ALL SECTORS						888,156,483.03			

Note 4: Overhead Cost

ADMINISTRATIVE SECTOR											
OFFICE OF THE CHAIRMAN											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11001001	22020101	70111	2101		2	Travel & Transport	25,178,436.62			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	1,050,000.00			
01	11001001	22020402	70111	2101		6	Maintenance of office	250,495.00			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	-			
01	11001001	22020701	70111	2101		8	Consultancy Services	-			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	9,503,000.00			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	22,022,000.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	40,826,000.00			
							TOTAL	98,829,931.62			
THE COUNCCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	7,245,000.00			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	-			
01	12003001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	5,155,447.00			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles andCapital assets	-			
01	12003001	22020701	70111	2101		8	Consultancy Services	-			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	12003001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	2,330,000.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	5,685,000.00			
							TOTAL	20,415,447.00			

OFFICE OF THE SECRETARY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11013001	22020101	70111	2101		2	Travel & Transport	2,570,000.00			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	-			
01	11013001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	5,200,495.00			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	-			
01	11013001	22020701	70111	2101		8	Consultancy Services	-			
01	11013001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11013001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11013001	22021001	70111	2101		11	Entertainment & Hospitality	700,000.00			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	-			
							TOTAL	8,470,495.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	2,340,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	-			
01	25001001	22020402	70131	2101		6	Maintenance of officefurniture & equipment	480,000.00			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	-			
01	25001001	22020701	70131	2101		8	Consultancy Services	-			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	-			
01	25001001	22020501	70131	2101		10	Training and staff Development	-			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	-			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	250,000.00			
							TOTAL	3,070,000.00			
							TOTAL ADMIN MINISTIES	130,785,873.62			

ECONOMIC SECTOR											
FINANCE AND SUPPLY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	20001001	22020101	70112	2101		2	Travel & Transport	9,319,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	2,221,890.00			
02	20001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	20001001	22020701	70112	2101		8	Consultancy Services	-			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	4,290,000.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	300,000.00			
							TOTAL	16,130,890.00			
BUDGET;PLANNING & RESEARCH											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	38001001	22020101	70112	2101		2	Travel & Transport	-			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	-			
02	38001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	38001001	22020701	70112	2101		8	Consultancy Services	-			
02	38001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	38001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	38001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	-			
							TOTAL	-			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	810,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	-			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	-			
02	34001001	22020402	70451	2101		6	Maintenance of officefurniture & equipment	-			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	-			
02	34001001	22020701	70451	2101		8	Consultancy Services	-			
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	-			
02	34001001	22020501	70451	2101		10	Short term Training and Consultancy	-			
02	34001001	22021001	70451	2101		11	Entertament & Hospitality	-			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	1,000,000.00			
							TOTAL	1,810,000.00			
AGRICULTURE AND NATURAL RESURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	730,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	-			
02	15001001	22020402	70421	2101		6	Maintenance of officefurniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	-			
02	15001001	22020701	70421	2101		8	Consultancy Services	-			
02	15001001	22040109	70421	2101		9	Grants, Contributions & Subventions	-			
02	15001001	22020501	70421	2101		10	Training and staff Development	-			
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	-			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	2,000,000.00			
							TOTAL	2,730,000.00			
							TOTAL ECONOMIC SECTOR MINISTRY	20,670,890.00			

SOCIAL SECTOR											
ADULT EDUCATION											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	17001001	22020101	70922	2101		2	Travel & Transport	670,000.00			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	500,000.00			
05	17001001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	17001001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	17001001	22020701	70922	2101		8	Consultancy Services	-			
05	17001001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	17001001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	450,000.00			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	1,620,000.00			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport	-			
05	51003001	22020201	70922	2101		3	Utility Services	-			
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	51003001	22020301	70922	2101		5	Stationary	-			
05	51003001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	51003001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51003001	22020701	70922	2101		8	Consultancy Services	-			
05	51003001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	51003001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	51003001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	-			

PRIMARY HEALTH CARE											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	21001001	22020101	70731	2101		2	Travel & Transport	1,560,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	-			
05	21001001	22020402	70731	2101		6	Maintenance of officefurniture & equipment	-			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	-			
05	21001001	22020701	70731	2101		8	Consultancy Services	-			
05	21001001	22020501	70731	2101		10	Training and staff Development	-			
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	-			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	-			
							TOTAL	1,560,000.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	600,000.00			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	-			
05	51002002	22020402	70180	2101		6	Maintenance of officefurniture & equipment	-			
05	51002002	22020401	70180	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51002002	22020701	70180	2101		8	Consultancy Services	-			
05	51002002	22040109	70180	2101		9	Grants, Contribution & Subvention	-			
05	51002002	22020501	70180	2101		10	Training and staff Development	-			
05	51002002	22021001	70180	2101		11	Entertainment & Hospitality	-			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	220,000.00			
							TOTAL	820,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	4,000,000.00			
							TOTAL FOR ALL SECTORS	155,456,763.62			

Note 5: Consolidated Revenue Charges

A-- PENSION AND GRATUITIES STATUTORY BOARD MINNA										
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	DETAILS	ACTUAL EXPENDITURE	APPROVED	REVISED BUDGET	VARIANCE ON REVISED BUDGET
01	25001001	22010102	70131	02101		Pension Statutory	33,005,126.64			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	29,407,608.01			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	-			
01	25001002	22020902	70132	02102		Insurance Premium	-			
01	25001001	22010106	70131	02101		Acturial Valuation	-			
01	25001001	22010107	70131	02101		Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-			
						Deceased 3rd Annual Emolument (CPS)	-			
						TOTAL	62,412,734.65			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	62,412,734.65			

Note 6: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,600,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	8,300,000.00
TOTAL	25,100,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	531,450,854.22
TOTAL CONTRIBUTIONS	560,250,854.22

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR													
SECTOR	ADMIN	ECONOMIC	FUNCTION	PROGRAMME		FUND	GEO CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2018	2018 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616		03005			OFFICIAL VEHICLE	1,500,000.00			
1	11033001									-			
1	11033001									-			
									TOTAL FOR ADMIN SECTOR	1,500,000.00			
ECONOMIC SECTOR													-
2	20001001					03005			WATER RESOURCES	3,000,000.00			
2										-			-
2									ECONOMIC SECTOR TOTAL	3,000,000.00	-	-	-
													-
SOCIAL SECTOR													-
5			70422	70900002606		03005			RURAL ELECTRIFICATION	1,300,000.00			
									COMMUNITY AND SOCIAL DEVEP.	5,350,000.00			
									CONSTRUCTION OF TOWNHALL	2,000,000.00			
									CONSTRUCTION OF LOCK-UP STORE	5,400,000.00			
									SOCIAL SECTOR TOTAL	14,050,000.00	-	-	-
									TOTAL FOR ALL SECTORS	18,550,000.00			

Note 9: Closing Cash Book/Bank Balances as at 31st December, 2019

ACCOUNT TYPE		AMOUNT
FIRST BANK RIJAU		73,672.52
GULFARE MFB RIJAU		973.00
TOTAL		74,645.52

Note 10: Investment

INVESTMENTS				
Investments in Companies				
	STOCK	HOLDING	PRICE	MARKET VALUE(N)
	TOTAL INVESTMENT			-

Note 11: Development Loan Stock

List the Loans	Balance as at 01/01/2019	ADDITIONAL LOAN	PRINCIPAL REPAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	BALANCE ON PRINCIPAL
BANK LOAN						
TOTAL						

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS		AMOUNT
PAYE		1,306.83
NULGE Dues		63,575.78
Withholding Tax		2,136,824.21
Pension Allowance		220,667.42
VAT		2,840,924.21
7.5% Pension Contribution		4,025.19
TOTAL		5,267,323.64

**MANAGEMENT REPORT ON AUDITED
ANNUAL FINANCIAL STATEMENT FOR THE
YEAR ENDED 31ST DECEMBER, 2018**

1. SCOPE OF THE AUDIT

The Accounts and Records maintained by Rijau Local Government Council and Financial Statement produced for audit in respect of the year ended 31st December, 2018 have been examined and all the information that were provided and gathered in respect of monies received and expended have been certified. All the books of account from the book of original entry, General ledger to subsidiary ledger were checked and certified by our team.

2.0 GENERAL STATE OF ACCOUNTS AND RECORD KEEPING

The pattern and manner of keeping and rendering accounting books and records as observed in the Local Governments Councils were inadequate as highlighted in this report and are stated below:

- Most of the payment vouchers raised were not having documentary evidences to justify the payments made.
- Most of the purchases made lacked essential documentary evidence such as Receipt Vouchers, and Store Issue Vouchers which shows that they were not supplied or supplied but not taken charge.
- In some cases, approvals in respect of expenditure incurred were not presented for audit.
- Deductions made for WHT and VAT were in some cases not remitted to the appropriate tax authorities within time.
- Some payment vouchers were not checked and passed by the Internal Audit Unit.
- Absence of signatures of relevant parties to Payment Vouchers.

- Lack of adequate budgetary discipline.
- Non-maintenance of Fixed/Moveable Asset register.

2.1 GENERAL RECOMMENDATION

- All Directors should ensure that they maintain their Departmental Vote Expenditure Account Books and reconcile same monthly.
- All supplies made to Departments should be received from the suppliers in the presence of the Internal Auditor, for certification of the prime, completeness, and validity of the goods supplied.
- All payment vouchers must contain authenticated documents duly signed by the respective officials and the supplier.
- No payment vouchers should be entertained by the Internal Auditor if it is not accompanied with Departmental Vote Expenditure Account Book (D.V.E.A) and Departmental Payment Voucher Register (D.P.V.R) in order to avoid over expenditure and omission of some payment vouchers and posted into D.V.E.A. Book.
- No voucher should be paid by the Cashier without being certified by the Internal Auditor and duly checked and passed by the Treasurer.
- Copies of contract awards documents must be sent to the office of the Internal Auditor for his awareness and record purposes.

- Payment for contract awards, being it part payment, must be accompanied with photocopies of the council’s approval and award of contract forms. Final payment must be accompanied with the original copies of the contract agreement form and relevant supporting documents for payment.
- Appointment of employees, resignation of appointment, termination of appointment, retirement from service, suspension from work, dismissal from service and deaths should be notified to the Internal Auditor immediately.
- All expenditure account books must be promptly reconciled with the treasury books to maintain efficiency and accountability.
- Rubber Stamp marked “ENTERED INTO VOTE BOOK” should be impressed on any payment sent to the Treasury to ensure that the voucher has been entered into Vote Book.
- Tell Book should equally be maintained by the Cashier for the purpose of Daily Cash Balance or the day’s taking to ascertain the liquid cash available at the close of each day’s business transactions after balancing up the Revenue and Expenditure cash Book for the day.
- The Revenue Staff (Collectors) should ensure that all revenue earning books are returned to the officer in charge after they have completely been used off.
- Store Officers should ensure that they keep all records up-to-date should the Internal Auditor will be going round to check and examine the accounts.
- A Job Cost Book should be kept in the Works Department on form **LGT 97 (F.M. 33.6)**.

3. REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Rijau Local Government Council for the year ended 31st December 2018 is shown in the table 1 below.

Table 1: Breakdown of revenues and Expenditures.

TOTAL REVENUE		AMOUNT ₦	%
	Internally Generated Revenue	4,989,970.00	0.29
	Statutory Allocation	1,688,867,237.60	99.71
	TOTAL	1,693,857,207.60	100
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	888,156,483.03	51.94
	Overhead Cost	155,456,763.62	9.09
	Consolidated Revenue Fund Charges	62,412,734.65	3.65
•	Contributions	560,250,854.22	32.76
•	Other Operating Activities	-	-
•	Other Transfers	25,100,000.00	1.48
•	Capital Expenditures	18,550,000.00	1.08
	TOTAL	1,709,926,835.52	100

3.1 REVENUE

The sum of ₦1,693,857,207.60 accrued to Rijau Local Government Councils as total receipts for the year ended 31st December 2018.

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Rijau Local Government Council amounted to ₦4,989,970.00 only for the year ended 31st December 2018 which represents 0.29 % of the total accrued revenue of ₦1,693,857,207.60. This shows that the council solely depend on statutory allocation from the Federation Account for survival. This could result to non-survival of the Council if there is a decline of revenue from the Federation Account.

I advised the Local Government Council to take the following measures to boost their internally generated revenue collection.

- Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- Control over issuance of revenue receipts
- Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.

3.1.2 STATUTORY ALLOCATION

The sum of ₦1,688,867,237.60 was disbursed to Rijau Local Governments Council for the year under review. Statutory allocation comprises VAT, Excess Crude and Statutory Allocation etc. The reporting framework provides that each revenue class is reported separately in the financial statements and the notes thereto.

It was, however, noted that these classes of revenue are only identified at the Ministry for Local Government (Joint Account) while the disbursements to Local Government Councils are only classified as Statutory Allocation.

This makes it difficult to trace and account for each revenue classes at the Local Government Council level and possibly reconciliation of disbursement from the Federation Account and the receipts by the Local Government Council.

I advised the Ministry for Local Governments to share with the Local Government councils the breakdown of revenues from the Federation Accounts to ensure that they are correctly reported by the Councils.

3.2 CASH AND BANK BALANCES

The total cash balances stood at ₦950.00 in respect of Rijau Local Government Council at the end of the financial year ended 31st December 2018.

While the total bank balances stood at ₦73,672.52 in respect of Rijau Local Government Council as at the end of the financial year ended 31st December 2018

4. INTERNAL CONTROL

During the course of our audit exercise, it was observed that despite reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued. The non-compliance was evidenced by the Payment Vouchers been prepared and paid out without being endorsed by the Internal Audit Units, the non-endorsement of Officer Controlling the Vote, and Checks by the respective accounting Officers.

Also evidenced is lack of Asset Register to ascertain the Assets, their Condition, their Location and values of such assets. And all efforts made by my Office to ensure the maintenance of the Register are not encouraging.

In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that henceforth all Payment Vouchers raised are passed through Internal Audit Unit for certification before such payment are effected and equally ensure the maintenance of Asset Register before my next audit.

4.1 RECOMMENDATION

- It is recommended that the Internal Control System in existence has to be strengthened, proper record keeping and documentation of all financial transactions so as to enhance proper accountability.

5. BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦4,989,970.00 was generated as Internally Generated Revenue which represents 64.02% when compared with the total budgeted Internally Generated Revenue amounting to ₦7,794,841.00 during the year under review. This is a Good performance.

5.1 RECOMMENDATION

- It is recommended that preparation of cash flow statement should be adequately monitored to reduce the unnecessary expenditure on overhead and given priority to project execution.
- More efforts should be made so as to attain the target set on revenue generation internally in the next financial year. This will reduce over dependence of the Council on Statutory Allocation from Federation Accounts which is no longer attainable.
-

6. PERSONNEL COST

It was observed that the total sum of ₦888,156,483.03 and ₦425,907,201.07 was spent as total personnel cost for the year 2018 and 2017 respectively with an increase of ₦462,249,281.96 over the previous year. This is as a result of salary increase made by the state government during the year under review.

7. CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No 5 of Revenue and Expenditure revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦720,705,929.00 and only the sum of ₦18,550,000.00 representing 2.57% was spent leaving the balance of ₦702,155,929.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	196,562,970.00	1,500,000.00	195,062,970.00
02	Economic Sector	323,000,000.00	3,000,000.00	320,000,000.00
05	Social Sector	201,142,959.00	14,050,000.00	187,092,959.00
TOTAL		720,705,929.00	18,550,000.00	702,155,929.00

7.1 RECOMMENDATION

- It is recommended that the previous statistical data should be used in the preparation of a reliable budget that could be attainable.
- Also, Capital projects should be encouraged and priority should be given to its execution as it has direct bearing to the grass roots development.

8. PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No. 3 revealed that the Total Revenue stood at ₦1,693,857,207.60 with a Total Expenditure of ₦1,709,926,835.52 and close with a surplus balance of (₦16,069,627.92) This is an unhealthy statement of account.

9.0 DEPOSITS

Deposits comprise statutory deductions which relate to contracts awarded (Value Added Tax (VAT) and Withholding Tax (WHT)) and employment which are deducted at source by the Local Government Council and are supposed to be remitted to the relevant tax collecting bodies in accordance with relevant legislation. I observed that a total of ₦5,267,323.64 stood as outstanding consolidated deposit balances as at the end of the period under review. Table below shows the list of the outstanding deposits as at 31st December 2018.

Outstanding deductions as at 31 December 2018.

DETAILS	AMOUNT ₦
5% Contract VAT	2,840,924.21
5% Withholding Tax	2,136,824.21
PAYE	1,306.83
NULGE Dues	63,757.78
Pension Allowance	220,667.42
7.5% Pension Contribution	4,025.19
TOTAL	5,267,323.64

From the above table, the Councils recorded outstanding VAT amounting to ₦2,840,924.21 and WHT of ₦2,136,824.21 as at 31st December, 2018.

Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that the outstanding balance may be deducted from the Statutory allocations due to the Councils and in addition the councils may be fined and penalized for delayed remittance and hence affect the amount of money meant for developmental activities.

I advised the Local Government Councils to take steps to remit the outstanding deductions to the relevant authorities as a matter of urgency to avoid fines and penalties. I also advised the councils comply with the legislation in regard to future deductions.

10. OUTSTANDING AUDIT INSPECTION

AGX/FO.18/TA/RIJ/VOL.1

Dated:29th July, 2019

(i) Payment vouchers	2,521,000.00
(ii) Monetization of Official Vehicles to Political Office Holders	9,000,000.00
(iii) Monetization of Motorcycles (Ladies Machine)	3,470,000.00
(iv) Diversion of Project Funds	3,800,000.00
(v) Suspicious Payment of VAT and Withholding TAX	300,000.00
(vi) Payment for Abandoned Project (Tungan Magajiya Town Hall)	12,226,570.66

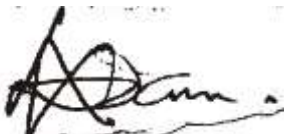
10.1 REQUIRED

The council is required to response to the outstanding Inspection Report or else necessary action and sanction will be taken.

11. CONCLUSION

We wish to use this medium to express our appreciation to the Chairman and the entire staff of Local Government for the cooperation given to the staff of this Office to carry out the Audit exercise.

It is our sincere hope that you would not hesitate to contact this Office for further clarification and explanations you might require in connection with the Audited Annual Financial Statement and Management Reports.



LAWAL ADAMU

*Director Statutory and Special Operations,
For: Auditor General*

**NIGER STATE OF NIGERIA
SHIRORO LOCAL GOVERNMENT COUNCIL**

KUTA

**AUDITED ACCOUNTS
FOR
THE YEAR ENDED
31ST DECEMBER 2018**

**AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
P. M. B. 53, MINNA
NIGER STATE**

PERSONALITY PROFILE

U. FINANCIAL STATEMENT

Statement of Financial Responsibility

Council Officials


Auditor General's Opinion

V. AUDIT REPORT

- Cash Flow Statements
- Statement of Assets & Liabilities
- Statement of Consolidated Revenue Funds
- State of Capital Development Funds
- Notes to the Accounts.
- Statement of Accounting Policies
- Scope of Audit
- General State of Accounts and Records Keeping
- General Recommendation
- Review of Financial Statement
- Internal Control
- Budgetary Control
- Personnel Cost
- Capital Expenditure
- Performance of Operation Activities
- Deposits
- Outstanding Audit Inspection
- Conclusion

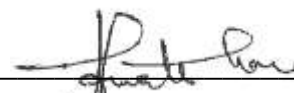
STATEMENT OF FINANCIAL RESPONSIBILITY

These Financial Statements have been prepared by the Treasurer of Shiroro Local Government Council in accordance with the provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements complied with generally accepted accounting practices. The Treasury is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper records, the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of Internal Control has operated adequately throughout the reporting period.




Treasurer
31st December, 2018

We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended. In our opinion, these financial statements fairly reflect the financial position of Shiroro Local Governments as at 31st December, 2018 and its operations for the year ended on the date.



Treasurer
31st December, 2018



Chairman
31st December, 2018

COUNCIL OFFICIALS

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Alhaji Sulaiman Chukuba
Mr. Jame Kefars

Executive Chairman
Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:

Zakari Umar
Haruna Musa Manta
Shuaibu Bawa Galkoko
Mahmuda Ali
Albert Kaura
G. Aminu Sale
Musa K. Abdullahi

DEPARTMENTS

Personnel Management
Finance and Supply
Primary Health Care
Agriculture and Natural Resources
Works and Housing
Budget and Planning
Social Development

DESIGNATION

H. O. D
H. O. D
H. O. D
H. O. D
H. O. D
H. O. D
H. O. D

- **BANKERS**

First Bank Plc
UBA Plc.
Unity Bank Plc
Bawyi Micro Finance Bank

ADDRESS

Kuta Branch
Minna Branch
Minna Branch
Gwada

- **AUDITORS**

Auditor General
Office of the Auditor General for Local Governments
P.M.B. 53 Minna,
Niger State.

AUDITOR GENERAL'S OPINION

I have examined the financial statement which have been prepared in accordance with standardized Local Government Treasury Procedures, Financial Memoranda and Circular guidelines. I obtained all information and explanations which I requested for the purpose of my Audit.

In my opinion, the accounts readable in conjunction with notes subject to the issues raised in the management report issued separately with this account gives a true and fair view of affairs of the Council as at 31st December, 2018 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.



Ibrahim Ahmed, B. Sc, MPA, FCNA, FCTI, CPA
Auditor General for Local Governments

1: Cash Flow Statement for the Year Ended 31st December, 2018

ANNUAL BUDGET 2018		NOTES	ACTUAL YEAR 2018	PREVIOUS YEAR 2017
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
2,670,105,184.00	Statutory Allocations:FAAC	1	2,888,905,592.75	
	Value Added Tax Allocation	1		
2,670,105,184.00	Sub-total - Statutory Allocation		2,888,905,592.75	
2,000,000.00	Direct Taxes	2	12,500.00	
13,000,000.00	Licences & FEES	2	8,401,069.00	
	Mining Rents:	2	-	
10,500,000.00	RATES	2	1,256,600.00	
	Fees:	2	-	
	Fines	2	-	
	Sales	2	-	
12,000,000.00	Earnings :	2	5,656,500.00	
1,000,000.00	Sales/Rent of Government Buildings:	2	40,000.00	
	Sale/Rent on Lands and Others:	2	-	
	Repayments-General:	2	-	
	Investment Income	2	-	
300,000.00	Interest Earned	2	3,057.00	-
	Re-imbusement	2	-	-
1,200,000.00	MISELLANEOUS	2	430,000.00	-
40,000,000.00	Sub-total - Independent Revenue		-	
-	Other Revenue Sources of the -Government	3	-	
	TOTAL INDEPENDANT REVENUE		15,799,726.00	
	Commercial Bank Loan		-	
2,710,105,184.00	TOTAL RECEIPTS		2,904,705,318.75	
	Payments:			
880,583,206.00	Personnel Costs	3	1,863,934,084.48	
296,800,000.00	Overhead Charges:	4	293,699,954.22	-
	Consolidated Revenue Fund Charges .	5	130,784,074.01	-
	contributions	7	574,175,727.44	-
	Other Operating Activities		-	
	Financial Charges		-	
	Other Transfers	6	25,100,000.00	
1,177,383,206.00	Total Payments		2,887,693,840.15	
	Net Cash Flow from Operating Activities		17,011,478.60	

	CashFlows from Investment Activities:			
	Capital Expenditure:Administrative Sector:	8	6,784,750.00	
	Capital Expenditure: Economic Sector:	8	4,790,907.50	
	capital expenditure: Social Service Sector:	8	7,285,250.00	
596,931,544.00	Capital Expenditure: Funded from Aid and Grants:		-	
	Total Cash Flow from Investment Activities:		18,860,907.50	
	Net Cash Flow from Investment Activities:		(1,849,428.90)	
	CashFlows from Financing Activities:			
	Proceeds from Aid and Grants		-	
	Proceeds from ExternaL Loan :		-	
	Proceeds from Internal Loans: Bonds :		-	
	Proceeds from Development loan stock		-	
	Proceeds of Loans from Other Funds		-	
	Repayment of External Loans (Including Servicing)		-	
	Repayment of Treasury Bonds :		-	
	Repayment of Loans from Development loan stock		-	
	Repayment of Loans from Other Funds	11	-	
	Total Cash Flow from Financing Activities:		-	
	Net Cash Flow from Financing Activities:		(1,849,428.90)	
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	
	Net (Increase)/Decrease in Other Cash Equivalents:		-	
	Total Cashflow from other Cash equivalent Accounts		-	
	Net Cash for the year		(1,849,428.90)	
	Cash & Its Equivalent as at 1st January, 2018		7,619,625.27	
	Cash & Its Equivalent as at 31st December, 2018	9	5,770,196.37	

2: Statement of Assets and Liabilities as at 31st December, 2018

	NOTES	CURRENT YEAR 2018	PREVIOUS YEAR 2017
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:			
CASH AT BANK	9	5,769,777.92	
CASH AT HAND		490.00	
TOTAL LIQUID ASSETS		5,770,267.92	
NON CURRENT ASSETS:			
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	
TOTAL ASSETS		5,770,267.92	
LIABILITIES OVER ASSETS		3,044,161.70	
TOTAL		8,814,429.62	
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	5,770,196.37	
Capital Development Fund:		-	
TOTAL PUBLIC FUNDS		5,770,196.37	
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	-	
		-	
TOTAL EXTERNAL AND INTERNAL LOANS		-	
OTHER LIABILITIES			
OVER DRAWN :			
FIRST BANK PLC III		0.31	
UNITY BANK I		71.24	
UNREMITTED DEDUCTIONS		-	
Union Dues (MHWU)	12	43,200.00	
5% VAT	12	1,443,085.35	
5% Tax Deduction	12	1,443,085.35	
Motorcycle Loan	12	114,791.00	
TOTAL LIABILITIES		3,044,233.25	
TOTAL LIABILITIES AND PUBLIC FOUNDS		8,814,429.62	

3: Statement of Consolidated Revenue for the year ended 31st December, 2018

ACTUAL PREVIOUS YEAR 2017		NOTES	ACTUAL YEAR 2018	FINAL BUDGET 2018	INITIAL/ORIGINAL BUDGET 2018
₦			₦	₦	₦
	Opening Balance:		7,619,625.27		
	ADD: REVENUE				
	Statutory Allocations:FAAC	1	2,888,905,592.75	2,670,105,184.00	
	Value Added Tax Allocation	1	-		
	Sub-Total - Statutory Allocation		2,888,905,592.75	2,670,105,184.00	
	Direct Taxes	2	12,500.00	2,000,000.00	
	Licences	2	8,401,069.00	13,000,000.00	
	RATES	2	1,256,600.00	10,500,000.00	
	Fees:	2	-		
	Fines	2	-		
	Sales	2	-		
	Earnings :	2	5,656,500.00	12,000,000.00	
	Sales/Rent of Government Buildings:	2	40,000.00	1,000,000.00	
	Sale/Rent on Lands and Others:	2	-		
	MISCELLANEOUS	2	430,000.00	1,200,000.00	
	Investment Income	2	-		
	Interest Earned	2	3,057.00	300,000.00	
	Re-Imbursements	2	-		
	Sub-Total - Independent Revenue		15,799,726.00	40,000,000.00	
	Other Revenue Sources of the ---Government		-		
	TOTAL REVENUE:		2,912,324,944.02	2,710,105,184.00	
	LESS:EXPENDITURE				
	Personnel Costs:	3	1,863,934,084.48	880,583,206.00	
	Overhead Charges:	4	293,699,954.22	296,800,000.00	
	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	130,784,074.01		
	contributions	7	574,175,727.44		
	Other Operating Activities		-		
	Financial Charges.		-		
	Other Transfers	6	25,100,000.00		
	TOTAL EXPENDITURE:		2,887,693,840.15	1,177,383,206.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
	Repayments:External Loans:States			-	
	Repayments:States Bonds.			-	
	Repayments:Development Loan Stock			-	
	Repayments:Internal Loans from Other Funds	11		-	
	TOTAL EXPENDITURE:			-	
	OPERATING BALANCE:			24,631,103.87	
	APPROPRIATIONS/TRANSFERS:				
	Transfer to Capital Development Fund:			18,860,907.50	596,931,544.00
	Closing Balance:			5,770,196.37	

4: Statement of Capital Development Fund for the year ended 31st December, 2018

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2017			EXPENDITURE 2018	BUDGET 2018	BUDGET 2018	BUDGET 2018
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
	Transfer from Consolidated Revenue Fund:		18,860,907.50	596,931,544.00		
	Aid and Grants		-			
	TOTAL REVENUE AVAILABLE:		18,860,907.50	596,931,544.00		
	LESS: CAPITAL EXPENDITURE					
	Capital Expenditure:Administrative Sector:	10	6,784,750.00			
	Capital Expenditure: Economic Sector:	10	4,790,907.50			
	Capital Expenditure: Social Service Sector:	10	7,285,250.00			
	Capital Expenditure: Funded from Aid and Grants:		-			
	TOTAL CAPITAL EXPENDITURE:		18,860,907.50	596,931,544.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2018

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₦	₦
Net Share of Statutory Allocation from FAAC	A	1,026,492,166.68	
Add :Deduction at source for Loan Repayment	B	1,862,413,426.07	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			2,888,905,592.75
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₦	₦	₦
TAXES	12,500.00		
RATES	1,256,600.00		
LINCENCES & FEES	8,401,069.00		
EARNING FROM COMMERCIAL UNDERTAKING	5,656,500.00		
RENT ON LOCAL GOVERNMENT PROPERTY	40,000.00		
INTEREST AND DIVIDEND	3,057.00		
MISCELLANEOUS	430,000.00		
TOTAL I G R	15,799,726.00		

Note 3: Personnel Cost

ADMINISTRATIVE SECTOR										
SECTOR	Admin	Economic	Function	Fund	GEO CODE		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
OFFICE OF THE CHAIRMAN										
01	11001001	21010101	70111	2101		TOTAL PERSONNEL COST	10,843,180.00			
							-			
THE COUNCCIL							-			
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	34,645,361.68			
							-			
OFFICE OF THE SECRETARY							-			
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	4,430,042.87			
							-			
							-			
PERSONEL MANAGEMENT							-			
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	166,881,400.09			
TOTAL ADMIN SECTOR							216,799,984.64			
							-			
ECONOMIC SECTOR										
Sector	Admin	Economic	Function	Fund			ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2018	REVISED BUDGET	VARIANCE ON REVISED BUDGET
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	61,825,934.81			
							-			
BUDGET;PLANNING & RESEARCH							-			
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	-			
							-			
WORKS & HOUSING							-			
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	63,929,644.93			
							-			
AGRICULTURE AND NATURAL RESURCES							-			
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	73,692,762.79			
TOTAL ECONOMIC SECTOR							199,448,342.53			

SOCIAL SECTOR									
Sector	Admin	Economic	Function	Fund		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
ADULT EDUCATION									
05	17001001	21010101	70960	2101	TOTAL PERSONNEL COST	-			
						-			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	301,895,535.47			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	-			
SOCIAL DEVELOPMENT									
05		21010101	70131	2101	TOTAL PERSONNELCOST	13,436,597.22			
TOTAL SOCIAL SECTOR						315,332,132.69			
TOTAL FOR ALL SECTORS						731,580,459.86			
ADJUSTMENT :									
PAYEE						33,061,552.90			
PAYEE (POLITICAL OFFICE						5,244,624.00			
UNION DUES						54,593,087.64			
NHF(2,5%)						6,197,175.94			
EMIRATE COUNCIL						41,545,611.84			
PRIMARY EDUCATION						991,711,572.30			
TOTAL PERSONNEL COST FOR ALL SECTORS						1,863,934,084.48			

Note 4: Overhead Cost

ADMINISTRATIVE SECTOR											
OFFICE OF THE CHAIRMAN											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11001001	22020101	70111	2101		2	Travel & Transport	2,065,000.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	995,000.00			
01	11001001	22020402	70111	2101		6	Maintenance of office	31,869,340.39			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	58,711,034.82			
01	11001001	22020701	70111	2101		8	Consultancy Services	-			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	44,303,871.16			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	4,906,524.74			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	-			
							PROVISION OF SERVICE MATERIALS	-			
							TOTAL	142,850,771.11			
THE COUNCCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	1,550,000.00			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	650,000.00			
01	12003001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	25,265,433.00			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles andCapital assets	-			
01	12003001	22020701	70111	2101		8	Consultancy Services	-			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	12003001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	-			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	-			
							PROVISION FOR SERVICEABLE	-			
							TOTAL	27,465,433.00			

OFFICE OF THE SECRETARY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11013001	22020101	70111	2101		2	Travel & Transport	480,000.00			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	450,000.00			
01	11013001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	-			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	-			
01	11013001	22020701	70111	2101		8	Consultancy Services	-			
01	11013001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11013001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11013001	22021001	70111	2101		11	Entertainment & Hospitality	-			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	1,400,000.00			
							TOTAL	2,330,000.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	990,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	1,090,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of officefurniture & equipment	-			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	-			
01	25001001	22020701	70131	2101		8	Consultancy Services	-			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	-			
01	25001001	22020501	70131	2101		10	Training and staff Development	3,950,000.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	-			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	4,039,119.00			
							TOTAL	10,069,119.00			
							TOTAL ADMIN	182,715,323.11			

ECONOMIC SECTOR											
FINANCE AND SUPPLY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	20001001	22020101	70112	2101		2	Travel & Transport	950,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	1,150,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	20001001	22020701	70112	2101		8	Consultancy Services	-			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	73,167,375.73			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	2,236,140.28			
							TOTAL	77,503,516.01			
BUDGET;PLANNING & RESEARCH											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	38001001	22020101	70112	2101		2	Travel & Transport	100,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	937,120.00			
02	38001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	38001001	22020701	70112	2101		8	Consultancy Services	-			
02	38001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	38001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	38001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	355,000.00			
							TOTAL	1,392,120.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	570,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	-			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	250,000.00			
02	3.4E+07	22020402	70451	2101		6	Maintenance of officefurniture & equipment	-			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	-			
02	34001001	22020701	70451	2101		8	Consultancy Services	-			
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	-			
02	34001001	22020501	70451	2101		10	Short term Training and Consultancy	-			
02	34001001	22021001	70451	2101		11	Entertament & Hospitality	-			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	1,650,400.00			
							PROVISION OF SERVICE MATERIALS	22,381,595.10			
							TOTAL	24,851,995.10			
AGRICULTURE AND NATURAL RESURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	540,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	150,000.00			
02	15001001	22020402	70421	2101		6	Maintenance of officefurniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	-			
02	15001001	22020701	70421	2101		8	Consultancy Services	-			
02	15001001	22040109	70421	2101		9	Grants, Contributions & Subventions	-			
02	15001001	22020501	70421	2101		10	Training and staff Development	-			
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	-			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	3,255,000.00			
							PROVISION OF SERVICEABLE	-			
							TOTAL	3,945,000.00			
							TOTAL ECONOMIC SECTOR MINISTRY	107,692,631.11			

SOCIAL SECTOR											
ADULT EDUCATION											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	17001001	22020101	70922	2101		2	Travel & Transport	-			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	-			
05	17001001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	17001001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	17001001	22020701	70922	2101		8	Consultancy Services	-			
05	17001001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	17001001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	-			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport	150,000.00			
05	51003001	22020201	70922	2101		3	Utility Services	-			
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	51003001	22020301	70922	2101		5	Stationary	156,000.00			
05	51003001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	51003001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51003001	22020701	70922	2101		8	Consultancy Services	-			
05	51003001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	51003001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	51003001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	709,000.00			
							TOTAL	1,015,000.00			

PRIMARY HEALTH CARE											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	21001001	22020101	70731	2101		2	Travel & Transport	950,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	100,000.00			
05	21001001	22020402	70731	2101		6	Maintenance of officefurniture & equipment	-			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	-			
05	21001001	22020701	70731	2101		8	Consultancy Services	-			
05	21001001	22020501	70731	2101		10	Training and staff Development	-			
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	-			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	1,227,000.00			
							INTEGRATED MGT. OF CHILD ILLINESS	-			
							NPI	-			
							ASSISTED PROGRAM (SUMMAP)	-			
							TOTAL	2,277,000.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	-			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	-			
05	51002002	22020402	70180	2101		6	Maintenance of officefurniture & equipment	-			
05	51002002	22020401	70180	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51002002	22020701	70180	2101		8	Consultancy Services	-			
05	51002002	22040109	70180	2101		9	Grants, Contribution & Subvention	-			
05	51002002	22020501	70180	2101		10	Training and staff Development	-			
05	51002002	22021001	70180	2101		11	Entertainment & Hospitality	-			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	-			
							TOTAL	-			
							TOTAL SOCIAL SECTOR MINISTRY	3,292,000.00			
							TOTAL FOR ALL SECTORS	293,699,954.22			

Note 5: Consolidated Revenue Charges

A-- PENSION AND GRATUITIES STATUTORY BOARD MINNA										
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	DETAILS	ACTUAL EXPENDITURE	APPROVED	REVISED BUDGET	VARIANCE ON REVISED BUDGET
01	25001001	22010102	70131	02101		Pension Statutory	69,270,168.00			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	61,513,906.01			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	-			
01	25001002	22020902	70132	02102		Insurance Premium	-			
01	25001001	22010106	70131	02101		Acturial Valuation	-			
01	25001001	22010107	70131	02101		Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-			
						Deceased 3rd Annual Emolument (CPS)	-			
						TOTAL	130,784,074.01			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	130,784,074.01			

Note 6: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,600,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	8,300,000.00
TOTAL	25,100,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
OTHER CONTRACTUAL AGREEMENT	545,375,727.44
TOTAL CONTRIBUTIONS	574,175,727.44

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR													
SECTOR	ADMIN	ECONOMIC	FUNCTION	PROGRAMME		FUND	GEO CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2018	2018 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616		03005			PURCHASE OF FURNITURE	816,000.00			
1	11033001								PURCHASE OF MILLET	2,000,000.00			
1	11033001								PURCHASE OF VEHICLE	3,968,750.00			
									TOTAL FOR ADMIN SECTOR	6,784,750.00			
ECONOMIC SECTOR													
2	20001001					03005			REHABILITATION OF ROADS	3,390,907.50			
2									CONSTRUCTION OF POLICE STATION ERENA	1,400,000.00			(1,400,000.00)
										-			
2									ECONOMIC SECTOR TOTAL	4,790,907.50	-	-	(1,400,000.00)
													-
SOCIAL SECTOR													
5			70422	70900002606		03005			RENOVATION OF BASSA PRI. SCHOOL	2,410,000.00			
									RENOVATION OF ROFAN DOYA	2,200,000.00			
									RENOVATION OF OFFICIAL QUARTERS	2,622,250.00			
									REACTIVATION OF BOREHOLE	53,000.00			
										-			
									SOCIAL SECTOR TOTAL	7,285,250.00	-	-	-
									TOTAL FOR ALL SECTORS	18,860,907.50			#REF!

*

Note 9: Closing Cash Book/Bank Balances as at 31st December, 2019

ACCOUNT TYPE		AMOUNT
FIRST BANK PLC I		1,581.51
FIRST BANK PLC II		1,219,429.25
		-
FIRST BANK PLC IV		5,191.89
		-
UNITY BANK II		8,008.95
UBA		4,524,996.31
BAWYI MFB GWADA		6,830.60
BAWYI MFB		3,739.41
TOTAL		5,769,777.92
OVERDRAWN ACCOUNTS		
FIRST BANK PLC III		(0.31)
UNITY BANK I		(71.24)
TOTAL		(71.55)

Note 10: Investment

INVESTMENTS				
Investments in Companies				
	STOCK	HOLDING	PRICE	MARKET VALUE(N)
	TOTAL INVESTMENT			-

Note 11: Development Loan Stock

List the Loans	Balance as at 01/01/2019	ADDITIONAL LOAN	PRINCIPAL REPAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	BALANCE ON PRINCIPAL
BANK LOAN						
TOTAL						

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS	AMOUNT
UNION DUES (MHWU)	43,200.00
5% VAT	1,443,085.35
5% TAX DEDUCTION	1,443,085.35
MOTORCYCLE LOAN	114,791.00
TOTAL	3,044,161.70

**MANAGEMENT REPORT ON AUDITED
ANNUAL FINANCIAL STATEMENT FOR THE
YEAR ENDED 31ST DECEMBER, 2018**

1. SCOPE OF THE AUDIT

The Accounts and Records maintained by Shiroro Local Government Council and Financial Statement produced for audit in respect of the year ended 31st December, 2018 have been examined and all the information that were provided and gathered in respect of monies received and expended have been certified. All the books of account from the book of original entry, General ledger to subsidiary ledger were checked and certified by our team.

2.0 GENERAL STATE OF ACCOUNTS AND RECORD KEEPING

The pattern and manner of keeping and rendering accounting books and records as observed in the Local Governments Councils were inadequate as highlighted in this report and are stated below:

- Most of the payment vouchers raised were not having documentary evidences to justify the payments made.
- Most of the purchases made lacked essential documentary evidence such as Receipt Vouchers, and Store Issue Vouchers which shows that they were not supplied or supplied but not taken charge.
- In some cases, approvals in respect of expenditure incurred were not presented for audit.
- Deductions made for WHT and VAT were in some cases not remitted to the appropriate tax authorities within time.
- Some payment vouchers were not checked and passed by the Internal Audit Unit.
- Absence of signatures of relevant parties to Payment Vouchers.

- Lack of adequate budgetary discipline.
- Non-maintenance of Fixed/Moveable Asset register.

2.1 GENERAL RECOMMENDATION

- All Directors should ensure that they maintain their Departmental Vote Expenditure Account Books and reconcile same monthly.
- All supplies made to Departments should be received from the suppliers in the presence of the Internal Auditor, for certification of the prime, completeness, and validity of the goods supplied.
- All payment vouchers must contain authenticated documents duly signed by the respective officials and the supplier.
- No payment vouchers should be entertained by the Internal Auditor if it is not accompanied with Departmental Vote Expenditure Account Book (D.V.E.A) and Departmental Payment Voucher Register (D.P.V.R) in order to avoid over expenditure and omission of some payment vouchers and posted into D.V.E.A. Book.
- No voucher should be paid by the Cashier without being certified by the Internal Auditor and duly checked and passed by the Treasurer.
- Copies of contract awards documents must be sent to the office of the Internal Auditor for his awareness and record purposes.
- Payment for contract awards, being it part payment, must be accompanied with photocopies of the council's approval and award of contract forms. Final payment must be accompanied with the original copies of the contract agreement form and relevant supporting documents for payment.

- Appointment of employees, resignation of appointment, termination of appointment, retirement from service, suspension from work, dismissal from service and deaths should be notified to the Internal Auditor immediately.
- All expenditure account books must be promptly reconciled with the treasury books to maintain efficiency and accountability.
- Rubber Stamp marked “ENTERED INTO VOTE BOOK” should be impressed on any payment sent to the Treasury to ensure that the voucher has been entered into Vote Book.
- Tell Book should equally be maintained by the Cashier for the purpose of Daily Cash Balance or the day’s taking to ascertain the liquid cash available at the close of each day’s business transactions after balancing up the Revenue and Expenditure cash Book for the day.
- The Revenue Staff (Collectors) should ensure that all revenue earning books are returned to the officer in charge after they have completely been used off.
- Store Officers should ensure that they keep all records up-to-date should the Internal Auditor will be going round to check and examine the accounts.
- A Job Cost Book should be kept in the Works Department on form **LGT 97 (F.M. 33.6)**.

3. REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Shiroro Local Government Council for the year ended 31st December 2018 is shown in the table 1 below.

Table 1: Breakdown of revenues and Expenditures

TOTAL REVENUE		AMOUNT ₦	%
	Internally Generated Revenue	15,799,726.00	0.54
	Statutory Allocation	32,888,905,592.75	99.46
TOTAL		<u>2,904,705,318.75</u>	100.00
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	1,863,934,084.42	64.13
	Overhead Cost	293,699,954.22	10.10
	Consolidated Revenue Fund Charges	130,784,074.01	4.50
•	Contributions	574,175,727.44	19.76
•	Other Operating Activities	-	-
•	Other Transfers	25,100,000.00	0.86
•	Capital Expenditures	18,860,907.50	0.65
TOTAL		<u>2,906,554,747.65</u>	100.00

3.1 REVENUE

The sum of ₦2,904,705,318.75 accrued to Shiroro Local Government Councils as total receipts for the year ended 31st December 2018.

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Shiroro Local Government Council amounted to ₦15,799,726.00 only for the year ended 31st December 2018 which represents 0.33% of the total accrued revenue of ₦2,904,705,318.75. This shows that the council solely depend on statutory allocation from the Federation Account for survival. This could result to non-survival of the Council if there is a decline of revenue from the Federation Account.

I advised the Local Government Council to take the following measures to boost their internally generated revenue collection.

- Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- Control over issuance of revenue receipts
- Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.

3.1.2 STATUTORY ALLOCATION

The sum of ₦2,888,905,592.75 was disbursed to Shiroro Local Governments Council for the year under review. Statutory allocation comprises VAT, Excess Crude and Statutory Allocation etc. The reporting framework provides that each revenue class is reported separately in the financial statements and the notes thereto.

It was, however, noted that these classes of revenue are only identified at the Ministry for Local Government (Joint Account) while the disbursements to Local Government Councils are only classified as Statutory Allocation.

This makes it difficult to trace and account for each revenue classes at the Local Government Council level and possibly reconciliation of disbursement from the Federation Account and the receipts by the Local Government Council.

I advised the Ministry for Local Governments to share with the Local Government councils the breakdown of revenues from the Federation Accounts to ensure that they are correctly reported by the Councils.

3.2 CASH AND BANK BALANCES

The total cash balances stood at ₦490.00 in respect of Shiroro Local Government Council at the end of the financial year ended 31st December 2018.

While the total bank balances stood at ₦5,769,777.92 in respect of Shiroro Local Government Council as at the end of the financial year ended 31st December 2018

4. INTERNAL CONTROL

During the course of our audit exercise, it was observed that despite reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued. The non-compliance was evidenced by the Payment Vouchers been prepared and paid out without being endorsed by the Internal Audit Units, the non-endorsement of Officer Controlling the Vote, and Checks by the respective accounting Officers.

Also evidenced is lack of Asset Register to ascertain the Assets, their Condition, their Location and values of such assets. And all efforts made by my Office to ensure the maintenance of the Register are not encouraging.

In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that henceforth all Payment Vouchers raised are passed through Internal Audit Unit for certification before such payment are effected and equally ensure the maintenance of Asset Register before my next audit.

4.1 RECOMMENDATION

- It is recommended that the Internal Control System in existence has to be strengthened, proper record keeping and documentation of all financial transactions so as to enhance proper accountability.

5. BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦15,799,726.00 was generated as Internally Generated Revenue which represents 39.50% when compared with the total budgeted Internally Generated Revenue amounting to ₦40,000,000.00 during the year under review. This is a poor performance.

5.1 RECOMMENDATION

- It is recommended that preparation of cash flow statement should be adequately monitored to reduce the unnecessary expenditure on overhead and given priority to project execution.
- More efforts should be made so as to attain the target set on revenue generation internally in the next financial year. This will reduce over dependence of the Council on Statutory Allocation from Federation Accounts which is no longer attainable.

6. PERSONNEL COST

It was observed that the total sum of ₦1,863,934,084.48 and ₦712,412,984.30 was spent as total personnel cost for the year 2018 and 2017 respectively with an increase of ₦1,151,521,100.18 over the previous year. This is as a result of salary increase made by the state government during the year under review.

7. CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No 5 of Revenue and Expenditure revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦596,931,544.00 and only the sum of ₦18,860,907.50 representing 7.83% was spent leaving the balance of ₦578,070,636.50 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	125,495,881.00	6,784,750.00	118,711,131.00
02	Economic Sector	217,000,000.00	4,790,907.50	212,209,092.50
05	Social Sector	254,435,663.00	7,285,250.00	247,150,413.00
TOTAL		596,931,544.00	18,860,907.50	578,070,636.50

7.1 RECOMMENDATION

- It is recommended that the previous statistical data should be used in the preparation of a reliable budget that could be attainable.
- Also, Capital projects should be encouraged and priority should be given to its execution as it has direct bearing to the grass roots development.

8. PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No. 3 revealed that the Total Revenue stood at ₦2,904,705,318.75 with a Total Expenditure of ₦2,906,554,747.65 and close with a surplus balance of ₦1,849,428.90 This is a healthy statement of account.

9. 0 DEPOSITS

Deposits comprise statutory deductions which relate to contracts awarded (Value Added Tax (VAT) and Withholding Tax (WHT)) and employment which are deducted at source by the Local Government Council and are supposed to be remitted to the relevant tax collecting bodies in accordance with relevant legislation. I observed that a total of ₦15,575,517.35 stood as outstanding consolidated deposit balances as at the end of the period under review. Table below shows the list of the outstanding deposits as at 31st December 2019.

Outstanding deductions as at 31 December 2019.

DETAILS	AMOUNT ₦
5% VAT	1,443,085.35
5% Withholding Tax	1,443,085.35
Union Dues (MHWU)	43,200.00
Motorcycle Loan	114,711.00
1% Stamp Duty Charges	-
TOTAL	3,044,233.25

From the above table, the Councils recorded outstanding VAT amounting to ₦1,443,085.35 and WHT of ₦1,443,085.35 as at 31st December, 2018.

Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that the outstanding balance may be deducted from the Statutory allocations due to the Councils and in addition the councils may be fined and penalized for delayed remittance and hence affect the amount of money meant for developmental activities.

I advised the Local Government Councils to take steps to remit the outstanding deductions to the relevant authorities as a matter of urgency to avoid fines and penalties. I also advised the councils comply with the legislation in regard to future *deductions.

10. OUTSTANDING AUDIT INSPECTION

AGX/FO.18/TA/SHI/VOL.1

Dated:6th August,2019

(i)VAT and WHT deducted but not remitted to the appropriate Authority

2,654,293.00

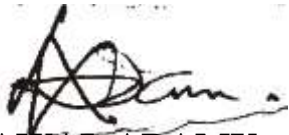
10.1 REQUIRED

The council is required to response to the outstanding Inspection Report or else necessary action and sanction will be taken.

11. CONCLUSION

We wish to use this medium to express our appreciation to the Chairman and the entire staff of Local Government for the cooperation given to the staff of this Office to carry out the Audit exercise.

It is our sincere hope that you would not hesitate to contact this Office for further clarification and explanations you might require in connection with the Audited Annual Financial Statement and Management Reports.



LAWAL ADAMU

*Director Statutory and Special Operations,
For: Auditor General*

NIGER STATE OF NIGERIA

**SULEJA LOCAL GOVERNMENT COUNCIL
SULEJA**

**AUDITED ACCOUNTS
FOR
THE YEAR ENDED
31ST DECEMBER 2018**

**AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
P. M. B. 53, MINNA
NIGER STATE**

PERSONALITY PROFILE

W. FINANCIAL STATEMENT

Statement of Financial Responsibility

Council Officials

Auditor General's Opinion

X. AUDIT REPORT

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- Statement of Assets & Liabilities
- Statement of Consolidated Revenue Funds
- State of Capital Development Funds
- Notes to the Accounts.
- Statement of Accounting Policies
- Scope of Audit
- General State of Accounts and Records Keeping
- General Recommendation
- Review of Financial Statement
- Internal Control
- Budgetary Control
- Personnel Cost
- Capital Expenditure
- Performance of Operation Activities
- Deposits
- Outstanding Audit Inspection
- Conclusion

STATEMENT OF FINANCIAL RESPONSIBILITY

These Financial Statements have been prepared by the Treasurer of Suleja Local Government Council in accordance with the provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements complied with generally accepted accounting practices. The Treasury is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper records, the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of Internal Control has operated adequately throughout the reporting period.

Treasurer

31st December, 2018

We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended. In our opinion, these financial statements fairly reflect the financial position of Suleja Local Governments as at 31st December, 2018 and its operations for the year ended on the date.

Treasurer

31st December, 2018

Chairman

31st December, 2018

COUNCIL OFFICIALS

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Abdullahi Shuaibu Maje

Executive Chairman

Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:

DEPARTMENTS

DESIGNATION

Abubakar Mikailu Moh'd

Personnel Management

H. O. D

Yakubu Muh'd Madaki

Finance and Supply

H. O. D

Jibrin Mohammed

Primary Health Care

H. O. D

Isyaku Idris Izom

Agriculture and Natural Resources

H. O. D

Adamu Musa Fuka

Works and Housing

H. O. D

Suleiman Suleiman

Budget and Planning

H. O. D

Haruna M. Garba

Social Development

H. O. D

- **BANKERS**

Unity Bank Plc.

Zenith Bank Plc

Phoenix Micro Finance Bank Ltd.

Skye Bank Bank Plc.

Musharaka Micro-Finance Bank Ltd.

UBA Bank Plc.

Fidelity Bank Plc.

ADDRESS

Suleja Branch

Suleja Branch

Suleja Branch

Suleja Branch

Suleja Branch

Suleja Branch

Suleja Branch

- **AUDITORS**

Auditor General

Office of the Auditor General for Local Governments

P.M.B. 53 Minna,

Niger State.

AUDITOR GENERAL'S OPINION

I have examined the financial statement which have been prepared in accordance with standardized Local Government Treasury Procedures, Financial Memoranda and Circular guidelines. I obtained all information and explanations which I requested for the purpose of my Audit.

In my opinion, the accounts readable in conjunction with notes subject to the issues raised in the management report issued separately with this account gives a true and fair view of affairs of the Council as at 31st December, 2018 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.



Ibrahim Ahmed, B. Sc, MPA, FCNA, FCTI, CPA
Auditor General for Local Governments

1: Cash Flow Statement for the Year Ended 31st December, 2018

ANNUAL BUDGET 2018		NOTES	ACTUAL YEAR 2018	PREVIOUS YEAR 2017
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,486,541,679.00	Statutory Allocations:FAAC	1	2,072,209,692.91	
	Value Added Tax Allocation	1		
1,486,541,679.00	Sub-total - Statutory Allocation		2,072,209,692.91	
700,000.00	Direct Taxes	2	-	
120,300,000.00	Licences & FEES	2	91,727,480.00	
	Mining Rents:	2		
17,000,000.00	RATES	2	4,880,600.00	
	Fees:	2		
	Fines	2		
	Sales	2		
45,000,000.00	Earnings :	2	94,186,997.00	
14,000,000.00	Sales/Rent of Government Buildings:	2	30,263,800.00	
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
200,000.00	Interest Earned	2	11,971.00	
	Re-imbusement	2		
1,600,000.00	MISELLANEOUS	2	9,837,520.00	
198,800,000.00	Sub-total - Independent Revenue			
-	Other Revenue Sources of the -Government	3		
198,800,000.00	TOTAL INDEPENDANT REVENUE		230,908,368.00	
	Commercial Bank Loan		-	
1,685,341,679.00	TOTAL RECEIPTS		2,303,118,060.91	
	Payments:			
403,167,240.00	Personnel Costs	3	990,963,420.93	
313,500,000.00	Overhead Charges:	4	341,762,333.49	
	Consolidated Revenue Fund Charges .	5	88,810,666.10	
	contributions	7	528,300,590.79	
	Other Operating Activities		-	
	Financial Charges		-	
	Other Transfers	6	186,350,000.00	
716,667,240.00	Total Payments		2,136,187,011.31	
968,674,439.00	Net Cash Flow from Operating Activities		166,931,049.60	

	CashFlows from Investment Activities:			
	Capital Expenditure:Administrative Sector:	8	4,560,000.00	
	Capital Expenditure: Economic Sector:	8	117,296,309.70	
	Capital Expenditure: Law and Justice:	8	-	
	Capital Expenditure:Regional Development		-	
	capital expenditure: Social Service Sector:		40,824,841.80	
	Capital Expenditure: Funded from Aid and Grants:		-	
972,925,779.00	Total Cash Flow from Investment Activities:		162,681,151.50	
(4,251,340.00)	Net Cash Flow from Investment Activities:		4,249,898.10	
	CashFlows from Financing Activities:			
	Proceeds from Aid and Grants		-	
	Proceeds from ExernaL Loan :		-	
	Proceeds from Internal Loans: Bonds :		-	
	Proceeds from Development loan stock		-	
	Proceeds of Loans from Other Funds		-	
	Repayment of External Loans (Including Servicing)		-	
	Repayment of Treasury Bonds :	11	-	
	Repayment of Loans from Development loan stock		-	
-	Repayment of Loans from Other Funds		-	
-	Total Cash Flow from Financing Activities:		-	
(4,251,340.00)	Net Cash Flow from Financing Activities:		4,249,898.10	
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	
	Net (Increase)/Decrease in Other Cash Equivalents:		-	
	Total Cashflow from other Cash equivalent Accounts		-	
	Net Cash for the year	9	4,249,898.10	
	Cash & Its Equivalent as at 1st January, 2018		12,512,765.45	
	Cash & Its Equivalent as at 31st December, 2018		16,762,663.55	

2: Statement of Assets and Liabilities as at 31st December, 2018

	NOTES	CURRENT YEAR 2018	PREVIOUS YEAR 2017
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:			
CASH AT HAND		2,000.00	
CASH AT BANK	9	16,760,663.55	
TOTAL LIQUID ASSETS		16,762,663.55	
NON CURRENT ASSETS:			
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	
TOTAL ASSETS		16,762,663.55	
LIABILITIES OVER ASSETS		5,136,012.77	
TOTAL		21,898,676.32	
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	16,762,663.55	
Capital Development Fund:		-	
TOTAL PUBLIC FUNDS		16,762,663.55	
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	-	
		-	
TOTAL EXTERNAL AND INTERNAL LOANS		-	
OTHER LIABILITIES			
UNREMITTED DEDUCTIONS			
PAYEE	12	69,347.11	
5% INCOME TAX	12	89,800.02	
5% VAT	12	4,217,152.45	
RETENTION FEES	12	759,713.19	
TOTAL LIABILITIES		5,136,012.77	
TOTAL LIABILITIES AND PUBLIC FOUNDS		21,898,676.32	

3: Statement of Consolidated Revenue for the year ended 31st December, 2018

ACTUAL PREVIOUS YEAR 2017		NOTES	ACTUAL YEAR 2018	FINAL BUDGET 2018	INITIAL/ORIGINAL BUDGET 2018
N			N	N	N
	Opening Balance:		12,512,765.45		
	ADD: REVENUE				
	Statutory Allocations:FAAC	1	2,072,209,692.91	1,486,541,679.00	
	Value Added Tax Allocation	1	-		
	Sub-Total - Statutory Allocation		2,072,209,692.91	1,486,541,679.00	
	Direct Taxes	2	-	700,000.00	
	Licences	2	91,727,480.00	120,300,000.00	
	RATES	2	4,880,600.00	17,000,000.00	
	Fees:	2	-		
	Fines	2	-		
	Sales	2	-		
	Earnings :	2	94,186,997.00	45,000,000.00	
	Sales/Rent of Government Buildings:	2	30,263,800.00	14,000,000.00	
	Sale/Rent on Lands and Others:	2	-		
	MISCELLANEOUS	2	9,837,520.00	1,600,000.00	
	Investment Income	2	-		
	Interest Earned	2	11,971.00	200,000.00	
	Re-Imbursements	2	-		
	Sub-Total - Independent Revenue		230,908,368.00	198,800,000.00	
	Other Revenue Sources of the ---Government		-		
	TOTAL REVENUE:		2,315,630,826.36	1,685,341,679.00	
	LESS:EXPENDITURE				
	Personnel Costs:	3	990,963,420.93	403,167,240.00	
	Overhead Charges:	4	341,762,333.49	313,500,000.00	
	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	88,810,666.10		
	contributions	7	528,300,590.79		
	Other Operating Activities		-		
	Financial Charges.		-		
	Other Transfers	6	186,350,000.00		
	TOTAL EXPENDITURE:		2,136,187,011.31	716,667,240.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
	Repayments:External Loans:States			-	
	Repayments:States Bonds.			-	
	Repayments:Development Loan Stock			-	
	Repayments:Internal Loans from Other Funds	11		-	
	TOTAL EXPENDITURE:			-	
	OPERATING BALANCE:			179,443,815.05	
	APPROPRIATIONS/TRANSFERS:				
	Transfer to Capital Development Fund:			162,681,151.50	
	Closing Balance:			16,762,663.55	

4: Statement of Capital Development Fund for the year ended 31st December, 2018

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2017			EXPENDITURE 2018	BUDGET 2018	BUDGET 2018	BUDGET 2018
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
	Transfer from Consolidated Revenue Fund:		162,681,151.50			
	Aid and Grants		-			
	TOTAL REVENUE AVAILABLE:		162,681,151.50			
	LESS: CAPITAL EXPENDITURE					
	Capital Expenditure:Administrative Sector:	10	2,260,000.00			
	Capital Expenditure: Economic Sector:	10	124,571,309.70			
	Capital Expenditure: Social Service Sector:	10	35,849,841.80			
	Capital Expenditure: Funded from Aid and Grants:		-			
	TOTAL CAPITAL EXPENDITURE:		162,681,151.50	972,925,779.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2018

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₱	₱
Net Share of Statutory Allocation from FAAC	A	607,727,195.94	
Add :Deduction at source for Loan Repayment	B	1,464,482,496.97	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			2,072,209,692.91
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₱	₱	₱
TAXES	-	700,000.00	700,000.00
RATES	4,880,600.00	17,000,000.00	12,119,400.00
LINCENCES & FEES	91,727,480.00	120,300,000.00	28,572,520.00
EARNING FROM COMMERCIAL UNDERTAKING	94,186,997.00	4,500,000.00	(89,686,997.00)
RENT ON LOCAL GOVERNMENT PROPERTY	30,263,800.00	14,000,000.00	(16,263,800.00)
INTREST DIVIDEND AND LOANS	11,971.00	200,000.00	188,029.00
MISELLANEOUS	9,837,520.00	1,600,000.00	(8,237,520.00)
TOTAL I G R	230,908,368.00	158,300,000.00	(72,608,368.00)

Note 3: Personnel Cost

ADMINISTRATIVE SECTOR										
SECTOR	Admin	Economic	Function	Fund	GEO CODE		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
OFFICE OF THE CHAIRMAN										
01	11001001	21010101	70111	2101		TOTAL PERSONNEL COST	7,887,897.81			
THE COUNCCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	25,749,446.74			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	2,425,926.90			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	33,896,025.84			
TOTAL ADMIN SECTOR							69,959,297.29			
ECONOMIC SECTOR										
Sector	Admin	Economic	Function	Fund			ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	33,384,239.06			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	1,443,063.85			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	16,872,417.91			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	18,843,316.10			
TOTAL ECONOMIC SECTOR							70,543,036.92			

SOCIAL SECTOR						ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
Sector	Admin	Economic	Function	Fund					
ADULT EDUCATION									
05	17001001	21010101	70960	2101	TOTAL PERSONNEL COST	24,028,656.73			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	141,871,360.74			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	23,539,829.17			
TOTAL SOCIAL SECTOR						189,439,846.64			
TOTAL FOR ALL SECTORS						329,942,180.85	####		
ADJUSTMENT :									
PAYEE						16,464,673.32			
PAYEE (POLITICAL OFFICE						3,809,094.00			
UNION DUES						27,586,477.85			
NHF(2,5%)						2,699,725.21			
EMIRATE COUNCIL						46,448,974.32			
PRIMARY EDUCATION						564,012,295.38			
TOTAL PERSONNEL COST FOR ALL SECTORS						990,963,420.93			

Note 4: Overhead Cost

ADMINISTRATIVE SECTOR											
OFFICE OF THE CHAIRMAN											
-	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11001001	22020101	70111	2101		2	Travel & Transport	18,991,500.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	10,000.00			
01	11001001	22020301	70111	2101		5	Stationary	1,876,000.00			
01	11001001	22020402	70111	2101		6	Maintenance of office	-			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	-			
01	11001001	22020701	70111	2101		8	Consultancy Services	6,634,310.00			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	45,906,117.00			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	19,586,000.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	42,974,600.00			
							TOTAL	135,978,527.00			
THE COUNCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	3,580,000.00			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	445,000.00			
01	12003001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	1,037,000.00			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles andCapital assets	7,940,000.00			
01	12003001	22020701	70111	2101		8	Consultancy Services	-			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	12003001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	3,555,000.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	19,428,000.00			
							TOTAL	35,985,000.00			

OFFICE OF THE SECRETARY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11013001	22020101	70111	2101		2	Travel & Transport	1,905,000.00			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	465,000.00			
01	11013001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	50,000.00			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	282,680.00			
01	11013001	22020701	70111	2101		8	Consultancy Services	-			
01	11013001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11013001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11013001	22021001	70111	2101		11	Entertainment & Hospitality	1,633,000.00			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	7,482,000.00			
							TOTAL	11,817,680.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	1,908,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	315,000.00			
01	25001001	22020301	70131	2101		5	Stationary	777,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of officefurniture & equipment	522,000.00			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	50,000.00			
01	25001001	22020701	70131	2101		8	Consultancy Services	-			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	-			
01	25001001	22020501	70131	2101		10	Training and staff Development	2,193,000.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	2,235,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	3,520,000.00			
							TOTAL	11,520,000.00			
							TOTAL ADMIN SECTOR	195,301,207.00	-	-	-

ECONOMIC SECTOR											
FINANCE AND SUPPLY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	20001001	22020101	70112	2101		2	Travel & Transport	4,146,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	5,808,500.00			
02	20001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	20001001	22020701	70112	2101		8	Consultancy Services	4,779,820.00			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	69,979,215.49			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	2,898,000.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	5,105,800.00			
							TOTAL	92,717,335.49			
BUDGET;PLANNING & RESEARCH											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	38001001	22020101	70112	2101		2	Travel & Transport	235,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	610,000.00			
02	38001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	38001001	22020701	70112	2101		8	Consultancy Services	-			
02	38001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	38001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	38001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	480,000.00			
							TOTAL	1,325,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	1,087,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	2,915,000.00			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	110,000.00			
02	34001001	22020402	70451	2101		6	Maintenance of officefurniture & equipment	11,696,477.00			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	10,570,000.00			
02	34001001	22020701	70451	2101		8	Consultancy Services	-			
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	-			
02	34001001	22020501	70451	2101		10	Short term Training and Consultancy	-			
02	34001001	22021001	70451	2101		11	Entertament & Hospitality	1,990,000.00			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	8,217,600.00			
							TOTAL	36,586,077.00			
AGRICULTURE AND NATURAL RESURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	305,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	-			
02	15001001	22020402	70421	2101		6	Maintenance of officefurniture & equipment	550,000.00			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	500,000.00			
02	15001001	22020701	70421	2101		8	Consultancy Services	-			
02	15001001	22040109	70421	2101		9	Grants, Contributions & Subventions	-			
02	15001001	22020501	70421	2101		10	Training and staff Development	-			
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	1,491,714.00			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	6,870,000.00			
							TOTAL	9,716,714.00			
							TOTAL ECONOMIC SECTOR MINISTRY	140,345,126.49	-	-	-

SOCIAL SECTOR											
ADULT EDUCATION											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	17001001	22020101	70922	2101		2	Travel & Transport	-			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	-			
05	17001001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	17001001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	17001001	22020701	70922	2101		8	Consultancy Services	-			
05	17001001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	17001001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	-			
							Provision of Serviceable Materials	-			
							TOTAL	-			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport	759,000.00			
05	51003001	22020201	70922	2101		3	Utility Services	-			
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	51003001	22020301	70922	2101		5	Stationary	160,000.00			
05	51003001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	51003001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51003001	22020701	70922	2101		8	Consultancy Services	-			
05	51003001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	51003001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	51003001	22021001	70922	2101		11	Entertainment & Hospitality	290,000.00			
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	1,060,000.00			
							TOTAL	2,269,000.00			

PRIMARY HEALTH CARE											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	21001001	22020101	70731	2101		2	Travel & Transport	320,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	100,000.00			
05	21001001	22020402	70731	2101		6	Maintenance of officefurniture & equipment	882,000.00			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	-			
05	21001001	22020701	70731	2101		8	Consultancy Services	-			
05	21001001	22020501	70731	2101		10	Training and staff Development	-			
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	-			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	1,600,000.00			
							TOTAL	2,902,000.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	40,000.00			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	120,000.00			
05	51002002	22020402	70180	2101		6	Maintenance of officefurniture & equipment	-			
05	51002002	22020401	70180	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51002002	22020701	70180	2101		8	Consultancy Services	-			
05	51002002	22040109	70180	2101		9	Grants, Contribution & Subvention	-			
05	51002002	22020501	70180	2101		10	Training and staff Development	-			
05	51002002	22021001	70180	2101		11	Entertainment & Hospitality	100,000.00			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	685,000.00			
							TOTAL	945,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	6,116,000.00	-	-	-
							TOTAL FOR ALL SECTORS	341,762,333.49	128,760,000.00	-	-

Note 5: Consolidated Revenue Charges

A-- PENSION AND GRATUITIES STATUTORY BOARD MINNA										
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	DETAILS	ACTUAL EXPENDITURE	APPROVED	REVISED BUDGET	VARIANCE ON REVISED BUDGET
01	25001001	22010102	70131	02101		Pension Statutory	52,156,591.41			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	36,654,074.69			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	-			
01	25001002	22020902	70132	02102		Insurance Premium	-			
01	25001001	22010106	70131	02101		Acturial Valuation	-			
01	25001001	22010107	70131	02101		Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-			
						Deceased 3rd Annual Emolument (CPS)	-			
						TOTAL	88,810,666.10			
B--STATUTORY OFFICERS SALARY						STATUTORY OFFICERS SALARY	-			
						TOTAL CRF	88,810,666.10			

Note 6: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,600,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	8,300,000.00
NISEPA	161,250,000.00
TOTAL	186,350,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	499,500,590.79
TOTAL CONTRIBUTIONS	528,300,590.79

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR													
SECTOR	ADMIN	ECONOMIC	FUNCTION	PROGRAMME		FUND	GEO CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2018	2018 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
01	11033001	23010122	70722	010400009616		03005			PURCHASE OF INFORMATION EQUIPMENT	2,300,000.00			
01	11033001	23010122	70722	010400009616		03005			PROCUREMENT OF COMPUTERS/ FURNISHING OF OFFICE	2,260,000.00			
01	11033001	23010122	70722	010400009616		03005				-			
										-			
									TOTAL FOR ADMIN SECTOR	4,560,000.00			
ECONOMIC SECTOR													-
02	20001001					03005			PURCHASE OF GRAINS AND SEEDLINGS	11,940,875.00			
02									EXTENSION OF ELECTRICITY	11,186,000.00			#REF!
									CONSTRUCTION OF MODERN MARKET	14,390,000.00			
									REHABILITATION OF TOWNSHIP ROADS	26,488,000.00			
									REHABILITATION OF RURAL ROADS	25,051,354.00			
									10KILOMETER ROADS	2,415,000.00			#REF!
									WATER RESOURCES AND WATER SUPPLY	6,453,530.00			
									LAND REDEMPTION, COMPENSATION & ACQUISITION	18,337,206.70			
									FENCING OF GRAVE YARD	1,034,344.00			
									TOTAL FOR ECONOMIC SECTOR	117,296,309.70			

SOCIAL SECTOR													-
SECTOR	ADMIN	ECONOMIC	FUNCTION	PROGRAMME	FUND	GEO.C ODE	PROJECT NO	PROJECT TITLE	ACTUAL 2019	2019 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET	
05			70422	70900002606	03005			RENOVATION OF PRIMARY SCHOOL	4,842,800.00				
								CONSTRUCTION OF BLOCK OF CLASSROOM	3,950,000.00				
								PURCHASE OF DESKS AND TABLES	1,800,000.00				
								CONSTRUCTION OF CLINICS AND DISPENSERIES	4,940,000.00				
								CONSTRUCTION OF UNICEF TYPE (VIP) TOILET	3,091,191.80				
								RENOVATION AND FURNISHING OF LGEA	359,000.00				
								PURCHASE OF EQUIPMENT AND DRUGS	2,513,850.00				
								PROCUREMENT OF WASTE DISPOSAL MATERIALS	10,708,000.00				
								RENOVATION OF STADIUM	150,000.00				
								PURCHASE OF SPORT EQUIPMENT	800,000.00				
								WOMEN & YOUTH EMPOWERMENT SCHEME	395,000.00				
								COMMUNITY BASED PROJECTS (WDP)	7,255,000.00				
								ASSISTANCE TO COMMUNITY DEVELOPMENT	20,000.00				
								SOCIAL SECTOR TOTAL	40,824,841.80				
								TOTAL FOR ALL SECTORS	162,681,151.50	-	-	-	-

Note 9: Closing Cash Book/Bank Balances as at 31st December, 2019

ACCOUNT TYPE		AMOUNT
UNITY BANK PLC		10,214,474.37
ZENITH BANK PLC		258,183.46
UBA PLC		5,932,384.39
POLARIS BANK		34,905.74
MUSHARAKA MFB		57,127.84
FIDELITY BANK		263587.75
TOTAL		16,760,663.55

Note 10: Investment

INVESTMENTS				
Investments in Companies				
	STOCK	HOLDING	PRICE	MARKET VALUE(N)
	TOTAL INVESTMENT			-

Note 11: Development Loan Stock

List the Loans	Balance as at 01/01/2019	ADDITIONAL LOAN	PRINCIPAL REPAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	BALANCE ON PRINCIPAL
BANK LOAN						
TOTAL						

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS		AMOUNT
PAYEE		69,347.11
5% INCOME TAX		89,800.02
5% VAT		4,217,152.45
RETENTION FEES		759,713.19
TOTAL		5,136,012.77

**MANAGEMENT REPORT ON AUDITED
ANNUAL FINANCIAL STATEMENT FOR THE
YEAR ENDED 31ST DECEMBER, 2018**

1. SCOPE OF THE AUDIT

The Accounts and Records maintained by Suleja Local Government Council and Financial Statement produced for audit in respect of the year ended 31st December, 2018 have been examined and all the information that were provided and gathered in respect of monies received and expended have been certified. All the books of account from the book of original entry, General ledger to subsidiary ledger were checked and certified by our team.

2.0 GENERAL STATE OF ACCOUNTS AND RECORD KEEPING

The pattern and manner of keeping and rendering accounting books and records as observed in the Local Governments Councils were inadequate as highlighted in this report and are stated below:

- Most of the payment vouchers raised were not having documentary evidences to justify the payments made.
- Most of the purchases made lacked essential documentary evidence such as Receipt Vouchers, and Store Issue Vouchers which shows that they were not supplied or supplied but not taken charge.
- In some cases, approvals in respect of expenditure incurred were not presented for audit.
- Deductions made for WHT and VAT were in some cases not remitted to the appropriate tax authorities within time.
- Some payment vouchers were not checked and passed by the Internal Audit Unit.
- Absence of signatures of relevant parties to Payment Vouchers.

- Lack of adequate budgetary discipline.
- Non-maintenance of Fixed/Moveable Asset register.

2.1 GENERAL RECOMMENDATION

- All Directors should ensure that they maintain their Departmental Vote Expenditure Account Books and reconcile same monthly.
- All supplies made to Departments should be received from the suppliers in the presence of the Internal Auditor, for certification of the prime, completeness, and validity of the goods supplied.
- All payment vouchers must contain authenticated documents duly signed by the respective officials and the supplier.
- No payment vouchers should be entertained by the Internal Auditor if it is not accompanied with Departmental Vote Expenditure Account Book (D.V.E.A) and Departmental Payment Voucher Register (D.P.V.R) in order to avoid over expenditure and omission of some payment vouchers and posted into D.V.E.A. Book.
- No voucher should be paid by the Cashier without being certified by the Internal Auditor and duly checked and passed by the Treasurer.
- Copies of contract awards documents must be sent to the office of the Internal Auditor for his awareness and record purposes.

- Payment for contract awards, being it part payment, must be accompanied with photocopies of the council’s approval and award of contract forms. Final payment must be accompanied with the original copies of the contract agreement form and relevant supporting documents for payment.
- Appointment of employees, resignation of appointment, termination of appointment, retirement from service, suspension from work, dismissal from service and deaths should be notified to the Internal Auditor immediately.
- All expenditure account books must be promptly reconciled with the treasury books to maintain efficiency and accountability.
- Rubber Stamp marked “ENTERED INTO VOTE BOOK” should be impressed on any payment sent to the Treasury to ensure that the voucher has been entered into Vote Book.
- Tell Book should equally be maintained by the Cashier for the purpose of Daily Cash Balance or the day’s taking to ascertain the liquid cash available at the close of each day’s business transactions after balancing up the Revenue and Expenditure cash Book for the day.
- The Revenue Staff (Collectors) should ensure that all revenue earning books are returned to the officer in charge after they have completely been used off.
- Store Officers should ensure that they keep all records up-to-date should the Internal Auditor will be going round to check and examine the accounts.
- A Job Cost Book should be kept in the Works Department on form **LGT 97 (F.M. 33.6)**.

3. REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Suleja Local Government Council for the year ended 31st December 2018 is shown in the table 1 below.

Table 1: Breakdown of revenues and Expenditures.

TOTAL REVENUE		AMOUNT ₦	%
	Internally Generated Revenue	230,908,368.00	10.03
	Statutory Allocation	2,072,209,692.91	89.97
TOTAL		2,303,118,060.91	100
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	990,963,420.93	43.10
	Overhead Cost	341,762,333.49	14.86
	Consolidated Revenue Fund Charges	88,810,666.10	3.86
•	Contributions	528,300,590.79	22.98
•	Other Operating Activities	-	-
•	Other Transfers	186,350,000.00	8.10
•	Capital Expenditures	162,681,151.50	7.10
TOTAL		2,298,868,162.81	100

3.1 REVENUE

The sum of ₦2,303,118,060.91 accrued to Suleja Local Government Councils as total receipts for the year ended 31st December 2018.

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Suleja Local Government Council amounted to ₦230,908,368.00 only for the year ended 31st December 2018 which represents 10.03% of the total accrued revenue of ₦2,303,118,060.91. This shows that the council solely depend on statutory allocation from the Federation Account for survival. This could result to non-survival of the Council if there is a decline of revenue from the Federation Account.

I advised the Local Government Council to take the following measures to boost their internally generated revenue collection.

- Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- Control over issuance of revenue receipts
- Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.

3.1.2 STATUTORY ALLOCATION

The sum of ₦2,072,209,692.91 was disbursed to Suleja Local Governments Council for the year under review. Statutory allocation comprises VAT, Excess Crude and Statutory Allocation etc. The reporting framework provides that each revenue class is reported separately in the financial statements and the notes thereto.

It was, however, noted that these classes of revenue are only identified at the Ministry for Local Government (Joint Account) while the disbursements to Local Government Councils are only classified as Statutory Allocation.

This makes it difficult to trace and account for each revenue classes at the Local Government Council level and possibly reconciliation of disbursement from the Federation Account and the receipts by the Local Government Council.

I advised the Ministry for Local Governments to share with the Local Government councils the breakdown of revenues from the Federation Accounts to ensure that they are correctly reported by the Councils.

3.2 CASH AND BANK BALANCES

The total cash balances stood at ₦2,000.00 in respect of Suleja Local Government Council at the end of the financial year ended 31st December 2018.

While the total bank balances stood at ₦16,760,663;55 in respect of Suleja Local Government Council as at the end of the financial year ended 31st December 2018

4. INTERNAL CONTROL

During the course of our audit exercise, it was observed that despite reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued. The non-compliance was evidenced by the Payment Vouchers been prepared and paid out without being endorsed by the Internal Audit Units, the non-endorsement of Officer Controlling the Vote, and Checks by the respective accounting Officers.

Also evidenced is lack of Asset Register to ascertain the Assets, their Condition, their Location and values of such assets. And all efforts made by my Office to ensure the maintenance of the Register are not encouraging.

In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that henceforth all Payment Vouchers raised are passed through Internal Audit Unit for certification before such payment are effected and equally ensure the maintenance of Asset Register before my next audit.

4.1 RECOMMENDATION

- It is recommended that the Internal Control System in existence has to be strengthened, proper record keeping and documentation of all financial transactions so as to enhance proper accountability.

5. BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦230,908,368.00 was generated as Internally Generated Revenue which represents 116.15% when compared with the total budgeted Internally Generated Revenue amounting to ₦198,800,000.00 during the year under review. This is an excellent performance.

5.1 RECOMMENDATION

- It is recommended that preparation of cash flow statement should be adequately monitored to reduce the unnecessary expenditure on overhead and given priority to project execution.

- More efforts should be made so as to maintained the target set on revenue generation internally in the next financial year. This will reduce over dependence of the Council on Statutory Allocation from Federation Accounts which is no longer attainable.

6. PERSONNEL COST

It was observed that the total sum of ₦990,963,420.93 and ₦355,925,643.99 was spent as total personnel cost for the year 2018 and 2017 respectively with an increase of ₦635,037,776.94 over the previous year. This is as a result of salary increase made by the state government during the year under review.

7. CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No 5 of Revenue and Expenditure revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦972,925,779.00 and only the sum of ₦162,681,151.50 representing 16.72% was spent leaving the balance of ₦810,244,627.50 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	152,925,779.00	2,260,000.00	150,665,779.00
02	Economic Sector	395,000,000.00	91,471,229.00	303,528,771.00
05	Social Sector	425,000,000.00	68,949,922.50	356,050,077.50
TOTAL		972,925,779.00	162,681,151.50	810,244,627.50

7.1 RECOMMENDATION

- It is recommended that the previous statistical data should be used in the preparation of a reliable budget that could be attainable.
- Also, Capital projects should be encouraged and priority should be given to its execution as it has direct bearing to the grass roots development.

8. PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No. 3 revealed that the Total Revenue stood at ₦2,303,118,060.91 with a Total Expenditure of ₦2,298,868,162.81 and close with a surplus balance of ₦4,249,898.10 This is a healthy statement of account.

9. 0 DEPOSITS

Deposits comprise statutory deductions which relate to contracts awarded (Value Added Tax (VAT) and Withholding Tax (WHT)) and employment which are deducted at source by the Local Government Council and are supposed to be remitted to the relevant tax collecting bodies in accordance with relevant legislation. I observed that a total of ₦5,136,012.77 stood as outstanding consolidated deposit balances as at

the end of the period under review. Table below shows the list of the outstanding deposits as at 31st December 2018.

Outstanding deductions as at 31 December 2018.

DETAILS	AMOUNT ₦
5% Contract VAT	4,217,152.45
5% Withholding Tax	89,800.02
PAYE	69,347.11
RETENTION FEES	759,713.19
TOTAL	5,136,012.77

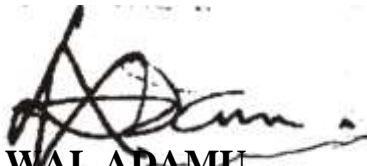
From the above table, the Councils recorded outstanding VAT amounting to ₦4,217,152.45 and WHT of ₦89,800.02 as at 31st December, 2018.

Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that the outstanding balance may be deducted from the Statutory allocations due to the Councils and in addition the councils may be fined and penalized for delayed remittance and hence affect the amount of money meant for developmental activities.

I advised the Local Government Councils to take steps to remit the outstanding deductions to the relevant authorities as a matter of urgency to avoid fines and penalties. I also advised the councils comply with the legislation in regard to future deductions.

10. CONCLUSION

We wish to use this medium to express our appreciation to the Chairman and the entire staff of Local Government for the cooperation given to the staff of this Office to carry out the Audit exercise. It is our sincere hope that you would not hesitate to contact this Office for further clarification and explanations you might require in connection with the Audited Annual Financial Statement and Management Reports.



LAWAL ADAMU

*Director Statutory and Special Operations,
For: Auditor General*

**NIGER STATE OF NIGERIA
TAFA LOCAL GOVERNMENT COUNCIL
SABON WUSE**

**AUDITED ACCOUNTS
FOR
THE YEAR ENDED
31ST DECEMBER 2018**

**AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
P. M. B. 53, MINNA
NIGER STATE**

PERSONALITY PROFILE

- Y. FINANCIAL STATEMENT**
Statement of Financial Responsibility
Council Officials
Auditor General's Opinion
- Z. AUDIT REPORT**

- Cash Flow Statements
- Statement of Assets & Liabilities
- Statement of Consolidated Revenue Funds
- State of Capital Development Funds
- Notes to the Accounts.
- Statement of Accounting Policies
- Scope of Audit
- General State of Accounts and Records Keeping
- General Recommendation
- Review of Financial Statement
- Internal Control
- Budgetary Control
- Personnel Cost
- Capital Expenditure
- Performance of Operation Activities
- Deposits
- Outstanding Audit Inspection
- Conclusion

STATEMENT OF FINANCIAL RESPONSIBILITY

These Financial Statements have been prepared by the Treasurer of Tafa Local Government Council in accordance with the provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements complied with generally accepted accounting practices. The Treasury is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper


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records, the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of Internal Control has operated adequately throughout the reporting period.

Treasurer

31st December, 2018

We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended. In our opinion, these financial statements fairly reflect the financial position of Tafa Local Governments as at 31st December, 2018 and its operations for the year ended on the date.



Treasurer

31st December, 2018



Chairman

31st December, 2018

COUNCIL OFFICIALS

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Ibrahim Mami

Executive Chairman

Honourable Abraham B. Shanshi

Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:	DEPARTMENTS	DESIGNATION
Adamu Musa	Personnel Management	H. O. D
Dauda M. A. Kallamu	Finance and Supply	H. O. D
Dinatu Bako	Primary Health Care	H. O. D
Hauwa T. Adamu	Agriculture and Natural Resources	H. O. D
Mr. Monday Waziri Bidi	Works and Housing	H. O. D
Mr. Kennedy D. Yakubu	Budget and Planning	H. O. D
Mr. Mathew Yusuf	Social Development	H. O. D

- **BANKERS**

Unity Bank Plc.
United Bank for Africa Plc.

ADDRESS

Suleja Branch
Suleja Branch

- **AUDITORS**

Auditor General
Office of the Auditor General for Local Governments
P.M.B. 53 Minna,
Niger State.

AUDITOR GENERAL'S OPINION

I have examined the financial statement which have been prepared in accordance with standardized Local Government Treasury Procedures, Financial Memoranda and Circular guidelines. I obtained all information and explanations which I requested for the purpose of my Audit.

In my opinion, the accounts readable in conjunction with notes subject to the issues raised in the management report issued separately with this account gives a true and fair view of affairs of the Council as at 31st December, 2018 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.

Ibrahim Ahmed, B. Sc, MPA, FCNA, FCTI, CPA
Auditor General for Local Governments

1: Cash Flow Statement for the Year Ended 31st December, 2018

ANNUAL BUDGET 2018		NOTES	ACTUAL YEAR 2018	PREVIOUS YEAR 2017
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,208,478,279.00	Statutory Allocations:FAAC	1	1,429,693,353.59	
	Value Added Tax Allocation	1	-	
1,208,478,279.00	Sub-total - Statutory Allocation		1,429,693,353.59	

-	Direct Taxes	2	-
6,980,000.00	Licences & FEES	2	5,763,000.00
	Mining Rents:	2	-
6,000,000.00	RATES	2	3,916,000.00
	Fees:	2	-
	Fines	2	-
	Sales	2	-
2,100,000.00	Earnings :	2	2,097,410.00
-	Sales/Rent of Government Buildings:	2	-
	Sale/Rent on Lands and Others:	2	-
	Repayments-General:	2	-
	Investment Income	2	-
-	Interest Earned	2	-
	Re-imbusement	2	-
-	MISELLANEOUS	2	614,500.00
15,080,000.00	Sub-total - Independent Revenue		12,390,910.00
	Other Revenue Sources of the -Government	3	
15,080,000.00	TOTAL INDEPENDANT REVENUE		12,390,910.00
	Commercial Bank Loan		
1,223,558,279.00	TOTAL RECEIPTS		1,442,084,263.59
	Payments:		
342,554,130.00	Personnel Costs	3	596,224,893.11
230,400,000.00	Overhead Charges:	4	174,460,522.64
	Consolidated Revenue Fund Charges .	5	46,667,250.78
	contributions	7	552,051,465.48
	Other Operating Activities		-
	Financial Charges		-
-	Other Transfers	6	25,100,000.00
572,954,130.00	Total Payments		1,394,504,132.01
650,604,149.00	Net Cash Flow from Operating Activities		47,580,131.58
	CashFlows from Investment Activities:		
	Capital Expenditure:Administrative Sector:	8	11,400,000.00
	Capital Expenditure: Economic Sector:	8	34,190,000.00
	capital expenditure: Social Service Sector:	8	14,425,000.00
	Capital Expenditure: Funded from Aid and Grants:		-
788,563,578.00	Total Cash Flow from Investment Activities:		60,015,000.00
(137,959,429.00)	Net Cash Flow from Investment Activities:		(12,434,868.42)

	CashFlows from Financing Activities:			
	Proceeds from Aid and Grants			-
	Proceeds from ExternaL Loan :			-
	Proceeds from Internal Loans: Bonds :			-
	Proceeds from Development loan stock			-
	Proceeds of Loans from Other Funds			-
	Repayment of External Loans (Including Servicing)			-
	Repayment of Treasury Bonds :			-
	Repayment of Loans from Development loan stock			-
-	Repayment of Loans from Other Funds	11		-
-	Total Cash Flow from Financing Activities:			-
(137,959,429.00)	Net Cash Flow from Financing Activities:			(12,434,868.42)
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments			-
	Net (Increase)/Decrease in Other Cash Equivalents:			-
	Total Cashflow from other Cash equivalent Accounts			-
	Net Cash for the year			(12,434,868.42)
	Cash & Its Equivalent as at 1st January, 2018			25,640,073.17
	Cash & Its Equivalent as at 31st December, 2018	9		13,205,204.75

2: Statement of Assets and Liabilities as at 31st December, 2018

	NOTES	CURRENT YEAR 2018	PREVIOUS YEAR 2017
CURRENT ASSETS:-		₦	₦
Liquid Assets:-			
Cash Held by COUNCIL:			
CASH AT HAND		565.00	
CASH AT BANK	9	13,204,639.75	

TOTAL LIQUID ASSETS		13,205,204.75
NON CURRENT ASSETS:		
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-
TOTAL ASSETS		13,205,204.75
LIABILITIES OVER ASSETS		3,467,188.29
TOTAL		16,672,393.04
LIABILITIES:-		
PUBLIC FUNDS		
Consolidated Revenue Fund:	CRF	13,205,204.75
Capital Development Fund:		-
TOTAL PUBLIC FUNDS		13,205,204.75
EXTERNAL AND INTERNAL LOANS		
BANK LOANS	11	
		-
TOTAL EXTERNAL AND INTERNAL LOANS		-
OTHER LIABILITIES		
UNREMITTED DEDUCTIONS		
P.A.Y.E	12	209,204.20
NULGE	12	65,911.89
MHWU	12	577,437.10
5% VAT	12	1,307,317.55
5% WHT TAX	12	1,307,317.55
TOTAL OTHER LIABILITIES		3,467,188.29
TOTAL LIABILITIES & PUBLIC FUNDS		16,672,393.04

3: Statement of Consolidated Revenue for the year ended 31st December, 2018

ACTUAL PREVIOUS YEAR 2017		NOTES	ACTUAL YEAR 2018	FINAL BUDGET 2018	INITIAL/ORIGINAL BUDGET 2018
N			N	N	N
	Opening Balance:		25,640,073.17		
	ADD: REVENUE				
	Statutory Allocations:FAAC	1	1,429,693,353.59	1,208,478,279.00	

	Value Added Tax Allocation	1	-	
	Sub-Total - Statutory Allocation		1,429,693,353.59	1,208,478,279.00
	Direct Taxes	2	-	-
	Licences	2	5,763,000.00	6,980,000.00
	RATES	2	3,916,000.00	6,000,000.00
	Fees:	2	-	
	Fines	2	-	
	Sales	2	-	
	Earnings :	2	2,097,410.00	2,100,000.00
	Sales/Rent of Government Buildings:	2	-	-
	Sale/Rent on Lands and Others:	2	-	
	MISCELLANEOUS	2	614,500.00	-
	Investment Income	2	-	
	Interest Earned	2	-	-
	Re-Imbursements	2	-	
	Sub-Total - Independent Revenue		12,390,910.00	15,080,000.00
	Other Revenue Sources of the ---Government			
	TOTAL REVENUE:		1,467,724,336.76	1,223,558,279.00
	LESS:EXPENDITURE			
	Personnel Costs:	3	596,224,893.11	342,554,130.00
	Overhead Charges:	4	174,460,522.64	230,400,000.00
	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	46,667,250.78	
	contributions	7	552,051,465.48	
	Other Operating Activities		-	
	Financial Charges.		-	
	Other Transfers	6	25,100,000.00	-
	TOTAL EXPENDITURE:		1,394,504,132.01	572,954,130.00
	OTHER RECURRENT PAYMENTS/EXPENDITURE:			
	Repayments:External Loans:States		-	
	Repayments:States Bonds.		-	
	Repayments:Development Loan Stock		-	
	Repayments:Internal Loans from Other Funds	11	-	
	TOTAL EXPENDITURE:		-	
	OPERATING BALANCE:		73,220,204.75	
	APPROPRIATIONS/TRANSFERS:			
	Transfer to Capital Development Fund:		60,015,000.00	

Closing Balance:	13,205,204.75
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4: Statement of Capital Development Fund for the year ended 31st December, 2018

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2017			EXPENDITURE 2018	BUDGET 2018	BUDGET 2018	BUDGET 2018
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					

	Transfer from Consolidated Revenue Fund:		60,015,000.00		
	Aid and Grants		-		
	TOTAL REVENUE AVAILABLE:		60,015,000.00		
	LESS: CAPITAL EXPENDITURE				
	Capital Expenditure:Administrative Sector:	10	11,400,000.00		
	Capital Expenditure: Economic Sector:	10	34,190,000.00		
	Capital Expenditure: Social Service Sector:	10	14,425,000.00		
	Capital Expenditure: Funded from Aid and Grants:		-		
	TOTAL CAPITAL EXPENDITURE:		60,015,000.00	788,563,578.00	
	Intangible Assets		-		
	LOSS ON INVESTMENT		-		
	CLOSING BALANCE:		-		

Note to the Financial Statement for the Year Ended 31st December, 2018

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₦	₦

Net Share of Statutory Allocation from FAAC	A	478,988,057.20	
Add :Deduction at source for Loan Repayment	B	950,705,296.39	
Share of Statutory Allocation - Other Agencies	C	-	
Share of Federal Accounts Allocation- Excess Crude Oil	D	-	
Total(GROSS) FAAC Allocation to LG			1,429,693,353.59
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		-

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₦	₦	₦
TAXES	-		
RATES	3,916,000.00		
LINCENCES & FEES	5,763,000.00		
EARNING FROM COMMERCIAL UNDERTAKING	2,097,410.00		
RENT ON LOCAL GOVERNMENT PROPERTY	-		
MISELLANEOUS	614,500.00		
TOTAL I G R	12,390,910.00		

Note 3: Personnel Cost

ADMINISTRATIVE SECTOR	Admin	Economic	Function	Fund	GEO CODE	ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
OFFICE OF THE CHAIRMAN									
01	11001001	21010101	70111	2101	TOTAL PERSONNEL COST	4,073,796.22			

THE COUNCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	25,081,486.18			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	1,991,661.30			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST				
							58,655,833.95			
TOTAL ADMIN SECTOR							89,802,777.65			
ECONOMIC SECTOR										
Sector	Admin	Economic	Function	Fund			ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	13,299,875.34			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	-			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	30,257,493.62			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	17,831,821.09			
TOTAL ECONOMIC SECTOR							61,389,190.05			
SOCIAL SECTOR										
Sector	Admin	Economic	Function	Fund			ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
ADULT EDUCATION										
05	17001001	21010101	70960	2101		TOTAL PERSONNEL COST	3,234,864.44			
PRIMARY HEALTH CARE										
05	21001001	21010101	70131	2101		TOTAL PERSONNELCOST	114,911,480.85			
TRADITIONAL OFFICE										

05	51002002	21010101	70131	2101		TOTAL PERSONNELCOST	-			
TOTAL SOCIAL SECTOR							118,146,345.29			
TOTAL FOR ALL SECTORS							269,338,312.99			
ADJUSTMENT :										
PAYEE							8,778,694.74			
PAYEE (POLITICAL OFFICE							3,809,094.00			
UNION DUES							14,275,368.68			
NHF(2,5%)							2,007,937.94			
EMIRATE COUNCIL							46,448,974.32			
PRIMARY EDUCATION							251,566,510.44			
TOTAL PERSONNEL COST FOR ALL SECTORS							596,224,893.11			

Note 4: Overhead Cost

ADMINISTRATIVE SECTOR											
OFFICE OF THE CHAIRMAN											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11001001	22020101	70111	2101		2	Travel & Transport	3,474,000.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			

01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	194,500.00			
01	11001001	22020402	70111	2101		6	Maintenance of office	1,930,000.00			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	9,672,000.00			
01	11001001	22020701	70111	2101		8	Consultancy Services	-			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	6,705,224.01			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	11,283,000.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	40,549,000.00			
							TOTAL	73,807,724.01			
THE COUNCCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	6,235,000.00			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	-			
01	12003001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	1,400,000.00			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles andCapital assets	-			
01	12003001	22020701	70111	2101		8	Consultancy Services	-			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	12003001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	1,270,000.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	10,387,000.00			
							TOTAL	19,292,000.00			
OFFICE OF THE SECRETARY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11013001	22020101	70111	2101		2	Travel & Transport	70,000.00			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	490,000.00			
01	11013001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	1,138,000.00			

01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	-			
01	11013001	22020701	70111	2101		8	Consultancy Services	1,920,000.00			
01	11013001	22040109	70111	2101		9	Grants, Contributions & Subventions	-			
01	11013001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11013001	22021001	70111	2101		11	Entertainment & Hospitality	-			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	-			
							TOTAL	3,618,000.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	1,366,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	225,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of officefurniture & equipment	395,000.00			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	-			
01	25001001	22020701	70131	2101		8	Consultancy Services	20,800.00			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	19,979,200.00			
01	25001001	22020501	70131	2101		10	Training and staff Development	3,684,551.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	1,351,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	710,000.00			
							TOTAL	27,731,551.00			
							TOTAL ADMIN MINISTIES	124,449,275.01			
ECONOMIC SECTOR											
FINANCE AND SUPPLY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	20001001	22020101	70112	2101		2	Travel & Transport	1,504,975.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			

02	20001001	22020301	70112	2101		5	Stationary	1,142,500.00			
02	20001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	1,860,000.00			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	366,480.00			
02	20001001	22020701	70112	2101		8	Consultancy Services	-			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	14,049,912.63			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	1,665,000.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	8,210,900.00			
							TOTAL	28,799,767.63			
BUDGET;PLANNING & RESEARCH											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	38001001	22020101	70112	2101		2	Travel & Transport	414,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	10,000.00			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	400,000.00			
02	38001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	205,000.00			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	255,000.00			
02	38001001	22020701	70112	2101		8	Consultancy Services	-			
02	38001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	38001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	38001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	317,000.00			
							TOTAL	1,601,000.00			
WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	453,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	600,000.00			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	875,000.00			
02	34001001	22020402	70451	2101		6	Maintenance of officefurniture & equipment	25,000.00			

02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	1,786,980.00			
02	34001001	22020701	70451	2101		8	Consultancy Services	170,000.00			
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	-			
02	34001001	22020501	70451	2101		10	Short term Training and Consultancy	-			
02	34001001	22021001	70451	2101		11	Entertainment & Hospitality	410,000.00			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	801,500.00			
							TOTAL	5,121,480.00			
AGRICULTURE AND NATURAL RESURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	147,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	-			
02	15001001	22020402	70421	2101		6	Maintenance of officefurniture & equipment	200,000.00			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	235,000.00			
02	15001001	22020701	70421	2101		8	Consultancy Services	-			
02	15001001	22040109	70421	2101		9	Grants, Contributions & Subventions	-			
02	15001001	22020501	70421	2101		10	Training and staff Development	-			
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	4,455,000.00			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	2,270,000.00			
							TOTAL	7,307,000.00			
							TOTAL ECONOMIC SECTOR MINISTRY	42,829,247.63			
SOCIAL SECTOR											
ADULT EDUCATION											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	17001001	22020101	70922	2101		2	Travel & Transport	675,000.00			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			

05	17001001	22020301	70922	2101		5	Stationary	15,000.00			
05	17001001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	105,000.00			
05	17001001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	17001001	22020701	70922	2101		8	Consultancy Services	-			
05	17001001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	17001001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	1,642,000.00			
							TOTAL	2,437,000.00			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport	-			
05	51003001	22020201	70922	2101		3	Utility Services	-			
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	51003001	22020301	70922	2101		5	Stationary	-			
05	51003001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	51003001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51003001	22020701	70922	2101		8	Consultancy Services	-			
05	51003001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	51003001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	51003001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	-			
PRIMARY HEALTH CARE											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	21001001	22020101	70731	2101		2	Travel & Transport	169,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	50,000.00			
05	21001001	22020402	70731	2101		6	Maintenance of officefurniture & equipment	535,000.00			

05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	170,000.00			
05	21001001	22020701	70731	2101		8	Consultancy Services	-			
05	21001001	22020501	70731	2101		10	Training and staff Development	-			
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	-			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	2,386,000.00			
							TOTAL	3,310,000.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	1,230,000.00			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	95,000.00			
05	51002002	22020402	70180	2101		6	Maintenance of officefurniture & equipment	80,000.00			
05	51002002	22020401	70180	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51002002	22020701	70180	2101		8	Consultancy Services	-			
05	51002002	22040109	70180	2101		9	Grants, Contribution & Subvention	-			
05	51002002	22020501	70180	2101		10	Training and staff Development	-			
05	51002002	22021001	70180	2101		11	Entertainment & Hospitality	-			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	30,000.00			
							TOTAL	1,435,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	7,182,000.00			
							TOTAL FOR ALL SECTORS	174,460,522.64			

Note 5: Consolidated Revenue Charges

A-- PENSION AND GRATUITIES STATUTORY BOARD MINNA											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	DETAILS	ACTUAL EXPENDITURE	APPROVED	REVISED BUDGET	VARIANCE ON REVISED BUDGET	
01	25001001	22010102	70131	02101		Pension Statutory	21,887,846.16				
01	25001001	22010101	70131	02101		Gratuity Statutory	-				

01	25001001	22010103	70131	02101	Additional Pension	24,779,404.62			
01	25001001	22010104	70131	02101	Gratuity to contract officers				
01	25001001	22010105	70131	02101	142% Pension arrears	-			
01	25001002	22020902	70132	02102	Insurance Premium	-			
01	25001001	22010106	70131	02101	Acturial Valuation	-			
01	25001001	22010107	70131	02101	Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-			
					Deceased 3rd Annual Emolument (CPS)	-			
					TOTAL	46,667,250.78			
B--STATUTORY OFFICERS SALARY					STATUTORY OFFICERS SALARY	-			
					TOTAL CRF	46,667,250.78			

Note 6: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,600,000.00
2% MINNA DEVELOPMENT	7,200,000.00

COMMON SERVICES	8,300,000.00
TOTAL	25,100,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	523,251,465.48
TOTAL CONTRIBUTIONS	552,051,465.48

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR													
SECTOR	ADMIN	ECONOMIC	FUNCTION	PROGRAMME		FUND	GEO CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2018	2018 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET

1	11033001	23010122	70722	010400009616	03005		general admin	3,400,000.00			
1	11033001						staff housing	8,000,000.00			
1	11033001										
							TOTAL FOR ADMIN SECTOR	11,400,000.00			
ECONOMIC SECTOR											-
2	20001001				03005		agric & nat. res.	16,390,000.00			
2							electrification	17,800,000.00			(17,800,000.00)
2							ECONOMIC SECTOR TOTAL	34,190,000.00	-	-	(17,800,000.00)
SOCIAL SECTOR											-
5			70422	70900002606	03005		const. primary sch.	12,625,000.00			
							comm. Dev.	1,800,000.00			
SOCIAL SECTOR TOTAL											-
TOTAL FOR ALL SECTORS											60,015,000.00

Note 9: Closing Cash Book/Bank Balances as at 31st December, 2019

ACCOUNT TYPE	AMOUNT
NBANK	13,204,639.75
CASH	565.00

		-
TOTAL		13,205,204.75
FIXED DEPOSIT ACCOUNTS		
BALANCE AS AT 31-12-2018		3,467,188.30
TOTAL		3,467,188.30

Note 10: Investment

INVESTMENTS				
Investments in Companies				
	STOCK	HOLDING	PRICE	MARKET VALUE(N)
	TOTAL INVESTMENT			-

Note 11: Development Loan Stock

List the Loans	Balance as at 01/01/2019	ADDITIONAL LOAN	PRINCIPAL REPAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	BALANCE ON PRINCIPAL
BANK LOAN						
TOTAL						

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS	AMOUNT
P.A.Y.E	209,204.20
NULGE	65,911.89

MHWU		577,437.10
5% VAT		1,307,317.55
5% WHT TAX		1,307,317.55
TOTAL		3,467,188.29

**MANAGEMENT REPORT ON AUDITED
ANNUAL FINANCIAL STATEMENT FOR THE
YEAR ENDED 31ST DECEMBER, 2018**

1. SCOPE OF THE AUDIT

The Accounts and Records maintained by Tafa Local Government Council and Financial Statement produced for audit in respect of the year ended 31st December, 2018 have been examined and all the information that were provided and gathered in respect of monies received and expended have been certified. All the books of account from the book of original entry, General ledger to subsidiary ledger were checked and certified by our team.

2.0 GENERAL STATE OF ACCOUNTS AND RECORD KEEPING

The pattern and manner of keeping and rendering accounting books and records as observed in the Local Governments Councils were inadequate as highlighted in this report and are stated below:

- Most of the payment vouchers raised were not having documentary evidences to justify the payments made.
- Most of the purchases made lacked essential documentary evidence such as Receipt Vouchers, and Store Issue Vouchers which shows that they were not supplied or supplied but not taken charge.
- In some cases, approvals in respect of expenditure incurred were not presented for audit.
- Deductions made for WHT and VAT were in some cases not remitted to the appropriate tax authorities within time.
- Some payment vouchers were not checked and passed by the Internal Audit Unit.
- Absence of signatures of relevant parties to Payment Vouchers.
- Lack of adequate budgetary discipline.
- Non-maintenance of Fixed/Moveable Asset register.

2.1 GENERAL RECOMMENDATION

- All Directors should ensure that they maintain their Departmental Vote Expenditure Account Books and reconcile same monthly.
- All supplies made to Departments should be received from the suppliers in the presence of the Internal Auditor, for certification of the prime, completeness, and validity of the goods supplied.
- All payment vouchers must contain authenticated documents duly signed by the respective officials and the supplier.
- No payment vouchers should be entertained by the Internal Auditor if it is not accompanied with Departmental Vote Expenditure Account Book (D.V.E.A) and Departmental Payment Voucher Register (D.P.V.R) in order to avoid over expenditure and omission of some payment vouchers and posted into D.V.E.A. Book.
- No voucher should be paid by the Cashier without being certified by the Internal Auditor and duly checked and passed by the Treasurer.
- Copies of contract awards documents must be sent to the office of the Internal Auditor for his awareness and record purposes.
- Payment for contract awards, being it part payment, must be accompanied with photocopies of the council's approval and award of contract forms. Final payment must be accompanied with the original copies of the contract agreement form and relevant supporting documents for payment.
- Appointment of employees, resignation of appointment, termination of appointment, retirement from service, suspension from work, dismissal from service and deaths should be notified to the Internal Auditor immediately.

- All expenditure account books must be promptly reconciled with the treasury books to maintain efficiency and accountability.
- Rubber Stamp marked “ENTERED INTO VOTE BOOK” should be impressed on any payment sent to the Treasury to ensure that the voucher has been entered into Vote Book.
- Tell Book should equally be maintained by the Cashier for the purpose of Daily Cash Balance or the day’s taking to ascertain the liquid cash available at the close of each day’s business transactions after balancing up the Revenue and Expenditure cash Book for the day.
- The Revenue Staff (Collectors) should ensure that all revenue earning books are returned to the officer in charge after they have completely been used off.
- Store Officers should ensure that they keep all records up-to-date should the Internal Auditor will be going round to check and examine the accounts.
- A Job Cost Book should be kept in the Works Department on form **LGT 97 (F.M. 33.6)**.

3. REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Tafa Local Government Council for the year ended 31st December 2018 is shown in the table 1 below.

Table 1: Breakdown of revenues and Expenditures

TOTAL REVENUE	AMOUNT ₦	%
---------------	----------	---

	Internally Generated Revenue	12,390,910.00	0.86
	Statutory Allocation	1,429,693,353.59	99.14
	TOTAL	1,442,084,263.59	100.00
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	596,224,893.11	40.99
	Overhead Cost	174,460,522.64	11.99
	Consolidated Revenue Fund Charges	46,667,250.78	3.21
•	Contributions	552,051,465.48	37.95
•	Other Operating Activities	-	-
•	Other Transfers	25,100,000.00	1.73
•	Capital Expenditures	60,015,000.00	4.13
	TOTAL	1,454,519,132.01	100.00

3.1 REVENUE

The sum of ₦1,442,084,263.59 accrued to Tafa Local Government Councils as total receipts for the year ended 31st December 2018.

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Tafa Local Government Council amounted to ₦12,390,910.00 only for the year ended 31st December 2018 which represents 0.86 % of the total accrued revenue of ₦1,442,084,263.59. This shows that the council solely depend on statutory allocation from the Federation Account for survival. This could result to non-survival of the Council if there is a decline of revenue from the Federation Account.

I advised the Local Government Council to take the following measures to boost their internally generated revenue collection.

- Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- Control over issuance of revenue receipts
- Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.

3.1.2 STATUTORY ALLOCATION

The sum of ₦1,429,693,353.59 was disbursed to Tafa Local Governments Council for the year under review. Statutory allocation comprises VAT, Excess Crude and Statutory Allocation etc. The reporting framework provides that each revenue class is reported separately in the financial statements and the notes thereto.

It was, however, noted that these classes of revenue are only identified at the Ministry for Local Government (Joint Account) while the disbursements to Local Government Councils are only classified as Statutory Allocation.

This makes it difficult to trace and account for each revenue classes at the Local Government Council level and possibly reconciliation of disbursement from the Federation Account and the receipts by the Local Government Council.

I advised the Ministry for Local Governments to share with the Local Government councils the breakdown of revenues from the Federation Accounts to ensure that they are correctly reported by the Councils.

3.2 CASH AND BANK BALANCES

The total cash balances stood at ₦565.00 in respect of Tafa Local Government Council at the end of the financial year ended 31st December 2018.

While the total bank balances stood at ₦13,204,639.75 in respect of Tafa Local Government Council as at the end of the financial year ended 31st December 2018

4. INTERNAL CONTROL

During the course of our audit exercise, it was observed that despite reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued. The non-compliance was evidenced by the Payment Vouchers been prepared and paid out without being endorsed by the Internal Audit Units, the non-endorsement of Officer Controlling the Vote, and Checks by the respective accounting Officers.

Also evidenced is lack of Asset Register to ascertain the Assets, their Condition, their Location and values of such assets. And all efforts made by my Office to ensure the maintenance of the Register are not encouraging.

In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that henceforth all Payment Vouchers raised are passed through Internal Audit Unit for certification before such payment are effected and equally ensure the maintenance of Asset Register before my next audit.

4.1 RECOMMENDATION

- It is recommended that the Internal Control System in existence has to be strengthened, proper record keeping and documentation of all financial transactions so as to enhance proper accountability.

5. BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦12,390,910.00 was generated as Internally Generated Revenue which represents 82.17% when compared with the total budgeted Internally Generated Revenue amounting to ₦15,080,000.00 during the year under review. This is a great performance.

5.1 RECOMMENDATION

- It is recommended that preparation of cash flow statement should be adequately monitored to reduce the unnecessary expenditure on overhead and given priority to project execution.

- More efforts should be made so as to maintained the target set on revenue generation internally in the next financial year. This will reduce over dependence of the Council on Statutory Allocation from Federation Accounts which is no longer attainable.

6. PERSONNEL COST

It was observed that the total sum of ₦596,224,893.11 and ₦241,751,903.28 was spent as total personnel cost for the year 2018 and 2017 respectively with an increase of ₦354,472,989.83 over the previous year. This is as a result of salary increased made by the state government during the year under review.

7. CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No 5 of Revenue and Expenditure revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦788,563,578.00 and only the sum of ₦60,015,000.00 representing 7.61% was spent leaving the balance of ₦728,548,578.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	219,218,617.00	11,400,000.00	207,818,617.00

02	Economic Sector	345,900,380.00	34,190,000.00	311,710,380.00
05	Social Sector	223,444,581.00	14,425,000.00	209,019,581.00
TOTAL		788,563,578.00	60,015,000.00	728,548,578.00

7.1 RECOMMENDATION

- It is recommended that the previous statistical data should be used in the preparation of a reliable budget that could be attainable.
- Also, Capital projects should be encouraged and priority should be given to its execution as it has direct bearing to the grass roots development.

8. PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No. 3 revealed that the Total Revenue stood at ₦1,442,084,263.59 with a Total Expenditure of ₦1,454,519,132.01 and close with a surplus balance of (₦12,434,868.42) This is an unhealthy statement of account.

9.0 DEPOSITS

Deposits comprise statutory deductions which relate to contracts awarded (Value Added Tax (VAT) and Withholding Tax (WHT)) and employment which are deducted at source by the Local Government Council and are supposed to be remitted to

the relevant tax collecting bodies in accordance with relevant legislation. I observed that a total of ₦3,467,188.29 stood as outstanding consolidated deposit balances as at the end of the period under review. Table below shows the list of the outstanding deposits as at 31st December 2018.

Outstanding deductions as at 31 December 2018.

DETAILS	AMOUNT ₦
5% Contract VAT	1,307,317.55
5% Withholding Tax	1,307,317.55
PAYE	209,204.20
NULGE	65,91189
MHWU	577,437.10
TOTAL	3,467,188.29

From the above table, the Councils recorded outstanding VAT amounting to 1,307,317.55~~₦~~ and WHT of ₦1,307,317.55 as at 31st December, 2018.

Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that the outstanding balance may be deducted from the Statutory allocations due to the Councils and in addition the councils may be fined and penalized for delayed remittance and hence affect the amount of money meant for developmental activities.

I advised the Local Government Councils to take steps to remit the outstanding deductions to the relevant authorities as a matter of urgency to avoid fines and penalties. I also advised the councils comply with the legislation in regard to future deductions.

10. OUTSTANDING AUDIT INSPECTION

AGX/FO.18/TA/TAF/VOL.1 Dated:23rd July,2019

(i)Payment made without relevant supporting document	130,000.00
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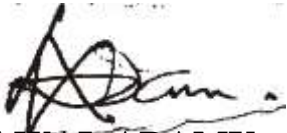
10.1 REQUIRED

The council is required to response to the outstanding Inspection Report or else necessary action and sanction will be taken.

11. CONCLUSION

We wish to use this medium to express our appreciation to the Chairman and the entire staff of Local Government for the cooperation given to the staff of this Office to carry out the Audit exercise. It is our sincere hope that you would not hesitate

to contact this Office for further clarification and explanations you might require in connection with the Audited Annual Financial Statement and Management Reports.



LAWAL ADAMU

*Director Statutory and Special Operations,
For: Auditor General*

**NIGER STATE OF NIGERIA
WUSHISHI LOCAL GOVERNMENT COUNCIL**

WUSHISHI

**AUDITED ACCOUNTS
FOR
THE YEAR ENDED
31ST DECEMBER 2018**

=

**AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
P. M. B. 53, MINNA
NIGER STATE**

PERSONALITY PROFILE

AA. FINANCIAL STATEMENT

Statement of Financial Responsibility

Council Officials

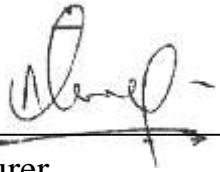
Auditor General's Opinion

BB. AUDIT REPORT

- Cash Flow Statements
- Statement of Assets & Liabilities
- Statement of Consolidated Revenue Funds
- State of Capital Development Funds
- Notes to the Accounts.
- Statement of Accounting Policies
- Scope of Audit
- General State of Accounts and Records Keeping
- General Recommendation
- Review of Financial Statement
- Internal Control
- Budgetary Control
- Personnel Cost
- Capital Expenditure
- Performance of Operation Activities
- Deposits
- Outstanding Audit Inspection
- Conclusion

STATEMENT OF FINANCIAL RESPONSIBILITY

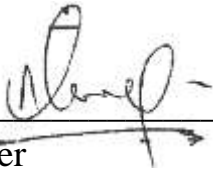
These Financial Statements have been prepared by the Treasurer of Wushishi Local Government Council in accordance with the provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements complied with generally accepted accounting practices. The Treasury is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper records, the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of Internal Control has operated adequately throughout the reporting period.



Treasurer

31st December, 2018

We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended. In our opinion, these financial statements fairly reflect the financial position of Wushishi Local Governments as at 31st December, 2018 and its operations for the year ended on the date.



Treasurer

31st December, 2018



Chairman

31st December, 2018

COUNCIL OFFICIALS

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Ahmed Baba Suleiman	Executive Chairman
Honourable Abubakar Sadiq	Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:	DEPARTMENTS	DESIGNATION
Alhaji Saidu Hassan	Personnel Management	H. O. D
Aliyu Alhassan Akare	Finance and Supply	H. O. D
Abraham Danlami Jatau	Primary Health Care	H. O. D
Hajiya Salamatu Bello	Agriculture and Natural Resources	H. O. D
Mohammed Sani Katuna	Works and Housing	H. O. D
	Budget and Planning	H. O. D
	Social Development	H. O. D

- **BANKERS**

	ADDRESS
United Bank for Africa Plc. (UBA)	Wushishi Branch
Unity Bank Plc.	Zungeru Branch
Wushishi Micro Finance Bank	Wushishi Branch
Tanadi Micro-Finance Bank Ltd.	Minna Branch

- **AUDITORS**

Auditor General
Office of the Auditor General for Local Governments
P.M.B. 53 Minna,
Niger State.

AUDITOR GENERAL'S OPINION

I have examined the financial statement which have been prepared in accordance with standardized Local Government Treasury Procedures, Financial Memoranda and Circular guidelines. I obtained all information and explanations which I requested for the purpose of my Audit.

In my opinion, the accounts readable in conjunction with notes subject to the issues raised in the management report issued separately with this account gives a true and fair view of affairs of the Council as at 31st December, 2018 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.



Ibrahim Ahmed, B. Sc, MPA, FCNA, FCTI, CPA
Auditor General for Local Governments

1: Cash Flow Statement for the Year Ended 31st December, 2018

ANNUAL BUDGET 2018		NOTES	ACTUAL YEAR 2018	PREVIOUS YEAR 2017
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,437,670,298.00	Statutory Allocations:FAAC	1	1,278,537,602.30	
	Value Added Tax Allocation	1		
1,437,670,298.00	Sub-total - Statutory Allocation		1,278,537,602.30	
1,500,000.00	Direct Taxes	2	55,750.00	
5,049,500.00	Licences & FEES	2	369,550.00	
	Mining Rents:	2		
2,000,000.00	RATES	2	334,000.00	
	Fees:	2		
	Fines	2		
	Sales	2		
6,255,000.00	Earnings :	2	2,184,700.00	
1,465,000.00	Sales/Rent of Government Buildings:	2	76,000.00	
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
	Interest Earned	2		
	Re-imbusement	2		
260,000.00	MISELLANEOUS	2	2,728,000.00	
16,529,500.00	Sub-total - Independent Revenue			
	Other Revenue Sources of the -Government	3		
16,529,500.00	TOTAL INDEPENDANT REVENUE		5,748,000.00	
	Commercial Bank Loan		-	
1,454,199,798.00	TOTAL RECEIPTS		1,284,285,602.30	
	Payments:			
258,572,480.00	Personnel Costs	3	509,733,168.57	
219,277,434.00	Overhead Charges:	4	176,754,008.64	
	Consolidated Revenue Fund Charges .	6	51,563,765.37	
	contributions	7	538,459,802.90	
	Other Operating Activities		-	
	Financial Charges		-	
	Other Transfers	6	25,100,000.00	
477,849,914.00	Total Payments		1,301,610,745.48	
976,349,884.00	Net Cash Flow from Operating Activities		(17,325,143.18)	

	CashFlows from Investment Activities:			
	Capital Expenditure:Administrative Sector:	8	5,672,100.00	
	Capital Expenditure: Economic Sector:	8	15,891,400.00	
	Capital Expenditure: Law and Justice:	8	-	
	Capital Expenditure:Regional Development	8	-	
	capital expenditure: Social Service Sector:	8	5,982,811.10	
	Capital Expenditure: Funded from Aid and Grants:		-	
648,260,471.00	Total Cash Flow from Investment Activities:		27,546,311.10	
328,089,413.00	Net Cash Flow from Investment Activities:		(44,871,454.28)	
	CashFlows from Financing Activities:			
	Proceeds from Aid and Grants		-	
	Proceeds from ExternaL Loan :		-	
	Proceeds from Internal Loans: Bonds :		-	
	Proceeds from Development loan stock		-	
	Proceeds of Loans from Other Funds		-	
	Repayment of External Loans (Including Servicing)		-	
	Repayment of Treasury Bonds :		-	
	Repayment of Loans from Development loan stock		-	
-	Repayment of Loans from Other Funds		-	
-	Total Cash Flow from Financing Activities:		-	
328,089,413.00	Net Cash Flow from Financing Activities:		(44,871,454.28)	
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	
	Net (Increase)/Decrease in Other Cash Equivalents:		-	
	Total Cashflow from other Cash equivalent Accounts		-	
	Net Cash for the year		(44,871,454.28)	
	Cash & Its Equivalent as at 1st January, 2018		54,138,879.27	
	Cash & Its Equivalent as at 31st December, 2018		9,267,424.99	

2: Statement of Assets and Liabilities as at 31st December, 2018

	NOTES	CURRENT YEAR 2018	PREVIOUS YEAR 2017
CURRENT ASSETS:-		₹	₹
Liquid Assets:-			
Cash at Hand		2620.28	
CASH AT BANK	11	9,264,804.71	
TOTAL LIQUID ASSETS		9,267,424.99	
NON CURRENT ASSET			
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	
TOTAL ASSETS		9,267,424.99	
LIABILITIES OVER ASSETS		5,908,420.10	
TOTAL :		15,175,845.09	
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:		9,267,424.99	
Capital Development Fund:			
TOTAL PUBLIC FUNDS		9,267,424.99	
EXTERNAL AND INTERNAL LOANS			
External Loans:States			
States Bonds .			
Development Loan Stock			
Internal Loans from Other Funds			
PRIOR YEAR ADJUSTMENT			
TOTAL EXTERNAL AND INTERNAL LOANS			

OTHER LIABILITIES			
UNREMITTED DEDUCTIONS			
5% CONTRACT DEDUCTION	12	1,658,619.72	
PAYEE	12	312,948.17	
NULGE	12	1,115.50	
DEVELOPMENT LEVY	12	51,620.00	
15%RENT ON PROPERTY	12	360,025.64	
FEDERAL MORTGAGE BANK	12	64,451.52	
VAT	12	3,402,161.11	
10% RETENTION	12	57,478.44	
TOTAL LIABILITIES		5,908,420.10	
TOTAL LIABILITIES AND PUBLIC FOUNDS		15,175,845.09	

3: Statement of Consolidated Revenue for the year ended 31st December, 2018

ACTUAL PREVIOUS YEAR 2017		NOTES	ACTUAL YEAR 2018	FINAL BUDGET 2018	INITIAL/ORIGINAL BUDGET 2018
N			N	N	N
-	Opening Balance:		54,138,879.27		
-			-	-	-
-	ADD: REVENUE		-	-	-
-	Statutory Allocations:FAAC	1	1,278,537,602.30	1,437,670,298.00	-
-	Value Added Tax Allocation	1	-	-	-
-	Sub-Total - Statutory Allocation		1,332,676,481.57	1,437,670,298.00	-
-	Direct Taxes	2	55,750.00	1,500,000.00	-
-	Licences	2	369,550.00	5,049,500.00	-
-	Mining Rents:	2	-	-	-
-	RATE	2	334,000.00	2,000,000.00	-
-	Fees:	2	-	-	-
-	Fines	2	-	-	-
-	Sales	2	-	-	-
-	Earnings :	2	2,184,700.00	6,255,000.00	-
-	Sales/Rent of Government Buildings:	2	76,000.00	1,465,000.00	-
-	Sale/Rent on Lands and Others:	2	-	-	-
-	Repayment:General:	2	-	-	-
-	Investment Income	2	-	-	-
-	Interest Earned	2	-	-	-
-	MISCELLANEOUS	2	2,728,000.00	260,000.00	-
-	Re-Imbursements	2	-	-	-
-	Sub-Total - Independent Revenue		5,748,000.00	16,529,500.00	-
-	Other Revenue Sources of the ---Government		-	31,559,000.00	-
-	TOTAL REVENUE:		1,338,424,481.57	1,485,758,798.00	-
	LESS:EXPENDITURE				
-	Personnel Costs:	3	509,733,168.57	258,572,480.00	-
-	Overhead Charges:	4	176,754,008.64	219,277,434.00	-
-	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	51,563,765.37	-	-
-	Contribution	7	538,459,802.90	-	-
	Financial Charges.		-		
-	Other Transfers	6	25,100,000.00	-	-
-	TOTAL EXPENDITURE:		1,301,610,745.48	477,849,914.00	-

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
-	Repayments:External Loans:States	13	-	-	-
-	Repayments:States Bonds.	14	-	-	-
-	Repayments:Development Loan Stock	15	-	-	-
-	Repayments:Internal Loans from Other Funds	16	-	-	-
-	TOTAL EXPENDITURE:		-	-	-
-	OPERATING BALANCE:		36,813,736.09	477,849,914.00	-
	APPROPRIATIONS/TRANSFERS:				
-	Transfer to Capital Development Fund:		27,546,311.10	-	-
-	Closing Balance:		9,267,424.99		

4: Statement of Capital Development Fund for the year ended 31st December, 2018

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2017			EXPENDITURE 2018	BUDGET 2018	BUDGET 2018	BUDGET 2018
₦			₦	₦	₦	₦
-	Opening Balance:		-			
-	ADD: REVENUE		-	-	-	-
-	Transfer from Consolidated Revenue Fund:		27,546,311.10	-	-	-
-	Aid and Grants		-	-	-	-
-	TOTAL REVENUE AVAILABLE:		27,546,311.10	-	-	-
	LESS: CAPITAL EXPENDITURE					
-	Capital Expenditure:Administrative Sector:	8	5,672,100.00	-	-	-
-	Capital Expenditure: Economic Sector:	8	15,891,400.00	-	-	-
-	Capital Expenditure: Law and Justice:	8	-	-	-	-
-	Capital Expenditure:Regional Development	8	-	-	-	-
-	Capital Expenditure: Social Service Sector:	8	5,982,811.10	-	-	-
-	Capital Expenditure: Funded from Aid and Grants:		-	-	-	-
-	TOTAL CAPITAL EXPENDITURE:		27,546,311.10	648,260,471.00	-	-
-	Intangible Assets					
	LOSS ON INVESTMENT		-			
-	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2018

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₦	₦
Net Share of Statutory Allocation from FAAC	A	1,252,138,543.71	
Add :Deduction at source for Loan Repayment	B	878,370,819.44	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			1,278,537,602.30
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₦	₦	₦
TAXES	55,750.00	1,500,000.00	1,444,250.00
RATES	334,000.00	2,000,000.00	1,666,000.00
LINCENCES & FEES	369,550.00	5,049,500.00	4,679,950.00
EARNING FROM COMMERCIAL UNDERTAKING	2,184,700.00	6,255,000.00	4,070,300.00
RENT ON LOCAL GOVERNMENT PROPERTY	76,000.00	1,465,000.00	1,389,000.00
MISELLANEOUS	2,728,000.00	260,000.00	(2,468,000.00)
TOTAL I G R	5,748,000.00	16,529,500.00	10,781,500.00

Note 3: Personnel Cost

ADMINISTRATIVE SECTOR										
SECTOR	Admin	Economic	Function	Fund	GEO CODE		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
OFFICE OF THE CHAIRMAN										
01	11001001	21010101	70111	2101		TOTAL PERSONNEL COST	4,673,970.00			
THE COUNCCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	29,156,996.00			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	2,743,084.00			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	19,296,397.00			
TOTAL ADMIN SECTOR							55,870,447.00			
ECONOMIC SECTOR										
Sector	Admin	Economic	Function	Fund			ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	22,779,805.00			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	1,118,643.00			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	22,726,217.00			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	22,098,071.00			
TOTAL ECONOMIC SECTOR							68,722,736.00			

SOCIAL SECTOR									
Sector	Admin	Economic	Function	Fund		ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
ADULT EDUCATION									
05	17001001	21010101	70960	2101	TOTAL PERSONNEL COST	16,721,025.00			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	100,561,205.40			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	4,610,504.00			
TOTAL SOCIAL SECTOR						121,892,734.40			
TOTAL FOR ALL SECTORS						246,485,917.40			
ADJUSTMENT :									
PAYEE						8,383,447.77			
PAYEE (POLITICAL OFFICE						4,096,200.00			
UNION DUES						12,182,167.57			
NHF(2,5%)						1,810,164.14			
EMIRATE COUNCIL						40,179,250.08			
PRIMARY EDUCATION						196,596,021.61			
TOTAL PERSONNEL COST FOR ALL SECTORS						509,733,168.57			

Note 4: Overhead Cost

ADMINISTRATIVE SECTOR											
OFFICE OF THE CHAIRMAN											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11001001	22020101	70111	2101		2	Travel & Transport	2,481,624.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	-			
01	11001001	22020402	70111	2101		6	Maintenance of office	718,000.00			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	1,419,242.00			
01	11001001	22020701	70111	2101		8	Consultancy Services	-			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	26,985,000.00			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	9,775,000.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	47,171,246.00			
							Provision of Serviceable Materials	-			
							TOTAL	88,550,112.00			
THE COUNCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	7,990,283.00			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	100,000.00			
01	12003001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	1,660,000.00			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles andCapital assets	-			
01	12003001	22020701	70111	2101		8	Consultancy Services	-			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	2,223,095.00			
01	12003001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	890,000.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	10,307,679.00			
							TOTAL	23,171,057.00			

OFFICE OF THE SECRETARY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11013001	22020101	70111	2101		2	Travel & Transport	1,300,000.00			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	181,908.00			
01	11013001	22020402	70111	2101		6	Maintenance of officefurniture & equipment	-			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	1,350,000.00			
01	11013001	22020701	70111	2101		8	Consultancy Services	-			
01	11013001	22040109	70111	2101		9	Grants, Contributions & Subventions	430,000.00			
01	11013001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11013001	22021001	70111	2101		11	Entertainment & Hospitality	-			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	650,000.00			
							TOTAL	3,911,908.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	1,145,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	85,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of officefurniture & equipment	790,000.00			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	-			
01	25001001	22020701	70131	2101		8	Consultancy Services	860,000.00			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	1,500,000.00			
01	25001001	22020501	70131	2101		10	Training and staff Development	393,000.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	920,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	2,319,303.00			
							TOTAL	8,012,303.00			
							TOTAL ADMIN SECTOR	123,645,380.00	-	-	-

ECONOMIC SECTOR											
FINANCE AND SUPPLY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	20001001	22020101	70112	2101		2	Travel & Transport	920,600.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	745,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	1,300,000.00			
02	20001001	22020701	70112	2101		8	Consultancy Services	-			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	27,435,935.64			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	528,821.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	9,284,857.00			
							TOTAL	40,215,213.64			
BUDGET;PLANNING & RESEARCH											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	38001001	22020101	70112	2101		2	Travel & Transport	1,000,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	-			
02	38001001	22020402	70112	2101		6	Maintenance of officefurniture & equipment	-			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	38001001	22020701	70112	2101		8	Consultancy Services	-			
02	38001001	22040109	70112	2101		9	Grants, Contributions & Subventions	-			
02	38001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	38001001	22021001	70112	2101		11	Entertainment & Hospitality	-			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	-			
							TOTAL	1,000,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	510,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	-			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	200,000.00			
02	34001001	22020402	70451	2101		6	Maintenance of officefurniture & equipment	-			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	245,000.00			
02	34001001	22020701	70451	2101		8	Consultancy Services	700,000.00			
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	1,144,205.00			
02	34001001	22020501	70451	2101		10	Short term Training and Consultancy	-			
02	34001001	22021001	70451	2101		11	Entertament & Hospitality	-			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	590,000.00			
							Provision of Serviceable Materials	1,510,000.00			
							TOTAL	4,899,205.00			
AGRICULTURE AND NATURAL RESURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	440,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	-			
02	15001001	22020402	70421	2101		6	Maintenance of officefurniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	-			
02	15001001	22020701	70421	2101		8	Consultancy Services	-			
02	15001001	22040109	70421	2101		9	Grants, Contributions & Subventions	-			
02	15001001	22020501	70421	2101		10	Training and staff Development	-			
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	-			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	455,000.00			
							TOTAL	895,000.00			
							TOTAL ECONOMIC SECTOR MINISTRY	47,009,418.64	-	-	-

SOCIAL SECTOR											
ADULT EDUCATION											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	17001001	22020101	70922	2101		2	Travel & Transport	445,000.00			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	230,000.00			
05	17001001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	20,000.00			
05	17001001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	17001001	22020701	70922	2101		8	Consultancy Services	-			
05	17001001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	17001001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	45,000.00			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	505,000.00			
							Provision of Serviceable Materials	-			
							TOTAL	1,245,000.00			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport	-			
05	51003001	22020201	70922	2101		3	Utility Services	-			
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	51003001	22020301	70922	2101		5	Stationary	-			
05	51003001	22020402	70922	2101		6	Maintenance of officefurniture & equipment	-			
05	51003001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51003001	22020701	70922	2101		8	Consultancy Services	-			
05	51003001	22040109	70922	2101		9	Grants, Contributions & Subventions	-			
05	51003001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	51003001	22021001	70922	2101		11	Entertainment & Hospitality	-			
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	-			

PRIMARY HEALTH CARE											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	21001001	22020101	70731	2101		2	Travel & Transport	745,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	-			
05	21001001	22020402	70731	2101		6	Maintenance of officefurniture & equipment	-			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	65,000.00			
05	21001001	22020701	70731	2101		8	Consultancy Services	-			
05	21001001	22020501	70731	2101		10	Training and staff Development	277,210.00			
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	66,000.00			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	2,296,000.00			
							Provision of Serviceable Materials	1,125,000.00			
							TOTAL	4,574,210.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	280,000.00			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	-			
05	51002002	22020402	70180	2101		6	Maintenance of officefurniture & equipment	-			
05	51002002	22020401	70180	2101		7	Maintenance of Vehicles and Capital assets	-			
05	51002002	22020701	70180	2101		8	Consultancy Services	-			
05	51002002	22040109	70180	2101		9	Grants, Contribution & Subvention	-			
05	51002002	22020501	70180	2101		10	Training and staff Development	-			
05	51002002	22021001	70180	2101		11	Entertainment & Hospitality	-			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	-			
							TOTAL	280,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	6,099,210.00	-	-	-
							TOTAL FOR ALL SECTORS	176,754,008.64	128,760,000.00	-	-

Note 5: Consolidated Revenue Charges

A-- PENSION AND GRATUITIES STATUTORY BOARD MINNA										
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	DETAILS	ACTUAL EXPENDITURE	APPROVED	REVISED BUDGET	VARIANCE ON REVISED BUDGET
01	25001001	22010102	70131	02101		Pension Statutory	23,303,137.74			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	28,260,627.63			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	-			
01	25001002	22020902	70132	02102		Insurance Premium	-			
01	25001001	22010106	70131	02101		Acturial Valuation	-			
01	25001001	22010107	70131	02101		Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-			
						Deceased 3rd Annual Emolument (CPS)	-			
						TOTAL	51,563,765.37			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	51,563,765.37			

Note 6: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,600,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	8,300,000.00
TOTAL	25,100,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	509,659,802.90
TOTAL CONTRIBUTIONS\	538,459,802.90

-

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR													
SECTOR	ADMIN	ECONOMIC	FUNCTION	PROGRAMME		FUND	GEO CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2018	2018 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
01	11033001	23010122	70722	010400009616		03005							
01	11033001	23010122	70722	010400009616		03005			DEVELOPMENT PROJECT	2,100,000.00			
01	11033001	23010122	70722	010400009616		03005			RENOVATION OF DSS OFFICE	3,572,100.00			
									TOTAL FOR ADMIN SECTOR	5,672,100.00			
													-
ECONOMIC SECTOR													-
02	20001001					03005			TRANSPORT,ROADS & BRIDGES	5,141,400.00			
02									BORE HOLES	10,750,000.00			
									MARKET	-			
									TOTAL FOR ECONOMIC SECTOR	15,891,400.00			
SOCIAL SECTOR													
05			70422	70900002606		03005			CONSTRUCTION & RENOVATION OF CLINICS	5,982,811.10			
									HEALTH	-			
										-			
									SOCIAL SECTOR TOTAL	5,982,811.10	-	-	
									TOTAL FOR ALL SECTORS	27,546,311.10			

Note 9: Closing Cash Book/Bank Balances as at 31st December, 2019

ACCOUNT TYPE		AMOUNT
BANK		9,264,804.71
TOTAL		9,264,804.71

Note 10: Investment

INVESTMENTS				
Investments in Companies				
	STOCK	HOLDING	PRICE	MARKET VALUE(N)
	TOTAL INVESTMENT			-

Note 11: Development Loan Stock

List the Loans	Balance as at 01/01/2019	ADDITIONAL LOAN	PRINCIPAL REPAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	BALANCE ON PRINCIPAL
BANK LOAN						
TOTAL						

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS		AMOUNT
5% CONTRACT DEDUCTION		1,658,619.72
PAYEE		312,948.17
NULGE		1,115.50
DEVELOPMENT LEVY		51,620.00
15%RENT ON PROPERTY		360,025.64
FEDERAL MORTGAGE BANK		64,451.52
VAT		3,402,161.11
10% RETENTION		57,478.44
TOTAL		5,908,420.10

**MANAGEMENT REPORT ON AUDITED
ANNUAL FINANCIAL STATEMENT FOR THE
YEAR ENDED 31ST DECEMBER, 2018**

1. SCOPE OF THE AUDIT

The Accounts and Records maintained by Wushishi Local Government Council and Financial Statement produced for audit in respect of the year ended 31st December, 2018 have been examined and all the information that were provided and gathered in respect of monies received and expended have been certified. All the books of account from the book of original entry, General ledger to subsidiary ledger were checked and certified by our team.

2.0 GENERAL STATE OF ACCOUNTS AND RECORD KEEPING

The pattern and manner of keeping and rendering accounting books and records as observed in the Local Governments Councils were inadequate as highlighted in this report and are stated below:

- Most of the payment vouchers raised were not having documentary evidences to justify the payments made.
- Most of the purchases made lacked essential documentary evidence such as Receipt Vouchers, and Store Issue Vouchers which shows that they were not supplied or supplied but not taken charge.
- In some cases, approvals in respect of expenditure incurred were not presented for audit.
- Deductions made for WHT and VAT were in some cases not remitted to the appropriate tax authorities within time.
- Some payment vouchers were not checked and passed by the Internal Audit Unit.
- Absence of signatures of relevant parties to Payment Vouchers.

- Lack of adequate budgetary discipline.
- Non-maintenance of Fixed/Moveable Asset register.

2.1 GENERAL RECOMMENDATION

- All Directors should ensure that they maintain their Departmental Vote Expenditure Account Books and reconcile same monthly.
- All supplies made to Departments should be received from the suppliers in the presence of the Internal Auditor, for certification of the prime, completeness, and validity of the goods supplied.
- All payment vouchers must contain authenticated documents duly signed by the respective officials and the supplier.
- No payment vouchers should be entertained by the Internal Auditor if it is not accompanied with Departmental Vote Expenditure Account Book (D.V.E.A) and Departmental Payment Voucher Register (D.P.V.R) in order to avoid over expenditure and omission of some payment vouchers and posted into D.V.E.A. Book.
- No voucher should be paid by the Cashier without being certified by the Internal Auditor and duly checked and passed by the Treasurer.
- Copies of contract awards documents must be sent to the office of the Internal Auditor for his awareness and record purposes.

- Payment for contract awards, being it part payment, must be accompanied with photocopies of the council’s approval and award of contract forms. Final payment must be accompanied with the original copies of the contract agreement form and relevant supporting documents for payment.
- Appointment of employees, resignation of appointment, termination of appointment, retirement from service, suspension from work, dismissal from service and deaths should be notified to the Internal Auditor immediately.
- All expenditure account books must be promptly reconciled with the treasury books to maintain efficiency and accountability.
- Rubber Stamp marked “ENTERED INTO VOTE BOOK” should be impressed on any payment sent to the Treasury to ensure that the voucher has been entered into Vote Book.
- Tell Book should equally be maintained by the Cashier for the purpose of Daily Cash Balance or the day’s taking to ascertain the liquid cash available at the close of each day’s business transactions after balancing up the Revenue and Expenditure cash Book for the day.
- The Revenue Staff (Collectors) should ensure that all revenue earning books are returned to the officer in charge after they have completely been used off.
- Store Officers should ensure that they keep all records up-to-date should the Internal Auditor will be going round to check and examine the accounts.
- A Job Cost Book should be kept in the Works Department on form **LGT 97 (F.M. 33.6)**.

3. REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Wushishi Local Government Council for the year ended 31st December 2018 is shown in the table 1 below.

Table 1: Breakdown of revenues and Expenditures.

TOTAL REVENUE		AMOUNT ₦	%
	Internally Generated Revenue	5,748,000.00	0.45
	Statutory Allocation	1,278,537,602.30	99.55
	TOTAL	1,284,285,602.30	100
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	509,733,168.57	38.35
	Overhead Cost	176,754,008.64	13.30
	Consolidated Revenue Fund Charges	51,563,765.37	3.88
•	Contributions	538,459,802.90	40.51
•	Other Operating Activities	-	-
•	Other Transfers	25,100,000.00	1.89
•	Capital Expenditures	27,546,311.10	2.07
	TOTAL	1,329,157,056.58	100

3.1 REVENUE

The sum of ₦1,284,285,602.30 accrued to Wushishi Local Government Councils as total receipts for the year ended 31st December 2018.

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Wushishi Local Government Council amounted to ₦5,748,000.00 only for the year ended 31st December 2018 which represents 0.45 % of the total accrued revenue of ₦1,284,285,602.30

This shows that the council solely depend on statutory allocation from the Federation Account for survival. This could result to non-survival of the Council if there is a decline of revenue from the Federation Account.

I advised the Local Government Council to take the following measures to boost their internally generated revenue collection.

- Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- Control over issuance of revenue receipts
- Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.

3.1.2 STATUTORY ALLOCATION

The sum of ₦1,278,537,602.30 was disbursed to Wushishi Local Governments Council for the year under review. Statutory allocation comprises VAT, Excess Crude and Statutory Allocation etc. The reporting framework provides that each revenue class is reported separately in the financial statements and the notes thereto.

It was, however, noted that these classes of revenue are only identified at the Ministry for Local Government (Joint Account) while the disbursements to Local Government Councils are only classified as Statutory Allocation.

This makes it difficult to trace and account for each revenue classes at the Local Government Council level and possibly reconciliation of disbursement from the Federation Account and the receipts by the Local Government Council.

I advised the Ministry for Local Governments to share with the Local Government councils the breakdown of revenues from the Federation Accounts to ensure that they are correctly reported by the Councils.

3.2 CASH AND BANK BALANCES

The total cash balances stood at ₦2,620.28 in respect of Wushishi Local Government Council at the end of the financial year ended 31st December 2018.

While the total bank balances stood at ₦9,264,604.71 in respect of Wushishi Local Government Council as at the end of the financial year ended 31st December 2018.

4. INTERNAL CONTROL

During the course of our audit exercise, it was observed that despite reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued. The non-compliance was evidenced by the Payment Vouchers been

prepared and paid out without being endorsed by the Internal Audit Units, the non-endorsement of Officer Controlling the Vote, and Checks by the respective accounting Officers.

Also evidenced is lack of Asset Register to ascertain the Assets, their Condition, their Location and values of such assets. And all efforts made by my Office to ensure the maintenance of the Register are not encouraging.

In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that henceforth all Payment Vouchers raised are passed through Internal Audit Unit for certification before such payment are effected and equally ensure the maintenance of Asset Register before my next audit.

4.1 RECOMMENDATION

- It is recommended that the Internal Control System in existence has to be strengthened, proper record keeping and documentation of all financial transactions so as to enhance proper accountability.

5. BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦5,748,000.00 was generated as Internally Generated Revenue which represents 34.64% when compared with the total budgeted Internally Generated Revenue amounting to ₦16,592,500.00 during the year under review. This is a fairly performance.

5.1 RECOMMENDATION

- It is recommended that preparation of cash flow statement should be adequately monitored to reduce the unnecessary expenditure on overhead and given priority to project execution.
- More efforts should be made so as to attain the target set on revenue generation internally in the next financial year. This will reduce over dependence of the Council on Statutory Allocation from Federation Accounts which is no longer attainable.

6. PERSONNEL COST

It was observed that the total sum of ₦509,733,168.57 and ₦245,999,987.55 was spent as total personnel cost for the year 2018 and 2017 respectively with an increase of ₦263,733,181.02 over the previous year. This is as a result of salary increase made by the state government during the year under review.

7. CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No 5 of Revenue and Expenditure revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦648,260,471.00 and only the sum of ₦27,546,311.10 representing 7.41% was spent leaving the balance of ₦620,714,159.90 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
--------------	----------------	--------------------------------	---------------------------------	-----------------------

01	Admin Sector	109,061,398.00	5,672,100.00	103,289,298.00
02	Economic Sector	324,306,461.00	15,891,400.00	308,415,061.00
05	Social Sector	214,892,612.00	5,982,811.10	208,909,800.90
TOTAL		<u>648,260,471.00</u>	<u>27,546,311.10</u>	<u>620,714,159.90</u>

7.1 RECOMMENDATION

- It is recommended that the previous statistical data should be used in the preparation of a reliable budget that could be attainable.
- Also, Capital projects should be encouraged and priority should be given to its execution as it has direct bearing to the grass roots development.

8. PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No. 3 revealed that the Total Revenue stood at ₦1,284,285,602.30 with a Total Expenditure of ₦1,329,157,056.58 and close with a surplus balance of (₦44,871,454.28) This is an unhealthy statement of account.

9.0 DEPOSITS

Deposits comprise statutory deductions which relate to contracts awarded (Value Added Tax (VAT) and Withholding Tax (WHT)) and employment which are deducted at source by the Local Government Council and are supposed to be remitted to the relevant tax collecting bodies in accordance with relevant legislation. I observed that a total of ₦5,908,420.10 stood as outstanding consolidated deposit balances as at the end of the period under review. Table below shows the list of the outstanding deposits as at 31st December 2018.

Outstanding deductions as at 31 December 2018.

DETAILS	AMOUNT ₦
5% Contract VAT	3,402,161.11
5% Withholding Tax	1,658,619.72
Retention fees	57,478.44
PAYE	312,948.17-
NULGE	1,115.50-
Development levy	5,1620.00
15% Rent on Property	360,025.64
10% Retention fees	57,478.44
Federal Mortgage Bank	64,451.52
TOTAL	5,908,420.10

From the above table, the Councils recorded outstanding VAT amounting to ₦3,402,161.11 and WHT of ₦1,658,619.72 as at 31st December, 2018.

Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that

the outstanding balance may be deducted from the Statutory allocations due to the Councils and in addition the councils may be fined and penalized for delayed remittance and hence affect the amount of money meant for developmental activities.

I advised the Local Government Councils to take steps to remit the outstanding deductions to the relevant authorities as a matter of urgency to avoid fines and penalties. I also advised the councils comply with the legislation in regard to future deductions.

10. OUTSTANDING AUDIT INSPECTION

AGX/FO.18/TA/WUS/VOL.1 Dated: 15th April, 2019

(i) Outstanding Revenue Receipt Booklet	74,000.00
(ii) Payment of Reactivation of Bore-hole across the eleven (11) wards	2,750,000.00
(iii) Under remittance of Value Added Tax and withholding tax	532,000.00
(iv) Fictitious Payment to the Council Revenue Officer (Abdullahi D Ibrahim	330,000.00
(v) Fictitious payment made by Council chairman (Hon Bashar Umar)	300,000.00
(vi) Payment made to house Leader without documentation	5,000,000.00
(vii) Payment of Financial Assistance to Commissioner Nominee without details	500,000.00
(viii) Unreceipted Payment Vouchers	1,150,000.00
(ix) Outstanding Payment Vouchers	19,700,000.00
(x) Fraudulent Transfer of public Fund to chairman's Account (Hon Bashar Umar)	6,700,000.00
(xi) Payment of Transport Fees to NIGER REPUBLIC for the case of stolen legislative bus	50,000.00
(xii) Inflation of Payment for the contract of Drilling of Bore-holes	51,540,775.99

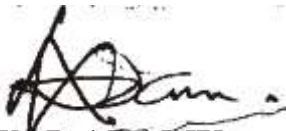
10.1 REQUIRED

The council is required to response to the outstanding Inspection Report or else necessary action and sanction will be taken.

11. CONCLUSION

We wish to use this medium to express our appreciation to the Chairman and the entire staff of Local Government for the cooperation given to the staff of this Office to carry out the Audit exercise.

It is our sincere hope that you would not hesitate to contact this Office for further clarification and explanations you might require in connection with the Audited Annual Financial Statement and Management Reports.



LAWAL ADAMU

Director Statutory and Special Operations,

For: Auditor General