



NIGER STATE GOVERNMENT OF NIGERIA
AGAIE LOCAL GOVERNMENT COUNCIL



AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2019

AUDITOR GENERAL FOR LOCAL GOVERNMENT
P.M.B 53, NIGER STATE

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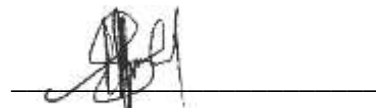
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STATEMENT OF FINANCIAL RESPONSIBILITY

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.

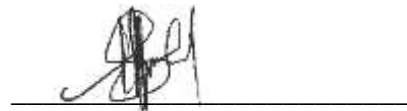
The Treasury is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper records, the use of all public financial resources by the Local Government Council. To the best 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, 2019 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**

Union Bank Plc.

Unity Bank Plc.

Babban Microfinance Bank

ADDRESS

Agaie Branch

Bida Branch

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, subjects 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, 2019 and of the Consolidated Reserve Position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.

Special opinion on State Local Government Joint Account Allocation Committee

Agaie Local Government is eligible to receive revenue comprising Statutory Allocation, Value Added Taxes and Exchange Difference from the Federation Account. The revenues received by Agaie Local Government, from the Ministry for Local Government, Community Development and Chieftaincy Affairs are indicated in the Statement of Consolidated Revenue Fund, Statement of Cashflow and the Notes to the Accounts. In my opinion, the statement of Consolidated Revenue Fund, Statement of Cashflow and the Notes to the Accounts present fairly, in all material respects, the revenues received by Agaie Local Government during the year ended December 31st, 2019.



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

1: Cash Flow Statement for the Year Ended 31st December, 2019

ANNUAL BUDGET 2019		NOTES	ACTUAL YEAR 2019	PREVIOUS YEAR 2018
N			N	N
	Cash Flows from Operating Activities:			
	Receipts:			
2,077,863,398.00	Statutory Allocations: FAAC	1	2,756,523,713.76	2,252,222,449.12
-	Value Added Tax Allocation	1		
2,077,863,398.00	Sub-total - Statutory Allocation		2,756,523,713.76	2,252,222,449.12
-	Direct Taxes	2	51,500.00	8,700.00
5,148,000.00	Licenses & FEES	2	2,266,000.00	2,664,280.00
	Mining Rents:	2		
1,500,000.00	RATES	2	414,000.00	1,244,500.00
	Fees:	2		
	Fines	2		
	Sales	2		
3,199,200.00	Earnings :	2	3,071,740.00	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		
1,000,000.00	MISELLANEOUS	2	979,000.00	593,500.00
10,847,200.00	Sub-total - Independent Revenue		6,782,240.00	6,972,510.00
-	Other Revenue Sources of the -Government		-	-
10,847,200.00	TOTAL INDEPENDANT REVENUE		6,782,240.00	6,972,510.00
-	Commercial Bank Loan		-	-
2,088,710,598.00	TOTAL RECEIPTS		2,763,305,953.76	2,259,194,959.12
	Payments:			
680,847,475.00	Personnel Costs	3	1,553,240,835.95	1,433,420,278.93
145,000,000.00	Overhead Charges:	4	72,854,364.14	83,997,717.13
866,755,062.00	Consolidated Revenue Fund Charges.	5	159,827,737.14	99,353,149.91
	contributions	7	169,631,500.00	545,704,161.32
	Other Operating Activities	6	649,449,529.01	-
	Financial Charges		-	-
	Other Transfers	6B	77,130,000.00	25,100,000.00
1,692,602,537.00	Total Payments		2,682,133,966.24	2,187,575,307.29
396,108,061.00	Net Cash Flow from Operating Activities		81,171,987.52	71,619,651.83

1: Cash Flow Statement for the Year Ended 31st December, 2019 (Cont'd.)

	Cash Flows from Investment Activities:			
	Capital Expenditure: Administrative Sector:	10	24,013,000.00	7,910,000.00
	Capital Expenditure: Economic Sector:	10	30,486,900.00	30,820,000.00
	Capital Expenditure: Law and Justice:	10	-	-
	Capital Expenditure: Regional Development	10	-	-
	capital expenditure: Social Service Sector:	10	2,250,000.00	22,081,000.00
	Capital Expenditure: Funded from Aid and Grants:		-	-
425,686,333.00	Total Cash Flow from Investment Activities:		56,749,900.00	60,811,000.00
(29,578,272.00)	Net Cash Flow from Investment Activities:		24,422,087.52	10,808,651.83
	Cash Flows 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:		-	-
(29,578,272.00)	Net Cash Flow from Financing Activities:		24,422,087.52	10,808,651.83
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	-
	Net (Increase)/Decrease in Other Cash Equivalents:		-	-
	Total Cash flow from other Cash equivalent Accounts		-	-
	Net Cash for the year		24,422,087.52	10,808,651.83
	Cash & Its Equivalent as at 1st January, 2019		11,495,218.40	687,249.86
	Cash & Its Equivalent as at 31st December, 2019		35,917,305.92	11,495,901.69

2: Statement of Assets and Liabilities as at 31st December, 2019

	NOTES	CURRENT YEAR 2019	PREVIOUS YEAR 2018
CURRENT ASSETS:-		₦	₦
Liquid Assets:-			
Cash Held by AGNS:			
CASH AT BANK	9	35,917,305.92	11,495,901.69
TOTAL LIQUID ASSETS		35,917,305.92	11,495,901.69
NON CURRENT ASSETS:			
		-	-
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	-
TOTAL ASSETS		35,917,305.92	11,495,901.69
LIABILITIES OVER ASSETS		6,632,314.29	6,880,922.00
TOTAL		42,549,620.21	18,376,823.69
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	35,917,989.21	11,495,901.69
Capital Development Fund:		-	-
TOTAL PUBLIC FUNDS		35,917,989.21	11,495,901.69
EXTERNAL AND INTERNAL LOANS			-
BANK LOANS	11	-	-
		-	-
		-	-
TOTAL EXTERNAL AND INTERNAL LOANS		-	-
OTHER LIABILITIES			
UNREMITTED DEDUCTIOS:			
5% VAT	12	3,804,527.00	966,922.00
Withholding Tax	12	2,259,605.00	914,000.00
1% Stamp Duty	12	567,499.00	5,000,000.00
TOTAL LIABILITIES		6,631,631.00	6,880,922.00
TOTAL LIABILITIES AND PUBLIC FOUNDS		42,549,620.21	18,376,823.69

3: Statement of Consolidated Revenue for the year ended 31st December, 2019

ACTUAL PREVIOUS YEAR 2018		NOTES	ACTUAL YEAR 2019	FINAL BUDGET 2019	INITIAL/ORIGINAL BUDGET 2019
₦			₦	₦	₦
687,249.86	Opening Balance:		11,495,901.69		
-	ADD: REVENUE		-	-	-
2,252,222,449.12	Statutory Allocations: FAAC	1	2,756,523,713.76	2,077,863,398.00	-
-	Value Added Tax Allocation	1	-	-	-
2,252,909,698.98	Sub-Total - Statutory Allocation		2,768,019,615.45	2,077,863,398.00	-
8,700.00	Direct Taxes	2	51,500.00	-	-
2,664,280.00	Licences	2	2,266,000.00	5,148,000.00	-
-	Mining Rents:	2	-	-	-
1,244,500.00	RATE	2	414,000.00	1,500,000.00	-
-	Fees:	2	-	-	-
-	Fines	2	-	-	-
-	Sales	2	-	-	-
2,402,630.00	Earnings :	2	3,071,740.00	3,199,200.00	-
58,900.00	Sales/Rent of Government Buildings:	2	-	-	-
-	Sale/Rent on Lands and Others:	2	-	-	-
-	Repayment: General:	2	-	-	-
-	Investment Income	2	-	-	-
-	Interest Earned	2	-	-	-
593,500.00	MISELLANEOUS	2	979,000.00	1,000,000.00	-
-	Re-Imbursements	2	-	-	-
6,972,510.00	Sub-Total - Independent Revenue		6,782,240.00	10,847,200.00	-
-	Other Revenue Sources of the - Government	3	-	-	-
2,259,882,208.98	TOTAL REVENUE:		2,774,801,855.45	2,088,710,598.00	-
	LESS:EXPENDITURE				
1,433,420,278.93	Personnel Costs:	4	1,553,240,835.95	680,847,475.00	-
83,997,717.13	Overhead Charges:	5	72,854,364.14	145,000,000.00	-
99,353,149.91	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	6	159,827,737.14	866,755,062.00	-
545,704,161.32	Subvention to Parastatals:	9	169,631,500.00	-	-
-	Other Operating Activities	7	649,449,529.01	-	-
-	Financial Charges.		-	-	-
25,100,000.00	Other Transfers	8	77,130,000.00	-	-
2,187,575,307.29	TOTAL EXPENDITURE:		2,682,133,966.24	1,692,602,537.00	-

3: Statement of Consolidated Revenue for the year ended 31st December, 2019 (Cont'd.)

	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:		-	-	-
72,306,901.69	OPERATING BALANCE:		92,667,889.21	1,692,602,537.00	-
	APPROPRIATIONS/TRANSFERS:				
60,811,000.00	Transfer to Capital Development Fund:		56,749,900.00	-	-
11,495,901.69	Closing Balance:		35,917,989.21		

4: Statement of Capital Development Fund for the year ended 31st December, 2019

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2018			EXPENDITURE 2019	BUDGET 2019	BUDGET 2019	BUDGET 2019
₦			₦	₦	₦	₦
-	Opening Balance:		-			
-	ADD: REVENUE		-	-	-	-
60,811,000.00	Transfer from Consolidated Revenue Fund:		56,749,900.00	-	-	-
-	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					
7,910,000.00	Capital Expenditure: Administrative Sector:	10	24,013,000.00	-	-	-
30,820,000.00	Capital Expenditure: Economic Sector:	10	30,486,900.00	-	-	-
-	Capital Expenditure: Law and Justice:	10	-	-	-	-
-	Capital Expenditure: Regional Development	10	-	-	-	-
22,081,000.00	Capital Expenditure: Social Service Sector:	10	2,250,000.00	-	-	-
-	Capital Expenditure: Funded from Aid and Grants:		-	-	-	-
60,811,000.00	TOTAL CAPITAL EXPENDITURE:		56,749,900.00	425,686,333.00	-	-
	Intangible Assets					
-	LOSS ON INVESTMENT		-			
-	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2019

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		N	N
Net Share of Statutory Allocation from FAAC	A	1,997,871,070.00	
Add :Deduction at source for Loan Repayment	B	758,652,643.76	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total (GROSS) FAAC Allocation to LG			2,756,523,713.76
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
TAXES	51,500.00	-	(51,500.00)
RATES	414,000.00	1,500,000.00	1,086,000.00
LINCENCES & FEES	2,266,000.00	5,148,000.00	2,882,000.00
EARNING FROM COMMERCIAL UNDERTAKING	3,071,740.00	3,199,200.00	127,460.00
RENT ON LOCAL GOVERNMENT PROPERTY	-	-	-
MISELLANEOUS	979,000.00	1,000,000.00	21,000.00
TOTAL I G R	6,782,240.00	10,847,200.00	4,064,960.00

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	12610100	TOTAL PERSONNEL COST	14,420,119.31			
THE COUNCCIL										
01	12003001	21010101	70111	2101	12610100	TOTAL PERSONNEL COST	7,003,806.81			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101	12610100	TOTAL PERSONNEL COST	414,473.14			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101	12610100	TOTAL PERSONNELCOST	64,461,072.09			
TOTAL ADMIN SECTOR							86,299,471.35			

ECONOMIC SECTOR										
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101	12610100	TOTAL PERSONNELCOST	73,097,868.50			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101	12610100	TOTAL PERSONNELCOST	1,529,664.26			
WORKS & HOUSING										
02	34001001	21010101	70112	2101	12610100	TOTAL PERSONNELCOST	72,030,447.26			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101	12610100	TOTAL PERSONNELCOST	61,111,860.80			
TOTAL ECONOMIC SECTOR							207,769,840.82			

SOCIAL SECTOR											
Sector	Admin	Economic	Function	Fund	GEO.CODE		ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET	
ADULT EDUCATION							₦	₦	₦	₦	
05	17001001	21010101	70960	2101	12610100	TOTAL PERSONNEL COST	89,307,641.62				
PRIMARY HEALTH CARE											
05	21001001	21010101	70131	2101	12610100	TOTAL PERSONNELCOST	202,617,555.95				
TRADITIONAL OFFICE											
05	51002002	21010101	70131	2101	12610100	TOTAL PERSONNELCOST	113,456,462.05				
TOTAL SOCIAL SECTOR								405,381,659.62			
TOTAL FOR ALL SECTORS								699,450,971.79			
ADJUSTMENT :											
PAYEE								22,460,210.83			
PAYEE (POLITICAL OFFICE								1,024,050.00			
UNION DUES								40,521,595.36			
NHF (2,5%)								17,308,752.91			
MHWU-ENDWELL								22,527,039.65			
EMIRATE COUNCIL								86,031,663.20			
Primary Education								639,466,552.21			
Salary and Salary Related								24,450,000.00			
TOTAL PERSONNEL COST FOR ALL SECTORS								1,553,240,835.95			

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	12610100	2	Travel & Transport	1,728,000.00			
01	11001001	22020201	70111	2101	12610100	3	Utility Services	-			
01	11001001	22020202	70111	2101	12610100	4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101	12610100	5	Stationary	3,541,000.00			
01	11001001	22020402	70111	2101	12610100	6	Maintenance of office	-			
01	11001001	22020401	70111	2101	12610100	7	Maintenance of Vehicles and	-			
01	11001001	22020701	70111	2101	12610100	8	Consultancy Services	-			
01	11001001	22040109	70111	2101	12610100	9	Grants, Contributions & Subventions	248,607.51			
01	11001001	22020501	70111	2101	12610100	10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101	12610100	11	Entertainment & Hospitality	1,025,000.00			
01	11001001	22021002	70111	2101	12610100	12	Miscellaneous expense	31,029,000.00			
							Provision of Serviceable Materials	-			
							TOTAL	37,571,607.51			
THE COUNCIL											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101	12610100	2	Travel & Transport	-			
01	12003001	22020201	70111	2101	12610100	3	Utility Services	-			
01	12003001	22020202	70111	2101	12610100	4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101	12610100	5	Stationary	-			
01	12003001	22020402	70111	2101	12610100	6	Maintenance of office furniture & equipment	-			
01	12003001	22020401	70111	2101	12610100	7	Maintenance of Vehicles and Capital assets	-			
01	12003001	22020701	70111	2101	12610100	8	Consultancy Services	-			
01	12003001	22040109	70111	2101	12610100	9	Grants, Contributions & Subventions	-			
01	12003001	22020501	70111	2101	12610100	10	Short term Training and Consultancy	-			
01	12003001	22021001	70111	2101	12610100	11	Entertainment & Hospitality	-			
01	12003001	22021002	70111	2101	12610100	12	Miscellaneous expenses	2,778,000.00			
							TOTAL	2,778,000.00			

OFFICE OF THE SECRETARY											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	11013001	22020101	70111	2101	12610100	2	Travel & Transport	-			
01	11013001	22020201	70111	2101	12610100	3	Utility Services	-			
01	11013001	22020202	70111	2101	12610100	4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101	12610100	5	Stationary	-			
01	11013001	22020402	70111	2101	12610100	6	Maintenance of office furniture & equipment	-			
01	11013001	22020401	70111	2101	12610100	7	Maintenance of Vehicles and Capital assets	-			
01	11013001	22020701	70111	2101	12610100	8	Consultancy Services	-			
01	11013001	22040109	70111	2101	12610100	9	Grants, Contributions & Subventions	-			
01	11013001	22020501	70111	2101	12610100	10	Short term Training and Consultancy	-			
01	11013001	22021001	70111	2101	12610100	11	Entertainment & Hospitality	-			
01	11013001	22021002	70111	2101	12610100	12	Miscellaneous expenses	198,000.00			
							TOTAL	198,000.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101	12610100	2	Travel & Transport	73,000.00			
01	25001001	22020201	70131	2101	12610100	3	Utility Services	-			
01	25001001	22020202	70131	2101	12610100	4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101	12610100	5	Stationary	64,200.00			
01	25001001	22020402	70131	2101	12610100	6	Maintenance of office furniture & equipment	-			
01	25001001	22020401	70131	2101	12610100	7	Maintenance of Vehicles and Capital assets	-			
01	25001001	22020701	70131	2101	12610100	8	Consultancy Services	-			
01	25001001	22040109	70131	2101	12610100	9	Grants, Contributions & Subventions	-			
01	25001001	22020501	70131	2101	12610100	10	Training and staff Development	-			
01	25001001	22021001	70131	2101	12610100	11	Entertainment & Hospitality	10,000.00			
01	25001001	22021002	70131	2101	12610100	12	Miscellaneous expenses	1,201,800.00			
							TOTAL	1,349,000.00			
							TOTAL ADMIN. SECTOR	41,896,607.51	-	-	-

ECONOMIC SECTOR											
FINANCE AND SUPPLY											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	20001001	22020101	70112	2101	12610100	2	Travel & Transport	521,500.00			
02	20001001	22020201	70112	2101	12610100	3	Utility Services	-			
02	20001001	22020202	70112	2101	12610100	4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101	12610100	5	Stationary	1,088,000.00			
02	20001001	22020402	70112	2101	12610100	6	Maintenance of office furniture & equipment	-			
02	20001001	22020401	70112	2101	12610100	7	Maintenance of Vehicles and Capital assets	-			
02	20001001	22020701	70112	2101	12610100	8	Consultancy Services	-			
02	20001001	22040109	70112	2101	12610100	9	Grants, Contributions & Subventions	-			
02	20001001	22020501	70112	2101	12610100	10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101	12610100	11	Entertainment & Hospitality	1,154,499.00			
02	20001001	22021002	70112	2101	12610100	12	Miscellaneous expenses	8,052,757.63			
							TOTAL	10,816,756.63			
BUDGET;PLANNING & RESEARCH											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	38001001	22020101	70112	2101	12610100	2	Travel & Transport	-			
02	38001001	22020201	70112	2101	12610100	3	Utility Services	-			
02	38001001	22020202	70112	2101	12610100	4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101	12610100	5	Stationary	-			
02	38001001	22020402	70112	2101	12610100	6	Maintenance of officefurniture & equipment	-			
02	38001001	22020401	70112	2101	12610100	7	Maintenance of Vehicles and Capital assets	-			
02	38001001	22020701	70112	2101	12610100	8	Consultancy Services	-			
02	38001001	22040109	70112	2101	12610100	9	Grants, Contributions & Subventions	-			
02	38001001	22020501	70112	2101	12610100	10	Short term Training and Consultancy	-			
02	38001001	22021001	70112	2101	12610100	11	Entertainment & Hospitality	-			
02	38001001	22021002	70112	2101	12610100	12	Miscellaneous expenses	759,000.00			
							TOTAL	759,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101	12610100	2	Travel & Transport	201,000.00			
02	34001001	22020201	70451	2101	12610100	3	Utility Services	296,000.00			
02	34001001	22020202	70451	2101	12610100	4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101	12610100	5	Stationary	-			
02	34001001	22020402	70451	2101	12610100	6	Maintenance of office furniture & equipment	-			
02	34001001	22020401	70451	2101	12610100	7	Maintenance of Vehicles and Capital assets	-			
02	34001001	22020701	70451	2101	12610100	8	Consultancy Services	-			
02	34001001	22040109	70451	2101	12610100	9	Grants, Contributions & Subventions	-			
02	34001001	22020501	70451	2101	12610100	10	Short term Training and Consultancy	-			
02	34001001	22021001	70451	2101	12610100	11	Entertainment & Hospitality	360,000.00			
02	34001001	22021002	70451	2101	12610100	12	Miscellaneous expenses	360,000.00			
							Provision of Serviceable Materials	1,669,000.00			
							TOTAL	2,886,000.00			

AGRICULTURE AND NATURAL RESURCES											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101	12610100	2	Travel & Transport	-			
02	15001001	22020201	70421	2101	12610100	3	Utility Services	-			
02	15001001	22020202	70421	2101	12610100	4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101	12610100	5	Stationary	-			
02	15001001	22020402	70421	2101	12610100	6	Maintenance of office furniture & equipment	-			
02	15001001	22020401	70421	2101	12610100	7	Maintenance of Vehicles and Capital assets	-			
02	15001001	22020701	70421	2101	12610100	8	Consultancy Services	-			
02	15001001	22040109	70421	2101	12610100	9	Grants, Contributions & Subventions	-			
02	15001001	22020501	70421	2101	12610100	10	Training and staff Development	-			
02	15001001	22021001	70421	2101	12610100	11	Entertainment and Hospitality	-			
02	15001001	22021002	70421	2101	12610100	12	Miscellaneous expenses	2,504,000.00			
							TOTAL	2,504,000.00			
							TOTAL ECONOMIC SECTOR	16,965,756.63	-	-	-

SOCIAL SECTOR											
ADULT EDUCATION											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	17001001	22020101	70922	2101	12610100	2	Travel & Transport	341,000.00			
05	17001001	22020201	70922	2101	12610100	3	Utility Services	-			
05	17001001	22020202	70922	2101	12610100	4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101	12610100	5	Stationary	-			
05	17001001	22020402	70922	2101	12610100	6	Maintenance of office furniture & equipment	488,000.00			
05	17001001	22020401	70922	2101	12610100	7	Maintenance of Vehicles and Capital assets	-			
05	17001001	22020701	70922	2101	12610100	8	Consultancy Services	-			
05	17001001	22040109	70922	2101	12610100	9	Grants, Contributions & Subventions	-			
05	17001001	22020501	70922	2101	12610100	10	Short term Training and Consultancy	-			
05	17001001	22021001	70922	2101	12610100	11	Entertainment & Hospitality	3,942,000.00			
05	17001001	22021002	70922	2101	12610100	12	Miscellaneous expenses	7,757,000.00			
							Provision of Serviceable Materials	-			
							TOTAL	12,528,000.00			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101	12610100	2	Travel & Transport	-			
05	51003001	22020201	70922	2101	12610100	3	Utility Services	-			
05	51003001	22020202	70922	2101	12610100	4	Telephone & Postal Services	-			
05	51003001	22020301	70922	2101	12610100	5	Stationary	-			
05	51003001	22020402	70922	2101	12610100	6	Maintenance of office furniture & equipment	-			
05	51003001	22020401	70922	2101	12610100	7	Maintenance of Vehicles and Capital assets	-			
05	51003001	22020701	70922	2101	12610100	8	Consultancy Services	-			
05	51003001	22040109	70922	2101	12610100	9	Grants, Contributions & Subventions	-			
05	51003001	22020501	70922	2101	12610100	10	Short term Training and Consultancy	-			
05	51003001	22021001	70922	2101	12610100	11	Entertainment & Hospitality	-			
05	51003001	22021002	70922	2101	12610100	12	Miscellaneous expenses	-			
							TOTAL	-			

PRIMARY HEALTH CARE											
Sector	Admin.	Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	21001001	22020101	70731	2101	12610100	2	Travel & Transport	-			
05	21001001	22020201	70731	2101	12610100	3	Utility Services	-			
05	21001001	22020202	70731	2101	12610100	4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101	12610100	5	Stationary	-			
05	21001001	22020402	70731	2101	12610100	6	Maintenance of office furniture & equipment	-			
05	21001001	22020401	70731	2101	12610100	7	Maintenance of Vehicles and Capital assets	-			
05	21001001	22020701	70731	2101	12610100	8	Consultancy Services	-			
05	21001001	22020501	70731	2101	12610100	10	Training and staff Development	-			
05	21001001	22021001	70731	2101	12610100	11	Entertainment & Hospital(Medical Assistance)	-			
05	21001001	22021002	70731	2101	12610100	12	Miscellaneous expenses	1,314,000.00			
							Provision of Serviceable Materials	-			
							TOTAL	1,314,000.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund	GEO.CODE	SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101	12610100	2	Travel & Transport	-			
05	51002002	22020201	70180	2101	12610100	3	Utility Services	-			
05	51002002	22020202	70180	2101	12610100	4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101	12610100	5	Stationary	-			
05	51002002	22020402	70180	2101	12610100	6	Maintenance of office furniture & equipment	-			
05	51002002	22020401	70180	2101	12610100	7	Maintenance of Vehicles and Capital assets	-			
05	51002002	22020701	70180	2101	12610100	8	Consultancy Services	-			
05	51002002	22040109	70180	2101	12610100	9	Grants, Contribution & Subvention	-			
05	51002002	22020501	70180	2101	12610100	10	Training and staff Development	-			
05	51002002	22021001	70180	2101	12610100	11	Entertainment & Hospitality	-			
05	51002002	22021002	70180	2101	12610100	12	Miscellaneous expenses	150,000.00			
							TOTAL	150,000.00			
							TOTAL SOCIAL SECTOR	13,992,000.00	-	-	-
							TOTAL FOR ALL SECTORS	72,854,364.14	-	-	-

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	12610100	Pension Statutory	138,693,063.41				
01	25001001	22010101	70131	02101	12610100	Gratuity Statutory	-				
01	25001001	22010103	70131	02101	12610100	Additional Pension	1,540,672.21				
01	25001001	22010104	70131	02101	12610100	Gratuity to contract officers	-				
01	25001001	22010105	70131	02101	12610100	Pension Arrears	19,594,001.52				
01	25001002	22020902	70132	02102	12610100	Insurance Premium	-				
01	25001001	22010106	70131	02101	12610100	Actuarial Valuation	-				
01	25001001	22010107	70131	02101	12610100	Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-				
						Deceased 3rd Annual Emolument (CPS)	-				
						TOTAL	159,827,737.14				
B--STATUTORY OFICERS SALARY							STATUTORY OFICERS SALARY	-			
						TOTAL CRF	159,827,737.14				

Note 6A: Other Operating Activities

OTHER OPERATING ACTIVITIES	AMOUNT
Emirate Council Overhead	48,000,000.00
Security	59,680,320.00
Overhead to Agencies	1,980,000.00
Legal Consultant	3,600,000.00
Party Dues	540,000.00
Operational	280,037,269.00
Intervention	253,604,000.00
Credit Direct Loan	22,940.01
Allowance to SA's on Security	1,985,000.00
TOTAL	649,449,529.01

Note 6B: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,200,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	16,730,000.00
RESERVE	44,000,000.00
TOTAL	77,130,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
CAPITAL	140,831,500.00
	-
	-
TOTAL CONTRIBUTIONS	169,631,500.00

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECON	FUNCTION	PROGRAMME	FUND	GEO.CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2019	2019 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
01	11033001	23010122	70722	010400009616	03005	12610100		Repairs and Construction of Staff Housing	24,013,000.00			
01	11033001	23010122	70722	010400009616	03005	12610100			-			
01	11033001	23010122	70722	010400009616	03005	12610100			-			
								TOTAL FOR ADMIN. SECTOR	24,013,000.00			
ECONOMIC SECTOR												
02	20001001				03005	12610100		Electrification	3,800,000.00			
02						12610100		Market Construction	15,286,900.00			-
						12610100		Transport, Road and Bridge	11,400,000.00			
								TOTAL FOR ECONOMIC SECTOR	30,486,900.00			
SOCIAL SECTOR												
05			70422	7E+10	03005	12610100		Drilling of Boreholes	2,250,000.00			
						12610100			-			
						12610100			-			
						12610100			-			
								TOTAL FOR SOCIAL SECTOR	2,250,000.00	-	-	-
								TOTAL FOR ALL SECTORS	56,749,900.00			-

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

CLOSING CASH BOOK/BANK BALANCES AS AT DEC 2019	
ACCOUNT TYPE	AMOUNT
UNION BANK (SALARY)	507.84
UNION BANK (SUB. ACCT.)	2,259.05
UNITY BANK BIDA (O/H)	7,069.33
BABBA MICRO FINANCE (GRA)	222,620.28
BABBA MICRO FINANCE (O/H)	-
UBA PLC.	35,684,849.42
TOTAL	35,917,305.92

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	200,972.13	-	200,972.13	-	200,972.13	-
	-	-	-	-	-	-
TOTAL	200,972.13	-	200,972.13	-	200,972.13	-

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS:	
5% VAT	3,804,527.00
Withholding Tax	2,259,605.00
1% Stamp Duty	567,499.00
TOTAL	6,631,631.00

MANAGEMENT REPORT ON AUDITED ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.0 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, 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)**.

3.0 REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Agaie 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	6,782,240.00	0.25
	Statutory Allocation	2,756,523,713.76	99.75
TOTAL		2,763,305,953.76	<u>100.00</u>
TOTAL EXPENDITURE			
	Salaries and Wages	1,553,240,835.95	56.73
	Overhead Cost	72,854,364.14	2.66
	Consolidated Revenue Fund Charges	159,827,737.14	5.83
•	Contributions	169,631,500.00	6.19
•	Other Operating Activities	649,449,529.01	23.71
•	Other Transfers	77,130,000.00	2.81
•	Capital Expenditures	56,749,900.00	2.07
TOTAL		2,738,635,258.73	100.00

3.1 REVENUE

The sum of **₦2,763,305,953.76** accrued to Agaie Local Government Councils as total receipts for the year ended 31st December 2019.

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Agaie Local Government Council amounted to ₦6,782,240.00 only for the year ended 31st December 2019 which represents 0.25% of the total accrued revenue of ₦2,763,305,953.76. 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 ₦2,756,523,713.76 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 ₦683.29 in respect of Agaie Local Government Council at the end of the financial year ended 31st December 2019, while the total bank balances stood at ₦35,917,305.92 in respect of Agaie Local Government Council as at the end of the financial year ended 31st December 2019.

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.

5.0 BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦6,782,240.00 was generated as Internally Generated Revenue which represents 62.52% when compared with the total budgeted Internally Generated Revenue amounting to ₦10,847,200.00 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.

6.0 PERSONNEL COST

It was observed that the total sum of ₦1,553,240,835.95 and ₦1,433,420,278.93 was spent as total personnel cost for the year 2019 and 2018 respectively with an increase of ₦119,820,557.02 over the previous year which represent 7.71%. This is as a result of salary increment by the state government during the year under review.

7.0 CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No1 (Cash Flow Statement) revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦425,686,333.00 and only the sum of ₦56,749,900.00 representing 13.33% was spent leaving the balance of ₦368,936,433.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	40,000,000.00	24,013,000.00	15,987,000.00
02	Economic Sector	185,882,576.00	13,650,000.00	172,232,576.00
05	Social Sector	199,803,757.00	19,086,900.00	180,716,857.00
TOTAL		<u>425,686,333.00</u>	<u>56,749,900.00</u>	<u>368,936,433.00</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.

8.0 PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No.1 revealed that the Total Revenue stood at ₦2,763,305,953.76 with a Total Expenditure of ₦2,738,635,258.73 and close with a surplus balance of ₦24,670,695.03 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 ₦6,631,631.00 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 2019.

Outstanding deductions as at 31 December 2019

DETAILS	AMOUNT ₦
5% VAT	3,804,527.00
Withholding Tax	2,259,605.00
1% Stamp Duty	567,499.00
TOTAL	6,631,631.00

From the above table, the Councils recorded outstanding VAT amounting to ₦3,804,527.00 and WHT of ₦2,259,605.00 as at 31st December, 2019.

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.

10.0 OUTSTANDING AUDIT INSPECTION

AGX/F.O.19/TA/MOK/VOL.1 - 7th March, 2020

• No Remittance of Development Levy to Appropriate Authority	₦856,000.00
• Withdrawal of Funds without due Approval	₦284,000.00
• Withdrawal of Fund without Payment Vouchers	₦30,000.00


10.1 REQUIRED

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

11.1 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 GOVERNMENT OF NIGERIA
AGWARA LOCAL GOVERNMENT COUNCIL



AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2019

AUDITOR GENERAL FOR LOCAL GOVERNMENT
P.M.B 53, NIGER STATE

PERSONALITY PROFILE

- **FINANCIAL STATEMENT**

Statement of Financial Responsibility

Council Officials

Auditor General's Opinion

- **AUDIT REPORT**

1.0 Cash Flow Statements

2.0 Statement of Assets & Liabilities

3.0 Statement of Consolidated Revenue Funds

4.0 State of Capital Development Funds

5.0 Notes to the Accounts.

6.0 Scope of Audit

7.0 General State of Accounts and Records Keeping

7.1 General Recommendation

8.0 Review of Financial Statement

9.0 Internal Control

10.0 Budgetary Control

11.0 Personnel Cost

12.0 Capital Expenditure

13.0 Performance of Operation Activities

14.0 Deposits

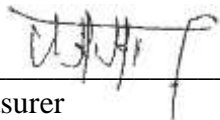
15.0 Outstanding Audit Inspection

16.0 Conclusion

STATEMENT OF FINANCIAL RESPONSIBILITY

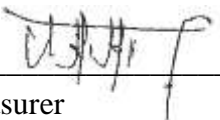
These Financial Statements have been prepared by the Treasurer of Agwara Local Government Council in accordance with the provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements complied with generally accepted accounting practices.

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.

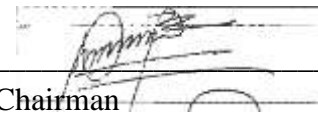


Treasurer
31st December, 2019

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, 2019 and its operations for the year ended on the date.



Treasurer
31st December, 2019



Chairman
31st December, 2019

COUNCIL OFFICIALS

- **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

4. AUDITORS

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

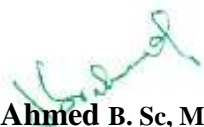
AUDITOR GENERAL'S OPINION

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, 2019 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.

Special opinion on State Local Government Joint Account Allocation Committee

Agwara Local Government is eligible to receive revenue comprising Statutory Allocation, Value Added Taxes and Exchange Difference from the Federation Account. The revenues received by Agwara Local Government, from the Ministry for Local Government, Community Development and Chieftaincy Affairs are indicated in the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts. In my opinion, the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts present fairly, in all material respects, the revenues received by Agwara Local Government during the year ended December 31st, 2019.



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

1: Cash Flow Statement for the Year Ended 31st December, 2019

ANNUAL BUDGET 2019		NOTES	ACTUAL YEAR 2019	PREVIOUS YEAR 2018
R			R	R
	Cash Flows from Operating Activities:			
	Receipts:			
1,426,287,298.00	Statutory Allocations: FAAC	1	1,520,884,987.66	1,390,976,937.02
	Value Added Tax Allocation	1		
1,426,287,298.00	Sub-total - Statutory Allocation		1,520,884,987.66	1,390,976,937.02
	Direct Taxes	2	-	-
8,950,000.00	Licences & FEES	2	4,165,200.00	3,739,996.75
	Mining Rents:	2		
6,430,000.00	RATES	2	-	-
	Fees:	2		
	Fines	2		
	Sales	2		
-	Earnings :	2	3,100,200.00	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		
-	Grant from state			
	Re-imburement	2		
240,000.00	MISCELLANEOUS	2	146,550.00	462,600.00
	Sub-total - Independent Revenue			
1,441,967,298.00	TOTAL INDEPENDANT REVENUE	3	7,411,950.00	11,044,296.75
	Commercial Bank Loan		-	-
	TOTAL RECEIPTS		1,528,296,937.66	1,402,021,233.77
	Payments:			
483,913,359.00	Personnel Costs	3	741,172,460.16	555,250,755.46
287,809,271.00	Overhead Charges:	4	107,145,304.51	194,142,584.96
	Consolidated Revenue Fund Charges.	5	50,056,019.46	27,807,552.21
	contributions	7	186,908,000.00	576,207,232.28
	Other Operating Activities	6b	301,444,790.99	-
	Financial Charges		-	-
	Other Transfers	6	76,180,000.00	25,100,000.00
771,722,630.00	Total Payments		1,462,906,575.12	1,378,508,124.91
670,244,668.00	Net Cash Flow from Operating Activities		65,390,362.54	23,513,108.86

1: Cash Flow Statement for the Year Ended 31st December, 2019 (Cont'd.)

	Cash Flows from Investment Activities:			
116,900,000.00	Capital Expenditure: Administrative Sector:	8	7,900,000.00	2,550,000.00
22,017,941.00	Capital Expenditure: Economic Sector:	8	24,165,400.00	22,324,675.00
119,456,906.00	capital expenditure: Social Service Sector:	8	2,000,000.00	515,000.00
-	Capital Expenditure: Funded from Aid and Grants:		-	-
258,374,847.00	Total Cash Flow from Investment Activities:		34,065,400.00	25,389,675.00
	Net Cash Flow from Investment Activities:		31,324,962.54	(1,876,566.14)
	Cash Flows 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:		31,324,962.54	(1,876,566.14)
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	-
	Net (Increase)/Decrease in Other Cash Equivalents:		-	-
	Total Cash flow from other Cash equivalent Accounts		-	-
	Net Cash for the year		31,324,962.54	(1,876,566.14)
	Cash & Its Equivalent as at 1st January, 2019		18,876,535.33	20,753,101.74
	Cash & Its Equivalent as at 31st December, 2019	9	50,201,497.87	18,876,535.60

2: Statement of Assets and Liabilities as at 31st December, 2019

	NOTES	CURRENT YEAR 2019	PREVIOUS YEAR 2018
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:			
CASH AT BANK	9	50,200,548.27	18,876,411.47
CASH AT HAND		949.60	123.86
TOTAL LIQUID ASSETS		50,201,497.87	18,876,535.33
NON CURRENT ASSETS:			
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	-
TOTAL ASSETS		50,201,497.87	18,876,535.33
LIABILITIES OVER ASSETS		5,565,315.73	5,565,316.00
TOTAL		55,766,813.60	24,441,851.33
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	50,201,497.87	18,876,535.60
Capital Development Fund:		-	-
TOTAL PUBLIC FUNDS		50,201,497.87	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	9,065.46
5% Withholding Tax	12	2,190,799.51	2,190,799.51
5% VAT	12	1,443,580.51	1,443,580.51
Retention Fees	12	200,000.00	200,000.00
LEA Salary	12	1,721,870.25	1,721,870.25
TOTAL LIABILITIES	12	5,565,315.73	5,565,315.73
TOTAL LIABILITIES AND PUBLIC FUNDS		55,766,813.60	24,441,851.33

3: Statement of Consolidated Revenue for the year ended 31st December, 2019

ACTUAL PREVIOUS YEAR 2018		NOTES	ACTUAL YEAR 2019	FINAL BUDGET 2019	INITIAL/ORIGINAL BUDGET 2019
₦			₦	₦	₦
20,753,101.74	Opening Balance:		18,876,535.33		
	ADD: REVENUE				
1,390,976,937.02	Statutory Allocations: FAAC	1	1,520,884,987.66	1,426,287,298.00	
-	Value Added Tax Allocation	1	-		
1,390,976,937.02	Sub-Total - Statutory Allocation		1,520,884,987.66	1,426,287,298.00	
-	Direct Taxes	2	-		
3,739,996.75	Licences	2	4,165,200.00	8,950,000.00	
-	RATES	2	-	6,430,000.00	
-	Fees:	2	-		
-	Fines	2	-		
-	Sales	2	-		
6,841,700.00	Earnings :	2	3,100,200.00	-	
-	Sales/Rent of Government Buildings:	2	-	60,000.00	
-	Sale/Rent on Lands and Others:	2	-	-	
	Grant from state			-	
462,600.00	MISCELLANEOUS	2	146,550.00	240,000.00	
-	Investment Income	2	-		
-	Interest Earned	2	-		
-	Re-Imbursements	2	-		
11,044,296.75	Sub-Total - Independent Revenue		7,411,950.00	15,680,000.00	
-	Other Revenue Sources of the ---Government		-		
1,422,774,335.51	TOTAL REVENUE:		1,547,173,472.99	1,441,967,298.00	
	LESS:EXPENDITURE				
555,250,755.46	Personnel Costs:	3	741,172,460.16	483,913,359.00	
194,142,584.96	Overhead Charges:	4	107,145,304.51	287,809,271.00	
27,807,552.21	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	50,056,019.46		
576,207,232.28	contributions	7	186,908,000.00		
-	Other Operating Activities	6b	301,444,790.99		
-	Financial Charges.		-		
25,100,000.00	Other Transfers	6	76,180,000.00		
1,378,508,124.91	TOTAL EXPENDITURE:		1,462,906,575.12	771,722,630.00	

3: Statement of Consolidated Revenue for the year ended 31st December, 2019 (Cont'd.)

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
-	Repayments: External Loans: States		-		
-	Repayments: States Bonds.		-		
-	Repayments: Development Loan Stock		-		
-	Repayments: Internal Loans from Other Funds	11	-		
-	TOTAL EXPENDITURE:		-		
44,266,210.60	OPERATING BALANCE:		84,266,897.87	670,244,668.00	
	APPROPRIATIONS/TRANSFERS:				
25,389,675.00	Transfer to Capital Development Fund:		34,065,400.00	-	
	Closing Balance:		50,201,497.87		

4: Statement of Capital Development Fund for the year ended 31st December, 2019

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2018			EXPENDITURE 2019	BUDGET 2019	BUDGET 2019	BUDGET 2019
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
25,389,675.00	Transfer from Consolidated Revenue Fund:		34,065,400.00	-		
-	Aid and Grants		-	-		
25,389,675.00	TOTAL REVENUE AVAILABLE:		34,065,400.00	-		
	LESS: CAPITAL EXPENDITURE					
2,550,000.00	Capital Expenditure: Administrative Sector:	10	7,900,000.00	116,900,000.00		
22,324,675.00	Capital Expenditure: Economic Sector:	10	24,165,400.00	22,017,941.00		
515,000.00	Capital Expenditure: Social Service Sector:	10	2,000,000.00	119,456,906.00		
-	Capital Expenditure: Funded from Aid and Grants:		-			
25,389,675.00	TOTAL CAPITAL EXPENDITURE:		34,065,400.00	258,374,847.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
-	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2019

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₱	₱
Net Share of Statutory Allocation from FAAC	A	1,074,889,554.88	
Add :Deduction at source for Loan Repayment	B	445,995,432.78	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			1,520,884,987.66
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	4,165,200.00		
EARNING FROM COMMERCIAL UNDERTAKING	3,100,200.00		
RENT ON LOCAL GOVERNMENT PROPERTY	-		
INTEREST AND DIVIDEND	-		
MISELLANEOUS	146,550.00		
TOTAL I G R	7,411,950.00		

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	1,170,441.45			
							-			
THE COUNCCIL							-			
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	6,367,097.40			
							-			
OFFICE OF THE SECRETARY							-			
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	636,709.74			
							-			
							-			
PERSONEL MANAGEMENT							-			
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	32,822,767.72			
							-			
TOTAL ADMIN SECTOR							40,997,016.31			
							-			
ECONOMIC SECTOR										
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	34,624,791.00			
							-			
BUDGET;PLANNING & RESEARCH							-			
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	4,271,303.48			
							-			
WORKS & HOUSING							-			
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	44,958,723.23			
							-			
AGRICULTURE AND NATURAL RESURCES							-			
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	39,570,301.42			
							-			
TOTAL ECONOMIC SECTOR							123,425,119.13			

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	142,053,451.19			
TRADITIONAL OFFICE							-			
05	51002002	21010101	70131	2101		TOTAL PERSONNELCOST	17,871,872.23			
SOCIAL DEVELOPMENT							-			
05		21010101	70131	2101		TOTAL PERSONNELCOST	49,296,784.36			
TOTAL SOCIAL SECTOR							209,222,107.78			
TOTAL FOR ALL SECTORS							373,644,243.22			
ADJUSTMENT :										
PAYEE							10,386,692.68			
PAYEE (POLITICAL OFFICE							952,273.50			
UNION DUES							18,081,723.08			
NHF (2,5%)							9,815,708.60			
EMIRATE COUNCIL							77,737,677.92			
PRIMARY EDUCATION							201,484,696.70			
MHWU-ENDWELL							25,269,444.46			
Salary and Salary Related							23,800,000.00			
TOTAL PERSONNEL COST FOR ALL SECTORS							741,172,460.16			

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	2,645,000.00			
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	20,000.00			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	340,000.00			
01	11001001	22020701	70111	2101		8	Consultancy Services	-			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	52,292,000.00			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	3,189,000.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	26,475,149.37			
							PROVISION OF SERVICE MATERIALS	-			
							TOTAL	84,961,149.37			
THE COUNCIL											
01	12003001	22020101	70111	2101		2	Travel & Transport	825,000.00			
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 office furniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles and Capital 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	900,000.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	-			
							PROVISION FOR SERVICEABLE	-			
							TOTAL	1,725,000.00			

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	-			
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 office furniture & 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	-			
							TOTAL	100,000.00			
PERSONEL MANAGEMENT											
01	25001001	22020101	70131	2101		2	Travel & Transport	840,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	695,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of office furniture & equipment	-			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	860,000.00			
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	805,000.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	1,193,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	415,000.00			
							TOTAL	4,808,000.00			
							TOTAL ADMIN SECTORS	91,594,149.37	-	-	-

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	857,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	729,600.00			
02	20001001	22020402	70112	2101		6	Maintenance of office furniture & equipment	816,500.00			
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	1,445,502.15			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	240,000.00			
							TOTAL	4,088,602.15			
BUDGET; PLANNING & RESEARCH											
02	38001001	22020101	70112	2101		2	Travel & Transport	331,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	1,230,000.00			
02	38001001	22020402	70112	2101		6	Maintenance of office furniture & equipment	262,000.00			
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	-			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	-			
							TOTAL	1,823,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	125,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	-			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	150,000.00			
02	34001001	22020402	70451	2101		6	Maintenance of office furniture & equipment	450,000.00			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	340,000.00			
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	30,000.00			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	-			
							PROVISION OF SERVICE MATERIALS	-			
							TOTAL	1,095,000.00			
AGRICULTURE AND NATURAL RESURCES											
02	15001001	22020101	70421	2101		2	Travel & Transport	180,000.00			
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 office furniture & equipment	300,000.00			
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	3,901,552.99			
							PROVISION OF SERVICEABLE	-			
							TOTAL	4,681,552.99			
							TOTAL ECONOMIC	11,688,155.14	-	-	-

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 office furniture & 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											
05	51003001	22020101	70922	2101		2	Travel & Transport	295,000.00			
05	51003001	22020201	70922	2101		3	Utility Services	-			
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	51003001	22020301	70922	2101		5	Stationary	150,000.00			
05	51003001	22020402	70922	2101		6	Maintenance of office furniture & equipment	300,000.00			
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	145,000.00			
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	890,000.00			

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	983,000.00			
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 office furniture & equipment	440,000.00			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	630,000.00			
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	420,000.00			
							INTEGRATED MGT. OF CHILD ILLNESS	-			
							NPI	-			
							ASSISTED PROGRAM (SUMMAP)	-			
							TOTAL	2,573,000.00			
TRADITIONAL OFFICE											
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 office furniture & 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	360,000.00			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	-			
							TOTAL	400,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	3,863,000.00	-	-	-
							TOTAL FOR ALL SECTOR	107,145,304.51	-	-	-

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	27,988,987.24			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	2,473,030.70			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	19,594,001.52			
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	50,056,019.46			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	50,056,019.46			

Note 6A: Other Operating Activities

OPERATIONAL ACTIVITIES	AMOUNT
EMIRATE COUNCIL OVERHEAD	30,000,000.00
SECURITY	59,680,320.00
OVERHEAD TO AGENCIES	1,980,000.00
LEGAL CONSULTANCY SERVICES	3,600,000.00
ALLOWANCE TO SA'S ON SECURITY	1,850,000.00
OPERATIONAL INTERVENTION	148,230,470.99
PARTY DUES	510,000.00
TOTAL	301,444,790.99

Note 6B: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,200,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	15,780,000.00
RESERVE FUND	44,000,000.00
TOTAL	76,180,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	-
CAPITAL	158,108,000.00
TOTAL CONTRIBUTIONS	186,908,000.00

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECON	FUNCTION	PROGRAMME	FUND	GEO.CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2019	2019 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616	03005				7,900,000.00			
1	11033001								-			
1	11033001								-			
								TOTAL FOR ADMIN SECTOR	7,900,000.00			
												-
ECONOMIC SECTOR												-
2	20001001				03005				24,165,400.00			
2									-			-
									-			-
2								ECONOMIC SECTOR TOTAL	24,165,400.00	-	-	-
												-
SOCIAL SECTOR												-
5			70422	70900002606	03005				2,000,000.00			
									-			
									-			
									-			
									-			
									-			
								TOTAL FOR SOCIAL SECTOR	2,000,000.00	-	-	-
								TOTAL FOR ALL SECTORS	34,065,400.00			-

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

CLOSING CASH BOOK/BANK BALANCES AS AT DEC 2019	
	AMOUNT
REVENUE ACCOUNT	6,879.61
MAIN/SALARY ACCOUNT	4,423,517.25
PROJECT ACCOUNT	43,747.10
UBA	35,685,321.30
REVENUE ACCOUNT	33,676.72
TRACTOR HIRING UNIT ACCOUNT	1,566.25
HEAVY DUTY EQUIPMENT ACCOUNT	7,867.50
SURE-P ACCOUNT	1,033.75
WARD DEVELOPMENT ACCOUNT	9,996,938.79
TOTAL	50,200,548.27

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	-	-	-	-	-	-
	-	-	-	-	-	-
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		5,565,315.73

MANAGEMENT REPORT ON AUDITED ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.0 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, 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)**.

3.0 REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Agwara 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	7,411,950.00	0.48
	Statutory Allocation	1,520,884,987.66	99.52
TOTAL		1,528,296,937.66	<u>100.00</u>
TOTAL EXPENDITURE			
	Salaries and Wages	741,172,460.16	
	Overhead Cost	107,145,304.51	7.15
	Consolidated Revenue Fund Charges	50,056,019.46	3.34
•	Contributions	186,908,000.00	12.48
•	Other Operating Activities	301,444,790.99	20.13
•	Other Transfers	76,180,000.00	5.08
•	Capital Expenditures	34,065,400.00	2.27
TOTAL		2,738,635,258.73	100.00

3.1 REVENUE

The sum of **₦1,528,296,937.66** accrued to Agwara Local Government Councils as total receipts for the year ended 31st December 2019

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Agwara Local Government Council amounted to **₦7,411,950.00** only for the year ended 31st December 2019 which represents 0.48% of the total accrued revenue of **₦1,528,296,937.66**. 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 ₦1,520,884,987.66 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 ₦949.60 in respect of Agwara Local Government Council at the end of the financial year ended 31st December 2019, while the total bank balances stood at ₦50,200,548.27 in respect of Agwara Local Government Council as at the end of the financial year ended 31st December 2019.

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.

5.0 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.

6.0 PERSONNEL COST

It was observed that the total sum of ₦741,172,460.16 and ₦555,250,755.46 was spent as total personnel cost for the year 2019 and 2018 respectively with an increase of ₦185,921,704.70 over the previous year which represent 25.08%. This is as a result of salary increment by the state government during the year under review.

7.0 CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No. 1 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 ₦258,374,847.00 and only the sum of ₦34,065,400.00 representing 13.18% was spent leaving the balance of ₦224,309,447.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	116,900,000.00	7,900,000.00	(2,147,459.00)
02	Economic Sector	22,017,941.00	24,165,400.00	44,000,000.00
05	Social Sector	343,766,353.00	2,000,000.00	182,456,906.00
TOTAL		<u>258,374,847.00</u>	<u>34,065,400.00</u>	<u>224,309,447.00</u>

7.1 RECOMMENDATION

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

8.0 PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No.1 revealed that the Total Revenue stood at ₦1,528,296,937.66 with a Total Expenditure of ₦1,496,971,975.12 and close with a surplus balance of ₦31,324,962.54. 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 ₦5,565,315.73 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 2019.

Outstanding deductions as at 31 December 2019

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, 2019.

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.

10.0 OUTSTANDING AUDIT INSPECTION

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• Payment without Vouchers	₦203,000.00
• Payment Vouchers without Necessary Receipts Attached	₦795,000.00
• Un-accounted Payment for Printing of Account Books and Revenue Receipts	₦400,000.00
• Indiscriminate Grant of Duty Tour Allowance	₦4,239,147.39
• Overhauling and General Repairs of Hilux Van	₦405,000.00
• Direct Labour Contract	₦5,334,600.00

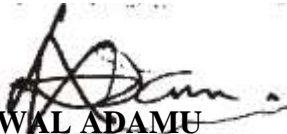
10.1 REQUIRED

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 GOVERNMENT OF NIGERIA
BIDA LOCAL GOVERNMENT COUNCIL



AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2019

AUDITOR GENERAL FOR LOCAL GOVERNMENT
P.M.B 53, NIGER STATE

PERSONALITY PROFILE

A. FINANCIAL STATEMENT

Statement of Financial Responsibility

Council Officials

Auditor General's Opinion

B. AUDIT REPORT

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2.0 Statement of Assets & Liabilities

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6.0 Scope of Audit

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12.0 Capital Expenditure

13.0 Performance of Operation Activities

14.0 Deposits

15.0 Outstanding Audit Inspection

16.0 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

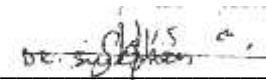
We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended.

In our opinion, these financial statements fairly reflect the financial position of Bida Local Governments as at 31st December, 2019 and its operations for the year ended on the date.



Treasurer

31st December, 2019



Chairman

31st December, 2019

COUNCIL OFFICIALS

1. COUNCIL MEMBERS DESIGNATION:

Honourable Suleiman Sheshi	Executive Chairman
Honourable Muhammad Abdullahi	Secretary

2. 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

3. 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, 2019 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.

Special opinion on State Local Government Joint Account Allocation Committee

Bida Local Government is eligible to receive revenue comprising Statutory Allocation, Value Added Taxes and Exchange Difference from the Federation Account. The revenues received by Bida Local Government, from the Ministry for Local Government, Community Development and Chieftaincy Affairs are indicated in the statement of consolidated revenue fund, statement of Cash flow and the notes to the accounts. In my opinion, the statement of Consolidated Revenue Fund, Statement of Cash flow and the Notes to the Accounts present fairly, in all material respects, the Revenues Received by Bida Local Government during the year ended December 31st, 2019.



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

1: Cash Flow Statement for the Year Ended 31st December, 2019

ANNUAL BUDGET 2019		NOTES	ACTUAL YEAR 2019	PREVIOUS YEAR 2018
R			R	R
	CashFlows from Operating Activities:			
	Receipts:			
2,081,838,081.00	Statutory Allocations: FAAC	1	2,373,641,774.20	2,253,712,568.80
	Value Added Tax Allocation	1		
2,081,838,081.00	Sub-total - Statutory Allocation		2,373,641,774.20	2,253,712,568.80
200,000.00	Direct Taxes	2	-	-
-	Licences & FEES	2	10,981,380.00	6,598,117.00
	Mining Rents:	2		
1,450,500.00	RATES	2	4,613,200.00	4,886,442.98
	Fees:	2		
	Fines	2		
	Sales	2		
12,719,000.00	Earnings :	2	14,515,340.00	9,030,856.00
19,930,500.00	Sales/Rent of Government Buildings:	2	-	-
-	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
	Interest Earned	2		
	Re-imburement	2		
500,000.00	MISELLANEOUS	2	244,000.00	106,000.00
34,800,000.00	Sub-total - Independent Revenue			
	Other Revenue Sources of the -Government	3		
2,116,638,081.00	TOTAL INDEPENDANT REVENUE		30,353,920.00	20,621,415.98
	Commercial Bank Loan(OVERDRAFT)		-	-
	TOTAL RECEIPTS		2,403,995,694.20	2,274,333,984.78
	Payments:			
461,819,195.00	Personnel Costs	3	1,434,537,227.24	1,318,749,952.66
320,198,687.00	Overhead Charges:	4	103,521,026.96	164,256,324.21
	Consolidated Revenue Fund Charges.	5	286,565,047.91	178,889,522.03
	contributions	7	106,662,536.15	529,099,808.12
	Other Operating Activities	6b	245,856,552.97	-
	Financial Charges		-	-
	Other Transfers	6	124,375,000.00	73,475,000.00
782,017,882.00	Total Payments		2,301,517,391.23	2,264,470,607.02
1,334,620,199.00	Net Cash Flow from Operating Activities		102,478,302.97	9,863,377.76

1: Cash Flow Statement for the Year Ended 31st December, 2019 (Cont'd.)

	CashFlows from Investment Activities:			
163,755,090.00	Capital Expenditure: Administrative Sector:	8	1,416,000.00	-
210,324,689.00	Capital Expenditure: Economic Sector:	8	63,068,993.50	-
213,000,000.00	capital expenditure: Social Service Sector:	8	120,000.00	7,706,055.87
-	Capital Expenditure: Funded from Aid and Grants:		-	-
587,079,779.00	Total Cash Flow from Investment Activities:		64,604,993.50	7,706,055.87
	Net Cash Flow from Investment Activities:		37,873,309.47	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:		37,873,309.47	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		37,873,309.47	2,157,321.89
	Cash & Its Equivalent as at 1st January, 2019		2,341,980.20	184,658.31
	Cash & Its Equivalent as at 31st December, 2019	9	40,215,289.67	2,341,980.20

2: Statement of Assets and Liabilities as at 31st December, 2019

	NOTES	CURRENT YEAR 2019		PREVIOUS YEAR 2018
		₦		₦
CURRENT ASSETS:-				
Liquid Assets:-				
Cash Held by AGNS:				
CASH AT BANK	9	40,215,289.67		2,341,980.20
CASH AT HAND		3.20		2,341,980.20
TOTAL LIQUID ASSETS		40,215,292.87		
NON CURRENT ASSETS:				-
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-		-
TOTAL ASSETS		40,215,292.87		2,341,980.20
LIABILITIES OVER ASSETS		8,256,047.60		9,445,393.34
TOTAL		48,471,340.47		11,787,373.54
LIABILITIES:-				
PUBLIC FUNDS				
Consolidated Revenue Fund:	CRF	40,215,289.67		2,341,980.20
Capital Development Fund:		-		-
TOTAL PUBLIC FUNDS		40,215,289.67		2,341,980.20
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		-		139,016.61
Edumana Microfinance Bank	9	1,797,007.09		1,796,906.94
Edumana Microfinance Bank	9	389,796.99		1,003,776.84
UNREMITTED DEDUCTIONS		-		-
5% Tax	12	3,277,393.23		1,782,996.28
5% VAT	12	2,791,853.49		1,782,996.28
TOTAL LIABILITIES		8,256,050.80		6,505,692.95
TOTAL LIABILITIES AND PUBLIC FUNDS		48,471,340.47		11,787,373.54

3: Statement of Consolidated Revenue for the year ended 31st December, 2019

ACTUAL PREVIOUS YEAR 2018		NOTES	ACTUAL YEAR 2019	FINAL BUDGET 2019	INITIAL/ORIGINAL BUDGET 2019
₦			₦	₦	₦
184,658.31	Opening Balance:		2,341,980.20		
	ADD: REVENUE				
2,253,712,568.80	Statutory Allocations :FAAC	1	2,373,641,774.20	2,081,838,081.00	
-	Value Added Tax Allocation	1	-		
2,253,712,568.80	Sub-Total - Statutory Allocation		2,373,641,774.20	2,081,838,081.00	
-	Direct Taxes	2	-	200,000.00	
6,598,117.00	Licences	2	10,981,380.00	-	
4,886,442.98	RATES	2	4,613,200.00		
-	Fees:	2	-	1,450,500.00	
-	Fines	2	-		
-	Sales	2	-		
9,030,856.00	Earnings :	2	14,515,340.00		
-	Sales/Rent of Government Buildings:	2	-	12,719,000.00	
-	Sale/Rent on Lands and Others:	2	-	19,930,500.00	
106,000.00	MISCELLANEOUS	2	244,000.00	500,000.00	
-	Investment Income	2	-		
-	Interest Earned	2	-		
-	Re-Imbursements	2	-		
20,621,415.98	Sub-Total - Independent Revenue		30,353,920.00	34,800,000.00	
-	Other Revenue Sources of the ---Government		-		
-	Commercial Bank Loan(OVERDRAFT)		-		
2,274,518,643.09	TOTAL REVENUE:		2,406,337,674.40	2,116,638,081.00	
	LESS:EXPENDITURE			-	
1,318,749,952.66	Personnel Costs:	3	1,434,537,227.24	461,819,195.00	
164,256,324.21	Overhead Charges:	4	103,521,026.96	320,198,687.00	
178,889,522.03	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	286,565,047.91		
529,099,808.12	contributions	7	106,662,536.15		
-	Other Operating Activities	6b	245,856,552.97		
-	Financial Charges.		-		
73,475,000.00	Other Transfers	6	124,375,000.00		
2,264,470,607.02	TOTAL EXPENDITURE:		2,301,517,391.23	782,017,882.00	

3: Statement of Consolidated Revenue for the year ended 31st December, 2019 (Cont'd.)

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
-	Repayments: External Loans: States			-	
-	Repayments: States Bonds.			-	
-	Repayments: Development Loan Stock			-	
-	Repayments: Internal Loans from Other Funds	11		-	
-	TOTAL EXPENDITURE:			-	
10,048,036.07	OPERATING BALANCE:			104,820,283.17	
	APPROPRIATIONS/TRANSFERS:				
7,706,055.87	Transfer to Capital Development Fund:			64,604,993.50	-
2,341,980.20	Closing Balance:			40,215,289.67	

4: Statement of Capital Development Fund for the year ended 31st December, 2019

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2018			EXPENDITURE 2019	BUDGET 2019	BUDGET 2019	BUDGET 2019
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
7,706,055.87	Transfer from Consolidated Revenue Fund:		64,604,993.50	-		
-	Aid and Grants		-	-		
7,706,055.87	TOTAL REVENUE AVAILABLE:		64,604,993.50	-		
	LESS: CAPITAL EXPENDITURE					
-	Capital Expenditure: Administrative Sector:	10	1,416,000.00	163,755,090.00		
-	Capital Expenditure: Economic Sector:	10	63,068,993.50	210,324,689.00		
7,706,055.87	Capital Expenditure: Social Service Sector:	10	120,000.00	213,000,000.00		
-	Capital Expenditure: Funded from Aid and Grants:		-			
7,706,055.87	TOTAL CAPITAL EXPENDITURE:		64,604,993.50	587,079,779.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
-	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2019

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₦	₦
Net Share of Statutory Allocation from FAAC	A	1,482,931,659.63	
Add :Deduction at source for Loan Repayment	B	890,710,114.57	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			2,373,641,774.20
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₦	₦	₦
TAXES			
RATES	4,613,200.00		
LINCENCES & FEES	10,981,380.00		
EARNING FROM COMMERCIAL UNDERTAKING	14,515,340.00		
RENT ON LOCAL GOVERNMENT PROPERTY	-		
MISELLANEOUS	244,000.00		
TOTAL I G R	30,353,920.00		

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	476,688.87			
							-			
THE COUNCCIL										
	01	12003001	21010101	70111	2101	TOTAL PERSONNEL COST	9,277,677.68			
							-			
OFFICE OF THE SECRETARY										
	01	11013001	21010101	70111	2101	TOTAL PERSONNEL COST	646,709.73			
							-			
							-			
PERSONEL MANAGEMENT										
	01	25001001	21010101	70131	2101	TOTAL PERSONNELCOST	56,757,645.05			
							-			
TOTAL ADMIN SECTOR							67,158,721.33			
							-			
ECONOMIC SECTOR										
FINANCE AND SUPPLY										
	02	20001001	21010101	70112	2101	TOTAL PERSONNELCOST	67,227,127.90			
							-			
BUDGET;PLANNING & RESEARCH										
	02	38001001	21010101	70112	2101	TOTAL PERSONNELCOST	2,256,383.23			
							-			
WORKS & HOUSING										
	02	34001001	21010101	70112	2101	TOTAL PERSONNELCOST	57,584,915.50			
							-			
AGRICULTURE AND NATURAL RESURCES										
	02	15001001	21010101	70421	2101	TOTAL PERSONNELCOST	51,652,211.69			
							-			
TOTAL ECONOMIC SECTOR							178,720,638.32			

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	27,705,446.56			
							-			
PRIMARY HEALTH CARE							-	-		
	05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	156,297,188.01			
TRADITIONAL OFFICE							-			
	05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	18,355,881.00			
TOTAL SOCIAL SECTOR							202,358,515.57			
TOTAL FOR ALL SECTORS							448,237,875.22			
ADJUSTMENT :										
PAYEE							21,304,513.01			
PAYEE (POLITICAL OFFICE							1,239,379.50			
UNION DUES							37,609,639.61			
NHF (2,5%)							10,603,598.57			
EMIRATE COUNCIL							47,871,638.80			
PRIMARY EDUCATION							827,380,897.05			
MHWU-ENDWELL							14,989,685.48			
Salary and Salary Related							25,300,000.00			
TOTAL PERSONNEL COST FOR ALL SECTORS							1,434,537,227.24			

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	2,577,000.00			
01	11001001	22020201	70111	2101		3	Utility Services	569,000.00			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	6,900,000.00			
01	11001001	22020402	70111	2101		6	Maintenance of office	40,000.00			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	2,375,000.00			
01	11001001	22020701	70111	2101		8	Consultancy Services	-			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	23,689,764.37			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	320,000.00			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	7,934,995.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	1,440.28			
							PROVISION OF SERVICE MATERIALS	500,000.00			
							TOTAL	44,907,199.65			
THE COUNCIL											
01	12003001	22020101	70111	2101		2	Travel & Transport	2,400,000.00			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	1,150,000.00			
01	12003001	22020402	70111	2101		6	Maintenance of office furniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	-			
01	12003001	22020701	70111	2101		8	Consultancy Services	-			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	7,172,286.68			
01	12003001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	300,000.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	-			
							PROVISION FOR SERVICEABLE	-			
							TOTAL	11,022,286.68			

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	200,000.00			
01	11013001	22020402	70111	2101		6	Maintenance of office furniture & equipment	-			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	300,000.00			
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	120,000.00			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	-			
							TOTAL	620,000.00			
PERSONEL MANAGEMENT											
01	25001001	22020101	70131	2101		2	Travel & Transport	2,555,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	2,080,000.00			
01	25001001	22020301	70131	2101		5	Stationary	1,013,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of office furniture & equipment	3,410,000.00			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	-			
01	25001001	22020701	70131	2101		8	Consultancy Services	20,000.00			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	2,011,549.80			
01	25001001	22020501	70131	2101		10	Training and staff Development	20,000.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	725,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	-			
							TOTAL	11,834,549.80			
							TOTAL ADMIN	68,384,036.13	-	-	-

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	1,478,280.01			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	4,070,280.01			
02	20001001	22020402	70112	2101		6	Maintenance of office furniture & equipment	22,038.00			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	140,000.00		728,933.63	
02	20001001	22020701	70112	2101		8	Consultancy Services	-			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	8,341,922.31			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	3,992,340.85			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	3,552,284.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	83,904.24			
							TOTAL	21,681,049.42			
BUDGET;PLANNING & RESEARCH											
02	38001001	22020101	70112	2101		2	Travel & Transport	215,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	2,390,000.00			
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	150,000.00			
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	-			
							TOTAL	2,755,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	295,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	1,245,000.00			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	150,000.00			
02	34001001	22020402	70451	2101		6	Maintenance of office furniture & equipment	2,322,000.00			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	26,048.73			
02	34001001	22020701	70451	2101		8	Consultancy Services	-			
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	305,000.00			
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	-			
							TOTAL	4,343,048.73			
AGRICULTURE AND NATURAL RESURCES											
02	15001001	22020101	70421	2101		2	Travel & Transport	100,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	250,000.00			
02	15001001	22020402	70421	2101		6	Maintenance of office furniture & equipment	339,000.00			
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	1,083,759.00			
02	15001001	22020501	70421	2101		10	Training and staff Development	-			
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	55,000.00			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	-			
							PROVISION OF SERVICEABLE	220,000.00			
							TOTAL	2,047,759.00			
							TOTAL ECONOMIC SECTOR	30,826,857.15	-	-	-

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	277,000.00			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	430,000.00			
05	17001001	22020402	70922	2101		6	Maintenance of office furniture & equipment	65,000.00			
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	342,000.00			
05	17001001	22020501	70922	2101		10	Short term Training and Consultancy	-			
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	215,528.77			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	1,329,528.77			
SOIAL DEVELOPEMENY											
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	325,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	702,000.00			
05	21001001	22020402	70731	2101		6	Maintenance of officefurniture & equipment	35,000.00			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	-			
05	21001001	22020701	70731	2101		8	Consultancy Services	-			
05	51003001	22040109	70922	2101		9	Grants, Contributions & Subventions	935,604.91			
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	-			
							PROVISION OF SERVICEABLE	293,000.00			
							TOTAL	2,440,604.91			
TRADITIONAL OFFICE											
05	51002002	22020101	70180	2101		2	Travel & Transport	20,000.00			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	520,000.00			
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	-			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	-			
							TOTAL	540,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	4,310,133.68	-	-	-
							TOTAL FOR ALL SECTORS	103,521,026.96	-	-	-

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	264,504,441.50			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	4,969,865.08			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	17,090,741.33			
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	286,565,047.91			
B--STATUTORY OFFICERS SALARY						STATUTORY OFFICERS SALARY	-			
						TOTAL CRF	286,565,047.91			

Note 6A: Other Operating Activities

OPERATIONAL ACTIVITIES	AMOUNT
EMIRATE COUNCIL OVERHEAD	12,000,000.00
SECURITY	59,680,320.00
OVERHEAD TO AGENCIES	1,980,000.00
LEGAL CONSULTANCY SERVICES	3,600,000.00
ALLOWANCE TO SA'S ON SECURITY	2,390,000.00
OPERATIONAL	116,691,493.83
INTERVENTION	42,803,445.05
PARTY DUES	630,000.00
DIRECT CREDIT	6,081,294.09
TOTAL	245,856,552.97

Note 6B: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,200,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	15,600,000.00
NISEPA	48,375,000.00
RESERVE FUND	44,000,000.00
TOTAL	124,375,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	-
Capital	77,862,536.15
TOTAL CONTRIBUTIONS	106,662,536.15

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECON	FUNCTION	PROGRAMME	FUND	GEO.CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2019	2019 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616	03005			Local Government Secretariat	1,416,000.00			
1	11033001								-			
1	11033001								-			
								TOTAL FOR ADMIN SECTOR	1,416,000.00			
ECONOMIC SECTOR												-
2	20001001				03005			Construction of Culvert	29,900,000.00			
2								Agriculture and Natural Resources (Borehole)	32,928,993.50			(32,928,993.50)
								Construction of Culvert	240,000.00			
2								ECONOMIC SECTOR TOTAL	63,068,993.50	-	-	(32,928,993.50)
SOCIAL SECTOR												-
5			70422	70900002606	03005			Town and Country planning	120,000.00			
									-			
									-			
									-			
								TOTAL FOR SOCIAL SECTOR	120,000.00	-	-	-
								TOTAL FOR ALL SECTORS	64,604,993.50			

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

CLOSING CASH BOOK/BANK BALANCES AS AT DEC 2019	
ACCOUNT TYPE	AMOUNT
UNITY BANK PLC.: SALARY	353,159.54
UNITY BANK PLC.: OVERHEAD	3,437.16
UNITY BANK PLC.: MOTOR PARK	8,189.66
UNITY BANK PLC.: PROJECT	5,665.01
UNITY BANK PLC.: 10KM	880.00
FIRST BANK PLC:	14,273.70
BRASS MICROFINANCE BANK:	88,327.52
UBA PLC.	39,735,292.92
ZENITH BANK	5,337.64
ZENITH BANK	726.52
TOTAL	40,215,289.67
EDUMANA MICROFINANCE BANK	(1,797,007.09)
EDUMANA MICROFINANCE BANK	(389,796.99)
TOTAL	(2,186,804.08)

Note 10: Investments

NOTE.10				
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	-	-	-	-	-	-
	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS:		
5% VAT		3,277,393.23
Withholding Tax		2,791,853.49
TOTAL		6,069,246.72

MANAGEMENT REPORT ON AUDITED ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.0 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, 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:

- i. Most of the payment vouchers raised were not having documentary evidences to justify the payments made.
- ii. 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.
- iii. In some cases, approvals in respect of expenditure incurred were not presented for audit.
- iv. Deductions made for WHT and VAT were in some cases not remitted to the appropriate tax authorities within time.
- v. Some payment vouchers were not checked and passed by the Internal Audit Unit.
- vi. Absence of signatures of relevant parties to Payment Vouchers.
- vii. Lack of adequate budgetary discipline.
- viii. Non-maintenance of Fixed/Moveable Asset register.

2.1 GENERAL RECOMMENDATION

- i. All Directors should ensure that they maintain their Departmental Vote Expenditure Account Books and reconcile same monthly.
- ii. 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.
- iii. All payment vouchers must contain authenticated documents duly signed by the respective officials and the supplier.

- iv. 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.
- v. No voucher should be paid by the Cashier without being certified by the Internal Auditor and duly checked and passed by the Treasurer.
- vi. Copies of contract awards documents must be sent to the office of the Internal Auditor for his awareness and record purposes.
- vii. 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.
- viii. 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.
- ix. All expenditure account books must be promptly reconciled with the treasury books to maintain efficiency and accountability.
- x. 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.
- xi. 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.
- xii. 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.
- xiii. 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.
- xiv. 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 Bida 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	30,353,920.00	1.26
	Statutory Allocation	2,373,641,774.20	98.74
	TOTAL	2,403,995,694.20	100.00
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	1,434,537,227.24	60.65
	Overhead Cost	103,521,026.96	4.37
	Consolidated Revenue Fund Charges	286,565,047.91	12.11
•	Contributions	106,662,536.15	4.50
•	Other Operating Activities	245,856,552.97	10.39
•	Other Transfers	124,375,000.00	5.25
•	Capital Expenditures	64,604,993.50	2.73
	TOTAL	2,366,122,384.73	100.00

3.1 REVENUE

The sum of ₦2,403,995,694.20 accrued to Bida Local Government Councils as total receipts for the year ended 31st December 2019

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Bida Local Government Council amounted to ₦30,353,920.00 only for the year ended 31st December 2019 which represents 1.26 % of the total accrued revenue of ₦2,403,995,694.20. 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 ₦2,373,641,774.20 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 ₦3.20 in respect of Bida Local Government Council at the end of the financial year ended 31st December 2019. While the total bank balances stood at ₦40,215,289.67 in respect of Bida Local Government Council as at the end of the financial year ended 31st December 2019.

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

- i. 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.

5.0 BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦30,353,920.00 was generated as Internally Generated Revenue which represents 87.22% when compared with the total budgeted Internally Generated Revenue amounting to ₦34,800,000.00 during the year under review. This is a good performance, but there is need for improvement.

5.1 RECOMMENDATION

- i. 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.
- ii. 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.

6.0 PERSONNEL COST

It was observed that the total sum of ₦1,434,537,227.24 and ₦1,318,749,952.21 was spent as total personnel cost for the year 2019 and 2018 respectively with an increase of ₦115,787,275.03 over the previous year which represent 8.07%. This is as a result of salary increment by the state government during the year under review.

7.0 CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No1. Cash Flow Statement revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦587,079,779.00 and only the sum of ₦64,604,993.50 representing 11% was spent leaving the balance of ₦522,474,785.50 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	163,755,090.00	31,316,000.00	132,439,090.00
02	Economic Sector	210,324,689.00	360,000.00	209,964,689.00
05	Social Sector	273,755,090.00	32,928,993.50	240,826,096.50
TOTAL		587,079,779.00	64,604,993.50	522,474,785.50

7.1 RECOMMENDATION

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

8.0 PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No.1 revealed that the Total Revenue stood at ₦2,403,995,694.20 with a Total Expenditure of ₦2,366,122,384.73 and close with a surplus balance of ₦37,873,309.47. 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 ₦6,069,246.72 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	3,277,393.23
5% Withholding Tax	<u>2,791,853.49</u>
TOTAL	6,069,246.72

From the above table, the Councils recorded outstanding VAT amounting to ₦3,277,393.23 and WHT of ₦2,791,853.49 as at 31st December, 2019.

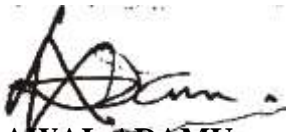
Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that the outstanding balance may be deducted from the statutory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

10.0 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 GOVERNMENT OF NIGERIA
BORGU LOCAL GOVERNMENT COUNCIL



AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2019

AUDITOR GENERAL FOR LOCAL GOVERNMENT
P.M.B 53, NIGER STATE

PERSONALITY PROFILE

A. FINANCIAL STATEMENT

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Council Officials
Auditor General's Opinion

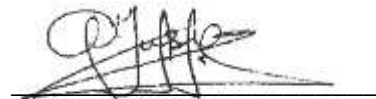
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STATEMENT OF FINANCIAL RESPONSIBILITY

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.

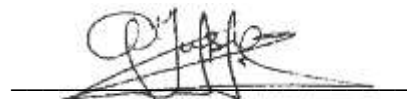


Treasurer

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, 2019 and its operations for the year ended on the date.



Treasurer

31st December, 2019



Chairman

31st December, 2019

COUNCIL OFFICIALS

1. COUNCIL MEMBERS DESIGNATION:

Honourable Ahmed Baba Suleiman	Executive Chairman
Honourable Bello M. Galadima	Secretary

2. HEAD OF DEPARTMENTS:

NAMES:	DEPARTMENTS	DESIGNATION
Aliyu Hussaini Bali	Personnel Management	H. O. D
Ahmed Alhaji Mohammed	Finance and Supply	H. O. D
Ramatu Musa	Primary Health Care	H. O. D
Hassan Altine Mohammed	Agriculture and Natural Resources	H. O. D
Musa Mohammed Nasir	Works and Housing	H. O. D
Salisu Mohammed Jio	Budget and Planning	H. O. D
Abdullahi Garba	Social Development	H. O. D

3. BANKERS

ADDRESS

United Bank for Africa Plc. (UBA)	New Bussa Branch
Ketstone Bank	New Bussa Branch
Borgu Micro Finance Bank	New Bussa Branch
Unity Bank Plc.	Minna 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, 2019 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.

Special opinion on State Local Government Joint Account Allocation Committee

Borgu Local Government is eligible to receive revenue comprising Statutory Allocation, Value Added Taxes and Exchange Difference from the Federation Account. The revenues received by Borgu Local Government, from the Ministry for Local Government, Community Development and Chieftaincy Affairs are indicated in the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts. In my opinion, the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts present fairly, in all material respects, the revenues received by Borgu Local Government during the year ended December 31st, 2019.



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

1: Cash Flow Statement for the Year Ended 31st December, 2019

ANNUAL BUDGET 2019		NOTES	ACTUAL YEAR 2019	PREVIOUS YEAR 2018
R			R	R
	CashFlows from Operating Activities:			
	Receipts:			
2,192,784,932.00	Statutory Allocations: FAAC	1	2,364,198,344.50	2,161,635,159.98
	Value Added Tax Allocation	1		
2,192,784,932.00	Sub-total - Statutory Allocation		2,364,198,344.50	2,161,635,159.98
4,000,000.00	Direct Taxes	2	13,752,650.00	-
10,690,000.00	Licences & FEES	2	2,926,500.00	2,178,930.00
	Mining Rents:	2		
16,680,000.00	RATES	2	-	499,469.88
	Fees:	2		
	Fines	2		
	Sales	2		
21,660,100.00	Earnings :	2	3,929,630.00	3,395,350.00
3,669,900.00	Sales/Rent of Government Buildings:	2	806,900.00	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-imburement	2		
2,200,000.00	MISCELLANEOUS	2	23,600.00	299,966.00
59,000,000.00	Sub-total - Independent Revenue		21,439,280.00	
	Other Revenue Sources of the -Government			
59,000,000.00	TOTAL INDEPENDANT REVENUE		21,439,280.00	6,814,246.00
	Commercial Bank Loan		-	-
2,251,784,932.00	TOTAL RECEIPTS		2,385,637,624.50	2,168,449,405.98
	Payments:			
527,066,571.00	Personnel Costs	3	1,345,136,026.30	1,270,043,892.55
478,626,562.00	Overhead Charges:	4	83,351,155.10	189,905,549.38
774,054,490.00	Consolidated Revenue Fund Charges .	5	182,980,323.96	109,103,231.37
	contributions	7	198,408,000.00	566,056,534.35
	Other Operating Activities	6	396,443,231.35	-
	Financial Charges		-	-
	Other Transfers	6B	78,780,000.00	25,100,000.00
1,779,747,623.00	Total Payments		2,285,098,736.71	2,160,209,207.65
472,037,309.00	Net Cash Flow from Operating Activities		100,538,887.79	8,240,198.33

1: Cash Flow Statement for the Year Ended 31st December, 2019 (Cont'd.)

	CashFlows from Investment Activities:			
	Capital Expenditure:Administrative Sector:	8	9,777,129.00	6,102,000.00
	Capital Expenditure: Economic Sector:	8	428,000.00	1,248,000.00
	capital expenditure: Social Service Sector:	8	53,009,000.00	10,913,879.00
	Capital Expenditure: Funded from Aid and Grants:		-	-
911,951,524.00	Total Cash Flow from Investment Activities:		63,214,129.00	18,263,879.00
(439,914,215.00)	Net Cash Flow from Investment Activities:		37,324,758.79	(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:		-	-
(439,914,215.00)	Net Cash Flow from Financing Activities:		37,324,758.79	(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		37,324,758.79	(10,023,680.67)
	Cash & Its Equivalent as at 1st January, 2019		487,301.64	10,510,982.31
	Cash & Its Equivalent as at 31st December, 2019	9	37,812,060.43	487,301.64

2: Statement of Assets and Liabilities as at 31st December, 2019

	NOTES	CURRENT YEAR 2019	PREVIOUS YEAR 2018
CURRENT ASSETS:-		₦	₦
Liquid Assets:-			
Cash at Hand		1,400.00	
CASH AT BANK	9	37,810,660.43	487,301.64
TOTAL LIQUID ASSETS		37,812,060.43	487,301.64
NON CURRENT ASSETS:			
		-	
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	-
TOTAL ASSETS		37,812,060.43	487,301.64
LIABILITIES OVER ASSETS		3,722,432.92	20,964,004.28
TOTAL		41,534,493.35	21,451,305.92
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	37,812,060.43	18,263,879.00
Capital Development Fund:		-	-
TOTAL PUBLIC FUNDS		37,812,060.43	18,263,879.00
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	-	-
		-	-
		-	-
TOTAL EXTERNAL AND INTERNAL LOANS		-	-
OTHER LIABILITIES			
UNREMITTED DEDUCTIOS:			
5% Withholding Tax		1,863,719.46	1,578,713.46
5% VAT (Value Added Tax)		1,858,713.46	1,608,713.46
TOTAL LIABILITIES		3,722,432.92	3,187,426.92
TOTAL LIABILITIES AND PUBLIC FOUNDS		41,534,493.35	21,451,305.92

3: Statement of Consolidated Revenue for the year ended 31st December, 2019

ACTUAL PREVIOUS YEAR 2018		NOTES	ACTUAL YEAR 2019	FINAL BUDGET 2019	INITIAL/ORIGINAL BUDGET 2019
₦			₦	₦	₦
10,510,982.31	Opening Balance:		487,301.64		
	ADD: REVENUE				
2,161,635,159.98	Statutory Allocations: FAAC	1	2,364,198,344.50	2,192,784,932.00	
-	Value Added Tax Allocation	1	-		
2,161,635,159.98	Sub-Total - Statutory Allocation		2,364,198,344.50	2,192,784,932.00	
-	Direct Taxes	2	13,752,650.00	4,000,000.00	
2,178,930.00	Licences	2	2,926,500.00	10,690,000.00	
499,469.88	RATES	2	-	16,680,000.00	
-	Fees:	2	-		
-	Fines	2	-		
-	Sales	2	-		
3,395,350.00	Earnings :	2	3,929,630.00	21,660,100.00	
440,000.00	Sales/Rent of Government Buildings:	2	806,900.00	3,669,900.00	
-	Sale/Rent on Lands and Others:	2	-		
299,966.00	MISCELLANEOUS	2	23,600.00	2,200,000.00	
-	Investment Income	2	-		
530.12	Interest Earned	2	-	100,000.00	
-	Re-Imbursements	2	-		
6,814,246.00	Sub-Total - Independent Revenue		21,439,280.00	59,000,000.00	
-	Other Revenue Sources of the ---Government		-	-	
2,178,960,388.29	TOTAL REVENUE:		2,386,124,926.14	2,251,784,932.00	
	LESS:EXPENDITURE				
1,270,043,892.55	Personnel Costs:	3	1,345,136,026.30	527,066,571.00	
189,905,549.38	Overhead Charges:	4	83,351,155.10	478,626,562.00	
109,103,231.37	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	182,980,323.96		
566,056,534.35	contributions	7	198,408,000.00		
-	Other Operating Activities		396,443,231.35		
-	Financial Charges.		-		
25,100,000.00	Other Transfers	6	78,780,000.00		
2,160,209,207.65	TOTAL EXPENDITURE:		2,285,098,736.71	1,779,747,623.00	

3: Statement of Consolidated Revenue for the year ended 31st December, 2019 (Cont'd.)

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
-	Repayments :External Loans: States			-	
-	Repayments: States Bonds.			-	
-	Repayments: Development Loan Stock			-	
-	Repayments: Internal Loans from Other Funds	11		-	
-	TOTAL EXPENDITURE:			-	
18,751,180.64	OPERATING BALANCE:			101,026,189.43	
	APPROPRIATIONS/TRANSFERS:				
18,263,879.00	Transfer to Capital Development Fund:			63,214,129.00	
487,301.64	Closing Balance:			37,812,060.43	

4: Statement of Capital Development Fund for the year ended 31st December, 2019

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2018			EXPENDITURE 2019	BUDGET 2019	BUDGET 2019	BUDGET 2019
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
18,263,879.00	Transfer from Consolidated Revenue Fund:		63,214,129.00			
-	Aid and Grants		-			
18,263,879.00	TOTAL REVENUE AVAILABLE:		63,214,129.00			
	LESS: CAPITAL EXPENDITURE					
6,102,000.00	Capital Expenditure:Administrative Sector:	10	9,777,129.00			
1,248,000.00	Capital Expenditure: Economic Sector:	10	428,000.00			
10,913,879.00	Capital Expenditure: Social Service Sector:	10	53,009,000.00			
-	Capital Expenditure: Funded from Aid and Grants:		-			
18,263,879.00	TOTAL CAPITAL EXPENDITURE:		63,214,129.00	911,951,524.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
-	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2019

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₱	₱
Net Share of Statutory Allocation from FAAC	A	1,622,884,657.44	
Add :Deduction at source for Loan Repayment	B	741,313,687.06	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			2,364,198,344.50
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)		Actual	Budget	Variance
TAXES		13,752,650.00	4,000,000.00	(9,752,650.00)
RATES		-	16,680,000.00	16,680,000.00
LINCENCES & FEES		2,926,500.00	10,690,000.00	7,763,500.00
EARNING FROM COMMERCIAL UNDERTAKING		3,929,630.00	21,660,100.00	17,730,470.00
RENT ON LOCAL GOVERNMENT PROPERTY		806,900.00	3,669,900.00	2,863,000.00
INTREST AND DIVIDEND		-	100,000.00	100,000.00
MISELLANEOUS		23,600.00	2,200,000.00	2,176,400.00
TOTAL I G R		21,439,280.00	59,000,000.00	37,560,720.00

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	390,147.15			
THE COUNCIL										
01	1E+07	21010101	70111	2101		TOTAL PERSONNEL COST	2,122,365.80			
OFFICE OF THE SECRETARY										
01	1E+07	21010101	70111	2101		TOTAL PERSONNEL COST	212,236.58			
PERSONEL MANAGEMENT										
01	3E+07	21010101	70131	2101		TOTAL PERSONNELCOST	78,823,317.07			
TOTAL ADMIN SECTOR							81,548,066.60			
ECONOMIC SECTOR										
FINANCE AND SUPPLY										
02	2E+07	21010101	70112	2101		TOTAL PERSONNELCOST	54,316,041.70			
BUDGET;PLANNING & RESEARCH										
02	4E+07	21010101	70112	2101		TOTAL PERSONNELCOST	-			
WORKS & HOUSING										
02	3E+07	21010101	70112	2101		TOTAL PERSONNELCOST	53,161,926.41			
AGRICULTURE AND NATURAL RESURCES										
02	2E+07	21010101	70421	2101		TOTAL PERSONNELCOST	34,136,888.26			
TOTAL ECONOMIC SECTOR							141,614,856.37			

SOCIAL SECTOR										
SECTOR	Admin	Economic	Function	Fund	GEO CODE		ACTUAL EXPENDITURE 2018	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
ADULT EDUCATION										
	05	2E+07	21010101	70960	2101	TOTAL PERSONNEL COST	11,945,328.86			
PRIMARY HEALTH CARE										
	05	2E+07	21010101	70131	2101	TOTAL PERSONNELCOST	216,306,303.90			
TRADITIONAL OFFICE										
	05	5E+07	21010101	70131	2101	TOTAL PERSONNELCOST	75,719,834.98			
TOTAL SOCIAL SECTOR							303,971,467.74			
TOTAL FOR ALL SECTORS							527,134,390.71			
ADJUSTMENT :										
PAYEE							19,623,013.71			
PAYEE (POLITICAL OFFICE							952,273.50			
UNION DUES							34,424,663.31			
NHF(2,5%)							12,451,410.66			
MHWU-ENDWELL							26,735,333.36			
EMIRATE COUNCIL							77,737,677.92			
PRIMARY EDUCATION							622,077,263.13			
Salary and Salary Related							24,000,000.00			
TOTAL PERSONNEL COST FOR ALL SECTORS							1,345,136,026.30			

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	3,310,000.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	108,500.00			
01	11001001	22020402	70111	2101		6	Maintenance of office	-			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	142,000.00			
01	11001001	22020701	70111	2101		8	Consultancy Services	-			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	3,100,000.00			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	1,210,000.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	21,964,100.00			
							Provision of Serviceable Materials	-			
							TOTAL	29,834,600.00			
THE COUNCIL											
01	12003001	22020101	70111	2101		2	Travel & Transport	110,000.00			
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 office furniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles and Capital 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	500,000.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	400,000.00			
							TOTAL	1,010,000.00			

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	-			
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 office furniture & equipment	-			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	49,300.00			
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	120,400.00			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	-			
							TOTAL	169,700.00			
PERSONEL MANAGEMENT											
01	25001001	22020101	70131	2101		2	Travel & Transport	563,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	848,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of office furniture & equipment	39,000.00			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	123,500.00			
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	500,000.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	1,424,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	1,544,100.00			
							TOTAL	5,041,600.00			
							TOTAL ADMIN SECTOR	36,055,900.00	-	-	-

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	998,700.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	616,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of office furniture & 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	32,556,964.37			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	1,021,418.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	2,402,932.73			
							TOTAL	37,596,015.10			
BUDGET;PLANNING & RESEARCH											
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 office furniture & 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	161,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	-			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	50,000.00			
02	34001001	22020402	70451	2101		6	Maintenance of office furniture & equipment	48,000.00			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	2,134,000.00			
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	180,000.00			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	827,000.00			
							TOTAL	3,400,000.00			
AGRICULTURE AND NATURAL RESURCES											
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	-			
02	15001001	22020402	70421	2101		6	Maintenance of office furniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	73,000.00			
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	523,000.00			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	1,240,000.00			
							Provision of Serviceable Materials	-			
							TOTAL	2,056,000.00			
							TOTAL ECONOMIC SECTOR	43,052,015.10	-	-	-

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	796,000.00			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	100,000.00			
05	17001001	22020402	70922	2101		6	Maintenance of office furniture & 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	353,500.00			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	1,256,200.00			
							TOTAL	2,505,700.00			
SOIAL DEVELOPEMENY											
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 office furniture & 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	132,000.00			
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 office furniture & equipment	50,540.00			
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)	270,000.00			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	1,048,000.00			
							Provision of Serviceable Materials	117,000.00			
							TOTAL	1,617,540.00			
TRADITIONAL OFFICE											
05	51002002	22020101	70180	2101		2	Travel & Transport	100,000.00			
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 office furniture & 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	20,000.00			
							TOTAL	120,000.00			
							TOTAL SOCIAL SECTOR	4,243,240.00	-	-	-
							TOTAL FOR ALL SECTORS	83,351,155.10	-	-	-

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	162,746,669.67			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Pension Arrears	19,594,001.52			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		Pension Augmentation	639,652.77			
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	182,980,323.96			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	182,980,323.96			

Note 6A: Other Operating Activities

OTHER OPERATING ACTIVITIES	AMOUNT
EMIRATE COUNCIL OVERHEAD	30,000,000.00
SECURITY	59,680,320.00
OVERHEAD TO AGENCIES	1,980,000.00
LEGAL CONSULTANT	3,600,000.00
PARTY DUES	510,000.00
OPERATIONAL	245,228,911.35
INTERVENTION	20,424,000.00
ALLOWANCE TO SA'S ON SECURITY	1,850,000.00
INTERVENTION	33,170,000.00
TOTAL	396,443,231.35

Note 6B: Other Transfers

NOTE 6B.	AMOUNT
OTHER TRANSFERS	
TRAINING FUND	9,200,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	18,380,000.00
RESERVE	44,000,000.00
TOTAL	78,780,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	-
CAPITAL	169,608,000.00
TOTAL CONTRIBUTIONS	198,408,000.00

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECON	FUNCTION	PROGRAMME	FUND	GEO.CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2019	2019 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
01	11033001	23010122	70722	010400009616	03005	12620500		GENERAL ADMIN	9,777,129.00			
01	11033001	23010122	70722	010400009616	03005	12620500			-			
01	11033001	23010122	70722	010400009616	03005	12620500			-			
									-			
								TOTAL FOR ADMIN SECTOR	9,777,129.00			
ECONOMIC SECTOR												-
02	20001001				03005	12620500		RURAL ELECTRIFICATION	428,000.00			
02									-			
02								ECONOMIC SECTOR TOTAL	428,000.00	-	-	-
												-
SOCIAL SECTOR												-
05			70422	70900002606	03005	12620500		EDUCATION, ENVIRONMENTA & REG. DEVT.	450,000.00			
								Health (Drugs and Equipment)	940,000.00			
								COMMUNITY DEVT	51,619,000.00			
									-			
									-			
								SOCIAL SECTOR TOTAL	53,009,000.00	-	-	-
								TOTAL FOR ALL SECTORS	63,214,129.00			-

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

CLOSING CASH BOOK/BANK BALANCES AS AT DEC 2019	
ACCOUNT TYPE	AMOUNT
UBA PLC. (SALARY)	1,625,870.68
KEYSTONE BANK (CAPITA PROJECT)	138,729.55
UBA PLC. (WARD DEVELOPMENT PROJECT)	15,227.71
UNITY BANK (OVERHEAD)	6,592.91
BORGU MICRO FINANCE BANK (REVENUE)	155,601.18
UBA PLC. (OVERHEAD)	35,858,171.85
UBA PLC. (10 KILOMETER)	10,466.55
TOTAL	37,810,660.43

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	-	-	-	-	-	-
	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS:	
5% Withholding Tax	1,863,719.46
5% VAT (Value Added Tax)	1,858,713.46
TOTAL	3,722,432.92

MANAGEMENT REPORT ON AUDITED ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.0 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, 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)**.

3.0 REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Borgu 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	21,439,280.00	0.89
	Statutory Allocation	2,364,198,344.50	99.11
TOTAL		2,385,637,624.00	100.00
TOTAL EXPENDITURE			
	Salaries and Wages	1,345,136,026.30	57.35
	Overhead Cost	83,351,155.10	3.54
	Consolidated Revenue Fund Charges	182,980,323.96	7.79
•	Contributions	198,408,000.00	8.44
•	Other Operating Activities	396,443,231.35	16.88
•	Other Transfers	78,780,000.00	3.35
•	Capital Expenditures	63,214,129.00	2.69
TOTAL		2,348,312,865.71	100.00

3.1 REVENUE

The sum of ₦2,385,637,624.00 accrued to Borgu Local Government Councils as total receipts for the year ended 31st December 2019

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Borgu Local Government Council amounted to ₦21,439,280.00 only for the year ended 31st December 2019 which represents 0.89% of the total accrued revenue of ₦2,385,637,624.00. 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 ₦2,364,198,344.50 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 ₦1,400.00 in respect of Borgu Local Government Council at the end of the financial year ended 31st December 2019, while the total bank balances stood at ₦37,810,660.43 in respect of Borgu Local Government Council as at the end of the financial year ended 31st December 2019.

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.

5.0 BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦21,439,280.00 was generated as Internally Generated Revenue which represents 36.33% when compared with the total budgeted Internally Generated Revenue amounting to ₦59,000,000.00 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.

6.0 PERSONNEL COST

It was observed that the total sum of ₦ 1,345,136,026.30 and ₦1,270,043,892.55 was spent as total personnel cost for the year 2019 and 2018 respectively with an increase of ₦75,092,133.75 over the previous year which represent 5.58%. This is as a result of salary increment by the state government during the year under review.

7.0 CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No1 Cash Flow Statement revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦911,951,524.00 and only the sum of ₦63,214,129.00 representing 6.93% was spent leaving the balance of ₦848,737,395.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	253,385,276.00	9,777,129.00	243,608,147.00
02	Economic Sector	323,703,899.00	428,000.00	323,275,899.00
05	Social Sector	334,862,394.00	53,009,000.00	281,853,349.00
TOTAL		911,951,524.00	63,214,129.00	848,737,395.00

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.

8.0 PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No1 revealed that the Total Revenue stood at ₦2,385,637,624.50 with a Total Expenditure of ₦2,348,312,865.71 and close with a surplus balance of ₦ 37,324,758.79. 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 ₦3,722,432.92 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 2019.

Outstanding deductions as at 31 December 2019

DETAILS	AMOUNT ₦
5% VAT	1,858,713.46
5% Withholding Tax	1,863,713.46
-	-
-	-
-	-
TOTAL	3,722,432.92

From the above table, the Councils recorded outstanding VAT amounting to ₦1,858,713.46 and WHT of ₦1,863,713.46 as at 31st December, 2019.

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.

10.0 OUTSTANDING AUDIT INSPECTION

AGX/F.O.19/TA/BOR/VOL.1 - 25th June, 2020

- Un-receipted Payment Vouchers ₦17,000.00

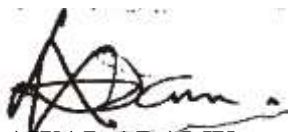
10.1 REQUIRED

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

11.0 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 GOVERNMENT OF NIGERIA
BOSSO LOCAL GOVERNMENT COUNCIL



AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2019

AUDITOR GENERAL FOR LOCAL GOVERNMENT
P.M.B 53, NIGER STATE

PERSONALITY PROFILE

- **FINANCIAL STATEMENT**

 - Statement of Financial Responsibility

 - Council Officials

 - Auditor General's Opinion

- **AUDIT REPORT**

 - 1.0 Cash Flow Statements

 - 2.0 Statement of Assets & Liabilities

 - 3.0 Statement of Consolidated Revenue Funds

 - 4.0 State of Capital Development Funds

 - 5.0 Notes to the Accounts.

 - 6.0 Scope of Audit

 - 7.0 General State of Accounts and Records Keeping

 - 7.1 General Recommendation

 - 8.0 Review of Financial Statement

 - 9.0 Internal Control

 - 10.0 Budgetary Control

 - 11.0 Personnel Cost

 - 12.0 Capital Expenditure

 - 13.0 Performance of Operation Activities

 - 14.0 Deposits

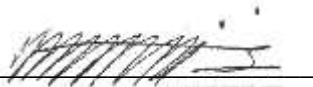
 - 15.0 Outstanding Audit Inspection

 - 16.0 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, 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 Bosso Local Governments as at 31st December, 2019 and its operations for the year ended on the date.



Treasurer

31st December, 2019



Chairman

31st December, 2019

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, 2019 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.

Special opinion on State Local Government Joint Account Allocation Committee

Bosso Local Government is eligible to receive revenue comprising Statutory Allocation, Value Added Taxes and Exchange Difference from the Federation Account. The revenues received by Bosso Local Government, from the Ministry for Local Government, Community Development and Chieftaincy Affairs are indicated in the statement of consolidated revenue fund, statement of Cashflow and the notes to the accounts. In my opinion, the statement of consolidated revenue fund, statement of Cashflow and the notes to the accounts present fairly, in all material respects, the revenues received by Bosso Local Government during the year ended December 31st, 2019.



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

1: Cash Flow Statement for the Year Ended 31st December, 2019

ANNUAL BUDGET 2019		NOTES	ACTUAL YEAR 2019	PREVIOUS YEAR 2018
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,802,970,951.00	Statutory Allocations: FAAC	1	2,452,650,247.16	2,310,999,211.95
	Value Added Tax Allocation	1		
1,802,970,951.00	Sub-total - Statutory Allocation		2,452,650,247.16	2,310,999,211.95
1,160,000.00	Direct Taxes	2	-	-
31,090,000.00	Licences & FEES	2	21,084,301.70	12,271,300.00
	Mining Rents:	2		
15,232,000.00	RATES	2	2,434,509.60	5,870,000.00
	Fees:	2		
	Fines	2		
	Sales	2		
8,800,000.00	Earnings :	2	14,724,130.00	3,351,770.00
250,000.00	Sales/Rent of Government Buildings:	2	3,557,760.00	-
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
190,000.00	Interest Earned	2		
	Re-imburement	2		
1,370,000.00	MISCELLANEOUS	2	32,000.00	1,000.00
58,092,000.00	Sub-total - Independent Revenue			
	Other Revenue Sources of the -Government	3		
58,092,000.00	TOTAL INDEPENDANT REVENUE		41,832,701.30	21,494,070.00
	Commercial Bank Loan		-	-
1,861,062,951.00	TOTAL RECEIPTS		2,494,482,948.46	2,332,493,281.95
	Payments:			
626,060,826.00	Personnel Costs	3	1,470,863,362.65	1,381,210,950.81
193,702,802.00	Overhead Charges:	4	128,320,113.79	161,705,806.37
976,538,210.00	Consolidated Revenue Fund Charges.	5	111,363,992.29	83,892,767.71
	contributions	7	247,472,955.81	570,841,336.21
	Other Operating Activities	6	313,227,960.17	-
	Financial Charges		-	-
	Other Transfers	6B	70,000,000.00	85,100,000.00
1,796,301,838.00	Total Payments		2,341,248,384.71	2,282,750,861.10
	Net Cash Flow from Operating Activities		153,234,563.75	49,742,420.85

	CashFlows from Investment Activities:			
	Capital Expenditure: Administrative Sector:	8	9,740,000.00	2,648,800.00
	Capital Expenditure: Economic Sector:	8	88,161,902.99	27,287,456.00
	capital expenditure: Social Service Sector:	8	8,860,000.00	18,223,744.00
	Capital Expenditure: Funded from Aid and Grants:		-	-
520,151,474.00	Total Cash Flow from Investment Activities:		106,761,902.99	48,160,000.00
	Net Cash Flow from Investment Activities:		46,472,660.76	1,582,420.85
	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:		-	-
-	Net Cash Flow from Financing Activities:		46,472,660.76	1,582,420.85
	Movement in Other Cash Equivalent Accounts			
	(Increase)/ Decrease in Investments		-	-
	Net (Increase)/Decrease in Other Cash Equivalent:		-	-
	Total Cashflow from other Cash equivalent Accounts		-	-
	Net Cash for the year		46,472,660.76	1,582,420.85
	Cash & Its Equivalent as at 1st January, 2019		582,760.13	(999,660.72)
	Cash & Its Equivalent as at 31st December, 2019	9	47,055,420.89	582,760.13

2: Statement of Assets and Liabilities as at 31st December, 2019

	NOTES	CURRENT YEAR 2019	PREVIOUS YEAR 2018
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:			
CASH AT HAND		444.15	764.15
CASH AT BANK	9	47,055,420.89	582,760.13
TOTAL LIQUID ASSETS		47,055,420.89	582,760.13
NON CURRENT ASSETS:			-
	10	-	582,760.13
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	49,501,776.86
TOTAL ASSETS		47,055,420.89	50,084,536.99
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	47,055,420.89	48,160,000.00
Capital Development Fund:		-	-
TOTAL PUBLIC FUNDS		47,055,420.89	48,160,000.00
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	-	-
TOTAL EXTERNAL AND INTERNAL LOANS		-	-
OTHER LIABILITIES			-
UNREMITTED DEDUCTIOS:			
5% Withholding Tax		5,314,850.52	-
5% VAT (Value Added Tax)		989,839.02	700,750.00
Mohammed Garba		11,175.48	411,286.99
1% Stamp Duty Charges		1,067,619.03	700,750.00
RETENTION FEE		411,286.99	
TOTAL LIABILITIES		7,794,771.04	111,750.00
TOTAL LIABILITIES AND PUBLIC FOUNDS		54,850,191.93	1,924,536.99
ASSETS OVER LIABILITIES		(7,794,771.04)	0
TOTAL		47,055,420.89	50,084,536.99

3: Statement of Consolidated Revenue for the year ended 31st December, 2019

ACTUAL PREVIOUS YEAR 2018		NOTES	ACTUAL YEAR 2019	FINAL BUDGET 2019	INITIAL/ORIGINAL BUDGET 2019
₦			₦	₦	₦
(999,660.72)	Opening Balance:		582,760.13		
	ADD: REVENUE				
2,310,999,211.95	Statutory Allocations:FAAC	1	2,452,650,247.16	1,802,970,951.00	
-	Value Added Tax Allocation	1	-	-	
2,310,999,211.95	Sub-Total - Statutory Allocation		2,453,233,007.29	1,802,970,951.00	
-	Direct Taxes	2	-	1,160,000.00	
12,271,300.00	Licences	2	21,084,301.70	31,090,000.00	
5,870,000.00	RATES	2	2,434,509.60	15,232,000.00	
-	Fees:	2	-		
-	Fines	2	-		
-	Sales	2	-		
3,351,770.00	Earnings :	2	14,724,130.00	8,800,000.00	
-	Sales/Rent of Government Buildings:	2	3,557,760.00	250,000.00	
-	Sale/Rent on Lands and Others:	2	-	-	
1,000.00	MISCELLANEOUS	2	32,000.00	1,370,000.00	
-	Investment Income	2	-		
-	Interest Earned	2	-	190,000.00	
-	Re-Imbursements	2	-		
21,494,070.00	Sub-Total - Independent Revenue		41,832,701.30	58,092,000.00	
-	Other Revenue Sources of the ---Government		-		
2,331,493,621.23	TOTAL REVENUE:		2,495,065,708.59	1,861,062,951.00	
	LESS:EXPENDITURE				
1,381,210,950.81	Personnel Costs:	3	1,470,863,362.65	626,060,826.00	
161,705,806.37	Overhead Charges:	4	128,320,113.79	193,702,802.00	
83,892,767.71	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	111,363,992.29	976,538,210.00	
570,841,336.21	contributions	7	247,472,955.81		
-	Other Operating Activities		313,227,960.17		
-	Financial Charges.		-		
85,100,000.00	Other Transfers	6	70,000,000.00		
2,282,750,861.10	TOTAL EXPENDITURE:		2,341,248,384.71	1,796,301,838.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
-	Repayments: External Loans: States			-	
-	Repayments: States Bonds.			-	
-	Repayments: Development Loan Stock			-	
-	Repayments: Internal Loans from Other Funds	11		-	
-	TOTAL EXPENDITURE:			-	
48,742,760.13	OPERATING BALANCE:		153,817,323.88	64,761,113.00	
	APPROPRIATIONS/TRANSFERS:				
48,160,000.00	Transfer to Capital Development Fund:		106,761,902.99		
582,760.13	Closing Balance:		47,055,420.89		

4: Statement of Capital Development Fund for the year ended 31st December, 2019

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2018			EXPENDITURE 2019	BUDGET 2019	BUDGET 2019	BUDGET 2019
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
48,160,000.00	Transfer from Consolidated Revenue Fund:		106,761,902.99			
-	Aid and Grants		-			
48,160,000.00	TOTAL REVENUE AVAILABLE:		106,761,902.99			
	LESS: CAPITAL EXPENDITURE					
2,648,800.00	Capital Expenditure: Administrative Sector:	10	9,740,000.00			
27,287,456.00	Capital Expenditure: Economic Sector:	10	88,161,902.99			
18,223,744.00	Capital Expenditure: Social Service Sector:	10	8,860,000.00			
-	Capital Expenditure: Funded from Aid and Grants:		-			
48,160,000.00	TOTAL CAPITAL EXPENDITURE:		106,761,902.99	520,151,474.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
-	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2019

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₱	₱
Net Share of Statutory Allocation from FAAC	A	1,637,264,715.36	
Add :Deduction at source for Loan Repayment	B	815,385,531.80	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			2,452,650,247.16
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		2,434,509.60	15,232,000.00	12,797,490.40
LINCENCES & FEES		21,084,301.70	31,090,000.00	10,005,698.30
EARNING FROM COMMERCIAL UNDERTAKING		14,724,130.00	8,800,000.00	(5,924,130.00)
RENT ON LOCAL GOVERNMENT PROPERTY		3,557,760.00	250,000.00	(3,307,760.00)
MISELLANEOUS		32,000.00	1,370,000.00	1,338,000.00
TOTAL I G R		41,832,701.30	57,902,000.00	16,069,298.70

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	924,001.52			
THE COUNCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	4,010,178.20			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	418,317.82			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	52,851,207.01			
TOTAL ADMIN SECTOR							58,203,704.55			
ECONOMIC SECTOR										
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	71,984,497.61			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	-			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	54,613,538.52			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	46,461,960.95			
TOTAL ECONOMIC SECTOR							173,059,997.08			

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	62,201,939.33			
PRIMARY HEALTH CARE										
	05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	240,547,729.07			
TRADITIONAL OFFICE										
	05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	8,760,953.85			
TOTAL SOCIAL SECTOR							311,510,622.25			
TOTAL FOR ALL SECTORS							542,774,323.88			
ADJUSTMENT :										
PAYEE							24,907,496.31			
PAYEE (POLITICAL OFFICE							952,273.50			
UNION DUES							42,342,780.34			
NHF(2,5%)							15,749,955.63			
MHWU-ENDWELL							21,513,769.01			
Salary and Salary Related							24,000,000.00			
EMIRATE COUNCIL							46,345,611.84			
PRIMARY EDUCATION							752,277,152.14			
TOTAL PERSONNEL COST FOR ALL SECTORS							1,470,863,362.65			

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	750,000.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	500,000.00			
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	780,000.00			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	17,950,000.00			
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	50,306,809.20			
							TOTAL	70,286,809.20			
THE COUNCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	520,000.00			
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 office furniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles and Capital 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	6,153,693.24			
							TOTAL	6,673,693.24			

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 office furniture & equipment	130,000.00			
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	250,000.00			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	1,618,428.09			
							TOTAL	1,998,428.09			
PERSONEL MANAGEMENT											
01	25001001	22020101	70131	2101		2	Travel & Transport	-			
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 office furniture & 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	2,600,000.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	2,520,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	7,721,369.00			
							TOTAL	12,841,369.00			

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	-			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	1,266,900.00			
02	20001001	22020402	70112	2101		6	Maintenance of office furniture & equipment	320,000.00			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	470,000.00			
02	20001001	22020701	70112	2101		8	Consultancy Services	-			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	19,031,427.66			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	920,000.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	-			
							TOTAL	22,008,327.66			
BUDGET;PLANNING & RESEARCH											
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 office furniture & 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	700,000.00			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	-			
02	34001001	22020402	70451	2101		6	Maintenance of office furniture & equipment	980,000.00			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	920,000.00			
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	2,375,000.00			
							TOTAL	4,975,000.00			
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	-			
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	520,000.00			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	1,509,840.00			
							TOTAL	2,029,840.00			
							TOTAL ECONOMIC SECTOR	29,013,167.66	-	-	-

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	1,200,000.00			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	-			
05	17001001	22020402	70922	2101		6	Maintenance of office furniture & 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	1,925,000.00			
05	17001001	22021001	70922	2101		11	Entertainment & Hospitality	850,000.00			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	-			
							TOTAL	3,975,000.00			
SOIAL DEVELOPEMENY											
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 office furniture & 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 office furniture & 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)	350,000.00			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	1,236,646.60			
							TOTAL	1,586,646.60			
TRADITIONAL OFFICE											
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 office furniture & 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	1,945,000.00			
							TOTAL	1,945,000.00			
							TOTAL SOCIAL SECTOR	7,506,646.60	-	-	-
							TOTAL FOR ALL SECTORS	128,320,113.79	-	-	-

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	91,483,679.52			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	19,594,001.52			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		Pension Augmentation	286,311.25			
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	111,363,992.29			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	111,363,992.29			

Note 6A: Other Operating Activities

OPERATIONAL ACTIVITIES	AMOUNT
EMIRATE COUNCIL OVERHEAD	19,160,000.00
LEGAL CONSULTANT AND SALARY CONSULTANT	3,600,000.00
ALLOWANCE TO SA'S ON SECURITY	1,850,000.00
NISEPA	60,000,000.00
SECURITY	59,680,320.00
CREDIT DIRECT LOAN	15,689,241.32
PARTY DUES	480,000.00
OVERHEAD TO AGENCIES	1,980,000.00
OPERATIONAL	114,011,870.95
INTERVENTION	30,346,527.90
SERVICES	6,430,000.00
TOTAL	313,227,960.17

Note 6B: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,200,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	9,600,000.00
RESERVE FUND	44,000,000.00
TOTAL	70,000,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	-
Capital	218,672,955.81
TOTAL	247,472,955.81

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECON	FUNCTION	PROGRAMME	FUND	GEO.CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2019	2019 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616	03005	12620500		EXTENSION OF SECRETARIAT BUILDING	9,740,000.00			
1	11033001	23010122	70722	010400009616	03005	12620500			-			
1	11033001	23010122	70722	010400009616	03005	12620500			-			
								TOTAL FOR ADMIN SECTOR	9,740,000.00			
												-
ECONOMIC SECTOR												-
2	20001001				03005	12620500		ELECTRIFICATION	12,000,000.00			
2								WATER RESOURCES & WATER SUPPLY	6,600,000.00			
								Construction of Market	64,761,902.99			
								Rehabilitation of Roads	4,800,000.00			
2								ECONOMIC SECTOR TOTAL	88,161,902.99	-	-	-
												-
SOCIAL SECTOR												-
5			70422	70900002606	03005	12620500		RURAL DEVELOPMENT	4,460,000.00			
								COMMUNITY DEVT PROJECTS	4,400,000.00			
									-			
									-			
								SOCIAL SECTOR TOTAL	8,860,000.00	-	-	-
								TOTAL FOR ALL SECTORS	106,761,902.99			-

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

CLOSING CASH BOOK/BANK BALANCES AS AT DEC 2018	
ACCOUNT TYPE	AMOUNT
UBA (REVENUE ACCT)	4,278.88
UBA (SALARY ACCT)	45,716,150.20
ZENITH BANK (SURE-P BUS ACCT)	814.35
ZENITH BANK (TEN, RATE ACCT)	1,334,177.46
TOTAL	47,055,420.89

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	-	-	-	-	-	-
	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

MANAGEMENT REPORT ON AUDITED ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.0 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, 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)**.

3.0 REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Bosso 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	41,832,701.30	1.67
	Statutory Allocation	2,452,650,247.16	98.33
TOTAL		2,494,482,948.46	100.00
TOTAL EXPENDITURE		AMOUNT	%
		₦	
	Salaries and Wages	1,470,863,362.65	60.12
	Overhead Cost	128,320,113.79	5.24
	Consolidated Revenue Fund Charges	111,363,992.29	4.54
•	Contributions	247,472,960.17	10.10
•	Other Operating Activities	313,227,960.17	12.79
•	Other Transfers	70,000,000.00	2.85
•	Capital Expenditures	106,761,902.99	4.36
TOTAL		2,448,010,287.70	100.00

3.1 REVENUE

The sum of ₦2,494,482,948.46 accrued to Bosso Local Government Councils as total receipts for the year ended 31st December 2019

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Bosso Local Government Council amounted to ₦41,832,701.30 only for the year ended 31st December 2019 which represents 1.67% of the total accrued revenue of ₦2,494,482,948.46. 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 ₦2,452,650,247.16 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 ₦444.15 in respect of Bosso Local Government Council at the end of the financial year ended 31st December 2019, while the total bank balances stood at ₦47,055,420.89 in respect of Bosso Local Government Council as at the end of the financial year ended 31st December 2019.

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.

5.0 BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦41,832,701.30 was generated as Internally Generated Revenue which represents 72.01% when compared with the total budgeted Internally Generated Revenue amounting to ₦58,092,000.00 during the year under review. This is a good performance, but there is need for improvement.

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.

6.0 PERSONNEL COST

It was observed that the total sum of ₦1,470,863,362.65 and ₦1,381,210,950.81 was spent as total personnel cost for the year 2019 and 2018 respectively with an increase of ₦89,652,411.84 over the previous year which represent 6.09%. This is as a result of salary increment by the state government during the year under review.

7.0 CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No1 (Cash Flow Statement) revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦520,151,474.00 and only the sum of ₦106,761,902.99 representing 20.52% was spent leaving the balance of ₦413,389,571.01 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	72,778,347.00	9,740,000.00	63,038,347.00
02	Economic Sector	253,125,800.00	81,561,902.99	171,563,897.01
05	Social Sector	194,247,327.00	15,460,000.00	178,787,327.00
TOTAL		520,151,474.00	106,761,902.99	413,389,571.01

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.

8.0 PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No1 revealed that the Total Revenue stood at ₦2,494,482,948.46 with a Total Expenditure of ₦2,448,010,287.70 and close with a surplus balance of ₦46,472,660.76. 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 ₦ 7,794,771.04 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	989,839.02
5% Withholding Tax	5,314,850.52
Retention Fees	411,286.99
Mohammed Garba	11,175.48
1% Stamp Duty Charges	1,067,619.03
TOTAL	7,794,771.04

From the above table, the Councils recorded outstanding VAT amounting to ₦989,839.02 and WHT of ₦5,314,850.52 as at 31st December, 2019.

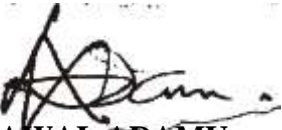
Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that the outstanding balance may be deducted from the statutory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

A handwritten signature in black ink, appearing to read 'Lawal Adamu', written over a faint, illegible stamp or background.

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



NIGER STATE GOVERNMENT OF NIGERIA
EDATI LOCAL GOVERNMENT COUNCIL



AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2019

AUDITOR GENERAL FOR LOCAL GOVERNMENT
P.M.B 53, NIGER STATE

PERSONALITY PROFILE

- **FINANCIAL STATEMENT**

Statement of Financial Responsibility

Council Officials

Auditor General's Opinion

- **AUDIT REPORT**

1.0 Cash Flow Statements

2.0 Statement of Assets & Liabilities

3.0 Statement of Consolidated Revenue Funds

4.0 State of Capital Development Funds

5.0 Notes to the Accounts.

6.0 Scope of Audit

7.0 General State of Accounts and Records Keeping

7.1 General Recommendation

8.0 Review of Financial Statement

9.0 Internal Control

10.0 Budgetary Control

11.0 Personnel Cost

12.0 Capital Expenditure

13.0 Performance of Operation Activities

14.0 Deposits

15.0 Outstanding Audit Inspection

16.0 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, 2019

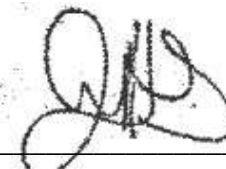
We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended.

In our opinion, these financial statements fairly reflect the financial position of Edati Local Governments as at 31st December, 2019 and its operations for the year ended on the date.



Treasurer

31st December, 2019



Chairman

31st December, 2019

COUNCIL OFFICIALS

- COUNCIL MEMBERS DESIGNATION:**

Honourable Isah Mamma Zubairu Executive Chairman
Honourable Ndagana Ladan Secretary

- HEAD OF DEPARTMENTS:**

NAMES:	DEPARTMENTS	DESIGNATION
Hajiya Lami Ndajiya	Personnel Management	H. O. D
Alhaji Isa Umaru Sakpe	Finance and Supply	H. O. D
Mohammed Kolo Kwale	Primary Health Care	H. O. D
Mr. Solomon Z. Shaba	Agriculture and Natural Resources	H. O. D
Mallam Mamudu Waziri	Works and Housing	H. O. D
Mallam Ibrahim Katun	Budget and Planning	H. O. D
Alhaji Sani Salawu	Social Development	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, 2019 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.

Special opinion on State Local Government Joint Account Allocation Committee

Edati Local Government is eligible to receive revenue comprising Statutory Allocation, Value Added Taxes and Exchange Difference from the Federation Account. The revenues received by Edati Local Government, from the Ministry for Local Government, Community Development and Chieftaincy Affairs are indicated in the Statement of Consolidated Revenue Fund, Statement of Cashflow and the Notes to the Accounts. In my opinion, the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts present fairly, in all material respects, the revenues received by Edati Local Government during the year ended December 31st, 2019.



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

1: Cash Flow Statement for the Year Ended 31st December, 2019

ANNUAL BUDGET 2019	NOTES	ACTUAL YEAR 2019	PREVIOUS YEAR 2018
N		N	N
	CashFlows from Operating Activities:		
	Receipts:		
1,639,087,503.00	Statutory Allocations: FAAC	1,953,206,387.81	1,661,241,414.28
	Value Added Tax Allocation		
1,639,087,503.00	Sub-total - Statutory Allocation	1,953,206,387.81	1,661,241,414.28
900,000.00	Direct Taxes	15,000.00	-
7,610,000.00	Licences & FEES	169,880.00	849,500.00
	Mining Rents:		
1,000,000.00	RATES	55,000.00	22,600.00
	Fees:		
	Fines		
	Sales		
3,310,000.00	Earnings :	835,950.00	273,800.00
-	Sales/Rent of Government Buildings:	-	63,200.00
	Sale/Rent on Lands and Others:		
	Repayments-General:		
	Investment Income		
	Interest/dividend Earned	46,768.91	340,371.46
	Re-imburement		
2,200,000.00	MISCELLANEOUS	1,481,202.92	1,040,834.34
15,020,000.00	Sub-total - Independent Revenue		
	Other Revenue Sources of the -Government		
	TOTAL INDEPENDANT REVENUE	2,603,801.83	2,590,305.80
	Commercial Bank Loan	-	-
1,654,107,503.00	TOTAL RECEIPTS	1,955,810,189.64	1,663,831,720.08
	Payments:		
418,219,726.00	Personnel Costs	1,079,270,080.46	882,435,811.65
167,950,000.00	Overhead Charges:	71,792,212.94	132,414,384.50
	Consolidated Revenue Fund Charges.	88,650,009.13	53,487,310.96
	Contributions	172,063,500.00	514,143,545.74
	Other Operating Activities	380,919,174.59	-
	Financial Charges	-	-
	Other Transfers	77,250,000.00	25,100,000.00
586,169,726.00	Total Payments	1,869,944,977.12	1,607,581,052.85
	Net Cash Flow from Operating Activities	85,865,212.52	56,250,667.23

	CashFlows from Investment Activities:			
141,793,720.00	Capital Expenditure: Administrative Sector:	8	14,216,682.20	1,500,000.00
271,371,057.00	Capital Expenditure: Economic Sector:	8	34,053,410.88	49,725,000.00
179,740,000.00	capital expenditure: Social Service Sector:	8	12,069,906.92	17,199,000.00
-	Capital Expenditure: Funded from Aid and Grants:		-	-
592,904,777.00	Total Cash Flow from Investment Activities:		60,340,000.00	68,424,000.00
	Net Cash Flow from Investment Activities:		25,525,212.52	(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:		25,525,212.52	(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		25,525,212.52	(12,173,332.77)
	Cash & Its Equivalent as at 1st January, 2019		10,279,049.89	22,452,382.66
	Cash & Its Equivalent as at 31st December, 2019	9	35,804,262.41	10,279,049.89

2: Statement of Assets and Liabilities as at 31st December, 2019

	NOTES	CURRENT YEAR 2019	PREVIOUS YEAR 2018
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:			
CASH IN BANK	9	35,800,262.41	10,279,049.89
CASH IN HAND		4,000.00	-
TOTAL LIQUID ASSETS		35,804,262.41	10,279,049.89
NON CURRENT ASSETS:			
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	-
TOTAL ASSETS		35,804,262.41	10,279,049.89
LIABILITIES OVER ASSETS		11,017,121.70	8,952,721.70
TOTAL		46,821,384.11	19,231,771.59
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	35,804,262.41	10,279,049.89
Capital Development Fund:		-	-
TOTAL PUBLIC FUNDS		35,804,262.41	10,279,049.89
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	-	-
		-	-
		-	-
TOTAL EXTERNAL AND INTERNAL LOANS		-	-
OTHER LIABILITIES			
UNREMITTED DEDUCTIONS		-	-
5% VAT Deduction		5,643,110.85	4,677,610.85
5% Tax Deduction		4,770,610.85	4,275,110.85
1% Stamp Duty Charges		603,400.00	-
TOTAL LIABILITIES		11,017,121.70	8,952,721.70
TOTAL LIABILITIES AND PUBLIC FUNDS		46,821,384.11	19,231,771.59

3: Statement of Consolidated Revenue for the year ended 31st December, 2019

ACTUAL PREVIOUS YEAR 2018		NOTES	ACTUAL YEAR 2019	FINAL BUDGET 2019	INITIAL/ORIGINAL BUDGET 2019
N			N	N	N
22,452,382.66	Opening Balance:		10,279,049.89		
	ADD: REVENUE				
1,661,241,414.28	Statutory Allocations:FAAC	1	1,953,206,387.81	1,639,087,503.00	
-	Value Added Tax Allocation	1	-		
1,661,241,414.28	Sub-Total - Statutory Allocation		1,953,206,387.81	1,639,087,503.00	
-	Direct Taxes	2	15,000.00	900,000.00	
849,500.00	Licences & FEES	2	169,880.00	7,610,000.00	
-	Mining Rents:	2	-		
22,600.00	RATES	2	55,000.00	1,000,000.00	
-	Fees:	2	-		
-	Fines	2	-		
-	Sales	2	-		
273,800.00	Earnings :	2	835,950.00	3,310,000.00	
63,200.00	Sales/Rent of Government Buildings:	2	-	-	
-	Sale/Rent on Lands and Others:	2	-		
-	Repayments-General:	2	-		
-	Investment Income	2	-		
340,371.46	Interest/ dividene Earned	2	46,768.91		
-	Re-imburement	2	-		
1,040,834.34	MISELLANEOUS	2	1,481,202.92	2,200,000.00	
2,590,305.80	Sub-Total - Independent Revenue		2,603,801.83	15,020,000.00	
-	Other Revenue Sources of the ---Government		-		
1,686,284,102.74	TOTAL REVENUE:		1,966,089,239.53	1,654,107,503.00	
	LESS:EXPENDITURE				
882,435,811.65	Personnel Costs:	3	1,079,270,080.46	418,219,726.00	
132,414,384.50	Overhead Charges:	4	71,792,212.94	167,950,000.00	
53,487,310.96	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	88,650,009.13		
514,143,545.74	contributions	7	172,063,500.00		
-	Other Operating Activities	6b	380,919,174.59		
-	Financial Charges.		-		
25,100,000.00	Other Transfers	6	77,250,000.00		
1,607,581,052.85	TOTAL EXPENDITURE:		1,869,944,977.12	586,169,726.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
-	Repayments: External Loans: States			-	
-	Repayments: States Bonds.			-	
-	Repayments: Development Loan Stock			-	
-	Repayments: Internal Loans from Other Funds	11		-	
-	TOTAL EXPENDITURE:			-	
78,703,049.89	OPERATING BALANCE:			96,144,262.41	
	APPROPRIATIONS/TRANSFERS:				
68,424,000.00	Transfer to Capital Development Fund:			60,340,000.00	-
10,279,049.89	Closing Balance:			35,804,262.41	

4: Statement of Capital Development Fund for the year ended 31st December, 2019

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2018			EXPENDITURE 2019	BUDGET 2019	BUDGET 2019	BUDGET 2019
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
68,424,000.00	Transfer from Consolidated Revenue Fund:		60,340,000.00	-		
-	Aid and Grants		-			
68,424,000.00	TOTAL REVENUE AVAILABLE:		60,340,000.00	-		
	LESS: CAPITAL EXPENDITURE					
1,500,000.00	Capital Expenditure: Administrative Sector:	10	14,216,682.20	141,793,720.00		
49,725,000.00	Capital Expenditure: Economic Sector:	10	34,053,410.88	271,371,057.00		
17,199,000.00	Capital Expenditure: Social Service Sector:	10	12,069,906.92	179,740,000.00		
-	Capital Expenditure: Funded from Aid and Grants:		-			
68,424,000.00	TOTAL CAPITAL EXPENDITURE:		60,340,000.00	592,904,777.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
-	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2019

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₦	₦
Net Share of Statutory Allocation from FAAC	A	1,307,660,862.09	
Add :Deduction at source for Loan Repayment	B	645,545,525.72	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			1,953,206,387.81
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₦	₦	₦
TAXES	15,000.00		
RATES	55,000.00		
LINCENCES & FEES	169,880.00		
EARNING FROM COMMERCIAL UNDERTAKING	835,950.00		
RENT ON LOCAL GOVERNMENT PROPERTY	-		
INTEREST AND DIVIDENT	46,768.91		
MISELLANEOUS	1,481,202.92		
TOTAL I G R	2,603,801.83		

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	2,413,973.72			
							-			
THE COUNCIL							-			
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	6,578,333.98			
							-			
OFFICE OF THE SECRETARY							-			
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	655,654.70			
							-			
							-			
PERSONEL MANAGEMENT							-			
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	47,840,518.24			
							-			
TOTAL ADMIN SECTOR							57,488,480.64			
							-			
ECONOMIC SECTOR										
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	37,051,862.01			
							-			
BUDGET;PLANNING & RESEARCH							-			
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	3,693,017.90			
							-			
WORKS & HOUSING							-			
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	53,561,727.95			
							-			
AGRICULTURE AND NATURAL RESURCES							-			
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	38,323,840.39			
							-			
TOTAL ECONOMIC SECTOR							132,630,448.25			

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	41,774,431.80			
							-			
PRIMARY HEALTH CARE										
	05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	161,521,327.12			
							-			
TRADITIONAL OFFICE										
	05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	19,454,639.35			
TOTAL SOCIAL SECTOR							222,750,398.27			
TOTAL FOR ALL SECTORS							412,869,327.16			
ADJUSTMENT :										
PAYEE							14,880,596.56			
PAYEE (POLITICAL OFFICE							952,273.50			
UNION DUES							25,835,317.13			
NHF(2,5%)							9,834,855.00			
EMIRATE COUNCIL							48,871,638.80			
PRIMARY EDUCATION							452,417,785.00			
MHWU-ENDWELL							15,187,296.49			
Salary and Salary Related							98,420,990.82			
TOTAL PERSONNEL COST FOR ALL SECTORS							1,079,270,080.46			

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	4,831,000.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	3,000.00			
01	11001001	22020402	70111	2101		6	Maintenance of office	20,000.00			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	-			
01	11001001	22020701	70111	2101		8	Consultancy Services	1,000,000.00			
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	2,280,000.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	33,940,000.00			
							PROVISION OF SERVICE MATERIALS	-			
							TOTAL	42,074,000.00			
THE COUNCCIL											
01	12003001	22020101	70111	2101		2	Travel & Transport	1,060,000.00			
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 office furniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles and Capital 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	4,124,000.00			
							PROVISION FOR SERVICEABLE	-			
							TOTAL	5,184,000.00			

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	407,500.00			
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 office furniture & 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	346,000.00			
							TOTAL	753,500.00			
PERSONEL MANAGEMENT											
01	25001001	22020101	70131	2101		2	Travel & Transport	967,000.00			
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 office furniture & equipment	50,000.00			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	300,000.00			
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	270,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	2,344,000.00			
							TOTAL	3,931,000.00			
							TOTAL ADMIN MINISTIES	51,942,500.00			

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	1,823,600.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	630,500.00			
02	20001001	22020402	70112	2101		6	Maintenance of office furniture & equipment	62,000.00			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	20001001	22020701	70112	2101		8	Consultancy Services	22,300.00			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	623,400.00			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	1,566,500.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	2,621,370.02			
							TOTAL	7,349,670.02			
BUDGET;PLANNING & RESEARCH											
02	38001001	22020101	70112	2101		2	Travel & Transport	50,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	348,000.00			
02	38001001	22020402	70112	2101		6	Maintenance of office furniture & 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	555,000.00			
							TOTAL	953,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	98,000.00			
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 office furniture & equipment	32,000.00			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	2,647,000.00			
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	795,000.00			
							TOTAL	3,572,000.00			
AGRICULTURE AND NATURAL RESURCES											
02	15001001	22020101	70421	2101		2	Travel & Transport	75,000.00			
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 office furniture & 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	80,000.00			
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	-			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	920,000.00			
							PROVISION OF SERVICEABLE	1,284,840.00			
							TOTAL	2,359,840.00			
							TOTAL ECONOMIC SECTOR	14,234,510.02			

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	346,000.00			
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 office furniture & 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	2,388,202.92			
							TOTAL	2,734,202.92			
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 office furniture & 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	615,000.00			
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 office furniture & 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)	1,576,000.00			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	-			
							PROVISION OF SERVICEABLE	-			
							TOTAL	2,191,000.00			
TRADITIONAL OFFICE											
05	51002002	22020101	70180	2101		2	Travel & Transport	10,000.00			
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 office furniture & 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	680,000.00			
							TOTAL	690,000.00			
							TOTAL SOCIAL SECTOR	5,615,202.92			
							TOTAL FOR ALL SECTORS	71,792,212.94			

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	69,738,437.98			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	1,095,658.19			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	17,815,912.96			
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	88,650,009.13			
B--STATUTORY OFFICERS SALARY						STATUTORY OFFICERS SALARY	-			
						TOTAL CRF	88,650,009.13			

Note 6A: Other Operating Activities

OPERATIONAL ACTIVITIES	AMOUNT
Emirate Council Overhead	12,000,000.00
Security	59,680,320.00
Overhead to Agencies	1,980,000.00
Legal Consultancy Services	3,600,000.00
Allowance to SA's on Security	1,850,000.00
Operational	247,234,854.59
Intervention	54,094,000.00
Party Dues	480,000.00
Direct credit	
TOTAL	380,919,174.59

Note 6B: Other Transfers

Other TRANSFERS	AMOUNT
TRAINING FUND	9,600,000.00
2% MINNA DEVELOPMENT	8,000,000.00
COMMON SERVICES	15,650,000.00
NISEPA	
Reserve Fund	44,000,000.00
TOTAL	77,250,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	-
Capital	143,263,500.00
TOTAL CONTRIBUTIONS\	172,063,500.00

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECON	FUNCTION	PROGRAMME	FUND	GEO.CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2019	2019 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616	03005			General Administration	5,656,682.20			
1	11033001							Staff Training	8,560,000.00			
1	11033001								-			
								TOTAL FOR ADMIN SECTOR	14,216,682.20			
ECONOMIC SECTOR												-
2	20001001				03005			Transport, Roads, and Bridge	29,145,000.00			
2								Water Resource	4,908,410.88			(4,908,410.88)
									-			
									-			
									-			
2								ECONOMIC SECTOR TOTAL	34,053,410.88	-	-	(4,908,410.88)
SOCIAL SECTOR												-
5			70422	70900002606	03005			Education	12,069,906.92			
									-			
									-			
									-			
								TOTAL SOCIAL SECTOR	12,069,906.92	-	-	-
								TOTAL FOR ALL SECTORS	60,340,000.00			#REF!

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

CLOSING CASH BOOK/BANK BALANCES AS AT DEC 2018		AMOUNT
UNITY BANK PLC., BIDA		949.88
UBA KUTIGI		35,687,713.47
UBA KUTIGI		1,304.75
UBA KUTIGI		1,710.98
UBA KUTIGI		33,454.45
UBA KUTIGI		30.00
UBA KUTIGI		5,289.00
ZENITH BANK BIDA		23,685.19
ACCESS BANK BIDA		46,124.69
TOTAL		35,800,262.41

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	-	-	-	-	-	-
	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

MANAGEMENT REPORT ON AUDITED ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.0 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, 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)**.

3.0 REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Edati 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	2,603,801.83	0.13
	Statutory Allocation	1,953,206,387.81	99.87
	TOTAL	1,955,810,189.64	100.00
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	1,079,270,080.46	55.92
	Overhead Cost	71,792,212.94	3.72
	Consolidated Revenue Fund Charges	88,650,009.13	4.59
•	Contributions	172,063,500.00	8.91
•	Other Operating Activities	380,919,174,.59	19.73
•	Other Transfers	77,250,000.00	4.00
•	Capital Expenditures	60,340,000.00	3.13
	TOTAL	1,930,284,977.12	100.00

3.1 REVENUE

The sum of ₦1,955,810,189.64 accrued to Edati Local Government Councils as total receipts for the year ended 31st December 2019

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 2019 which represents 0.13% of the total accrued revenue of ₦1,955,810,189.64. 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 ₦1,953,206,387.81 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 ₦4,000.00 in respect of Edati Local Government Council at the end of the financial year ended 31st December 2019, while the total bank balances stood at ₦35,800,262.41 in respect of Edati Local Government Council as at the end of the financial year ended 31st December 2019

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.

5.0 BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦2,603,801.83 was generated as Internally Generated Revenue which represents 14.45% when compared with the total budgeted Internally Generated Revenue amounting to ₦15,020,000.00 during the year under review. This is a very 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.

6.0 PERSONNEL COST

It was observed that the total sum of ₦1,079,270,080.46 and ₦882,435,811.65 was spent as total personnel cost for the year 2019 and 2018 respectively with an increase of ₦196,834,268.81 over the previous year which represent 18.24%. This is as a result of salary increment by the state government during the year under review.

7.0 CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No.1 (Cash Flow Statement) revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦592,904,777.00 and only the sum of ₦60,340,000.00 representing 10.18% was spent leaving the balance of ₦532,564,777.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	141,793,720.00	14,216,682.20	127,577,037.80
02	Economic Sector	271,371,057.00	29,145,000.00	242,226,057.00
05	Social Sector	179,740,000.00	16,978,317.80	162,761,682.20
TOTAL		592,904,777.00	<u>60,340,000.00</u>	<u>532,564,777.00</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.

8.0 PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No.1 revealed that the Total Revenue stood at ₦1,955,810,189.64 with a Total Expenditure of ₦1,930,284,977.12 and close with a surplus balance of ₦25,525,212.52. 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 ₦11,017,121.70 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 2019.

Outstanding deductions as at 31 December 2019

DETAILS	AMOUNT ₦
5% VAT	5,643,110.85
5% Withholding Tax	4,770,610.85
1% Stamp Duty Charges	603,400.00
TOTAL	11,017,121.70

From the above table, the Councils recorded outstanding VAT amounting to ₦5,643,110.85 and WHT of ₦4,770,610.85 as at 31st December, 2019.

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.

10.0 OUTSTANDING AUDIT INSPECTION

AGX/F.O.19/TA/EDT/VOL.1 - 30th June, 2020

- Withdrawal of Funds without due Approval ₦1,426,000.00
- Financial Assistance ₦120,000.00

10.1 REQUIRED

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

11.0 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 GOVERNMENT OF NIGERIA
GBAKO LOCAL GOVERNMENT COUNCIL



AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2019

AUDITOR GENERAL FOR LOCAL GOVERNMENT
P.M.B 53, NIGER STATE

PERSONALITY PROFILE

- **FINANCIAL STATEMENT**

 - Statement of Financial Responsibility

 - Council Officials

 - Auditor General's Opinion

- **AUDIT REPORT**

 - 1.0 Cash Flow Statements

 - 2.0 Statement of Assets & Liabilities

 - 3.0 Statement of Consolidated Revenue Funds

 - 4.0 State of Capital Development Funds

 - 5.0 Notes to the Accounts.

 - 6.0 Scope of Audit

 - 7.0 General State of Accounts and Records Keeping

 - 7.1 General Recommendation

 - 8.0 Review of Financial Statement

 - 9.0 Internal Control

 - 10.0 Budgetary Control

 - 11.0 Personnel Cost

 - 12.0 Capital Expenditure

 - 13.0 Performance of Operation Activities

 - 14.0 Deposits

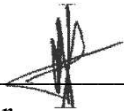
 - 15.0 Outstanding Audit Inspection

 - 16.0 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, 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 Gbako Local Governments as at 31st December, 2019 and its operations for the year ended on the date.



Treasurer

31st December, 2019



Chairman

31st December, 2019

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**

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, 2019 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.

Special Opinion on State Local Government Joint Account Allocation Committee

Gbako Local Government is eligible to receive revenue comprising Statutory Allocation, Value Added Taxes and Exchange Difference from the Federation Account. The revenues received by Gbako Local Government, from the Ministry for Local Government, Community Development and Chieftaincy Affairs are indicated in the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts. In my opinion, the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts present fairly, in all material respects, the revenues received by Gbako Local Government during the year ended December 31st, 2019.



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

1: Cash Flow Statement for the Year Ended 31st December, 2019

ANNUAL BUDGET 2019		NOTES	ACTUAL YEAR 2019	PREVIOUS YEAR 2018
R			R	R
	CashFlows from Operating Activities:			
	Receipts:			
1,658,144,988.00	Statutory Allocations: FAAC	1	2,005,492,588.39	1,961,125,003.69
	Value Added Tax Allocation	1		
1,658,144,988.00	Sub-total - Statutory Allocation		2,005,492,588.39	1,961,125,003.69
3,450,000.00	Direct Taxes	2	22,370.00	877,960.00
11,304,000.00	Licences & FEES	2	629,325.00	870,040.00
	Mining Rents:	2		
2,276,000.00	RATES	2	30,000.00	85,000.00
	Fees:	2		
	Fines	2		
	Sales	2		
5,310,000.00	Earnings :	2	1,533,364.00	652,200.12
1,000,000.00	Sales/Rent of Government Buildings:	2	114,600.00	-
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
	Interest Earned	2		
-	Grant from state			
	Re-imburement	2		
-	MISCELLANEOUS	2	1,667,449.81	10,500.00
	Sub-total - Independent Revenue			
	Other Revenue Sources of the -Government	3		
1,681,484,988.00	TOTAL INDEPENDANT REVENUE		3,997,108.81	2,495,700.12
	Commercial Bank Loan		-	
	TOTAL RECEIPTS		2,009,489,697.20	1,963,620,703.81
	Payments:			
700,240,926.00	Personnel Costs	3	1,247,322,306.93	1,165,565,437.36
123,560,000.00	Overhead Charges:	4	74,252,279.31	104,443,158.50
	Consolidated Revenue Fund Charges .	5	142,545,778.52	95,349,316.96
	contributions	7	142,202,451.64	547,816,388.14
	Other Operating Activities	6b	254,538,609.28	-
	Financial Charges		-	-
	Other Transfers	6	85,400,000.00	25,100,000.00
823,800,926.00	Total Payments		1,946,261,425.68	1,938,274,300.96
857,684,062.00	Net Cash Flow from Operating Activities		63,228,271.52	25,346,402.85

	CashFlows from Investment Activities:			
162,000,000.00	Capital Expenditure: Administrative Sector:	8	6,000,000.00	10,360,000.00
294,953,410.00	Capital Expenditure: Economic Sector:	8	27,114,185.27	1,700,000.00
187,789,340.00	capital expenditure: Social Service Sector:	8	-	2,100,000.00
-	Capital Expenditure: Funded from Aid and Grants:		-	-
644,742,750.00	Total Cash Flow from Investment Activities:		33,114,185.27	14,160,000.00
	Net Cash Flow from Investment Activities:		30,114,086.25	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:		-	-
	Net Cash Flow from Financing Activities:		30,114,086.25	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		30,114,086.25	11,186,402.85
	Cash & Its Equivalent as at 1st January, 2019		7,538,722.10	(3,647,680.75)
	Cash & Its Equivalent as at 31st December, 2019	9	37,652,808.35	7,538,722.10

2: Statement of Assets and Liabilities as at 31st December, 2019

	NOTES	CURRENT YEAR 2019	PREVIOUS YEAR 2018
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:			
CASH AT BANK	9	37,652,223.35	7,538,722.10
CASH AT HAND		585.00	
TOTAL LIQUID ASSETS		37,652,808.35	7,538,722.10
NON CURRENT ASSETS:			
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	-
TOTAL ASSETS		37,652,808.35	7,538,722.10
LIABILITIES OVER ASSETS		3,296,227.50	
TOTAL		40,949,035.85	9,627,849.60
LIABILITIES:-			
PUBLIC FUNDS			
CONSOLIDATED REVENUE FUND:	CRF	37,652,808.35	7,538,722.10
CAPITAL DEVELOPMENT FUND:		-	-
TOTAL PUBLIC FUNDS		37,652,808.35	7,538,722.10
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	-	-
TOTAL EXTERNAL AND INTERNAL LOANS		-	-
OTHER LIABILITIES			
UNREMITTED DEDUCTIONS			
VALUE ADDED TAX		1,038,550.00	435,000.00
WITHHOLDING TAX		1,038,550.00	435,000.00
PHC COOPERATIVE		237,215.00	237,000.00
AGRICULTURE AND NATURAL RESOURCES COOPERATIVE		382,125.00	282,125.00
DRF COOPERATIVE		15,000.00	15,000.00
MHWG COOPERATIVE		135,750.00	35,750.00

NULGE COOPERATIVE		113,027.50	53,625.00
YABO SOKO COOPERATIVE		336,010.00	336,010.00
SAMCO COOPERATIVE		-	231,117.50
ALHARI COOPERATIVE		-	28,500.00
TOTAL LIABILITIES		3,296,227.50	2,089,127.50
TOTAL LIABILITIES AND PUBLIC FOUNDS		40,949,035.85	9,627,849.60
ASSETS OVER LIABILITIES			30.00
TOTAL		40,949,035.85	9,627,879.60

3: Statement of Consolidated Revenue for the year ended 31st December, 2019

ACTUAL PREVIOUS YEAR 2018		NOTES	ACTUAL YEAR 2019	FINAL BUDGET 2019	INITIAL/ORIGINAL BUDGET 2019
N			N	N	N
(3,647,680.75)	Opening Balance:		7,538,722.10		
	ADD: REVENUE				
1,961,125,003.69	Statutory Allocations: FAAC	1	2,005,492,588.39	1,658,144,988.00	
-	Value Added Tax Allocation	1	-		
1,961,125,003.69	Sub-Total - Statutory Allocation		2,005,492,588.39	1,658,144,988.00	
877,960.00	Direct Taxes	2	22,370.00	3,450,000.00	
870,040.00	Licences	2	629,325.00	11,304,000.00	
85,000.00	RATES	2	30,000.00	2,276,000.00	
-	Fees:	2	-		
-	Fines	2	-		
-	Sales	2	-		
652,200.12	Earnings :	2	1,533,364.00	5,310,000.00	
-	Sales/Rent of Government Buildings:	2	114,600.00	1,000,000.00	
-	Sale/Rent on Lands and Others:	2	-	-	
-	Grant from state			-	
-	MISCELLANEOUS	2	1,667,449.81	-	
-	Investment Income	2	-		
-	Interest Earned	2	-		
10,500.00	Re-Imbursements	2	-		
2,495,700.12	Sub-Total - Independent Revenue		3,997,108.81	23,340,000.00	
	Other Revenue Sources of the ---Government		-		
1,959,973,023.06	TOTAL REVENUE:		2,017,028,419.30	1,681,484,988.00	
	LESS:EXPENDITURE				
1,165,565,437.36	Personnel Costs:	3	1,247,322,306.93	700,240,926.00	
104,443,158.50	Overhead Charges:	4	74,252,279.31	123,560,000.00	
95,349,316.96	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	142,545,778.52		
547,816,388.14	contributions	7	142,202,451.64		
-	Other Operating Activities	6b	254,538,609.28		
-	Financial Charges.		-		
25,100,000.00	Other Transfers	6	85,400,000.00		
1,938,274,300.96	TOTAL EXPENDITURE:		1,946,261,425.68	823,800,926.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
-	Repayments: External Loans: States			-	
-	Repayments: States Bonds.			-	
-	Repayments: Development Loan Stock			-	
-	Repayments: Internal Loans from Other Funds	11		-	
-	TOTAL EXPENDITURE:			-	
21,698,722.10	OPERATING BALANCE:		70,766,993.62	857,684,062.00	
	APPROPRIATIONS/TRANSFERS:				
14,160,000.00	Transfer to Capital Development Fund:		33,114,185.27	-	
7,538,722.10	Closing Balance:		37,652,808.35		

4: Statement of Capital Development Fund for the year ended 31st December, 2019

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2018			EXPENDITURE 2019	BUDGET 2019	BUDGET 2019	BUDGET 2019
₦			₦	₦	₦	₦
	Opening Balance:		-			
	ADD: REVENUE					
14,160,000.00	Transfer from Consolidated Revenue Fund:		33,114,185.27	-		
-	Aid and Grants		-	-		
14,160,000.00	TOTAL REVENUE AVAILABLE:		33,114,185.27	-		
	LESS: CAPITAL EXPENDITURE					
10,360,000.00	Capital Expenditure: Administrative Sector:	10	6,000,000.00	162,000,000.00		
1,700,000.00	Capital Expenditure: Economic Sector:	10	27,114,185.27	294,953,410.00		
2,100,000.00	Capital Expenditure: Social Service Sector:	10	-	187,789,340.00		
-	Capital Expenditure: Funded from Aid and Grants:		-			
14,160,000.00	TOTAL CAPITAL EXPENDITURE:		33,114,185.27	644,742,750.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
-	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2019

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₦	₦
Net Share of Statutory Allocation from FAAC	A	1,400,674,719.55	
Add :Deduction at source for Loan Repayment	B	604,817,868.84	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			2,005,492,588.39
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₦	₦	₦
TAXES	22,370.00		
RATES	30,000.00		
LINCENCES & FEES	629,325.00		
EARNING FROM COMMERCIAL UNDERTAKING	1,533,364.00		
RENT ON LOCAL GOVERNMENT PROPERTY	114,600.00		
INTEREST AND DIVIDEND	-		
MISCELLANEOUS	1,667,449.81		
TOTAL I G R	3,997,108.81		

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	1,547,492.51			
							-			
THE COUNCIL							-			
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	6,154,866.84			
							-			
OFFICE OF THE SECRETARY							-			
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	641,709.74			
							-			
							-			
PERSONEL MANAGEMENT							-			
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	104,790,268.79			
TOTAL ADMIN SECTOR							113,134,337.88			
							-			
ECONOMIC SECTOR										
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	62,742,891.50			
							-			
BUDGET;PLANNING & RESEARCH							-			
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	-			
							-			
WORKS & HOUSING							-			
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	54,640,818.22			
							-			
AGRICULTURE AND NATURAL RESURCES							-			
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	55,055,730.05			
TOTAL ECONOMIC SECTOR							172,439,439.77			

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	86,332,747.71			
							-			
PRIMARY HEALTH CARE										
	05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	196,770,685.06			
							-			
TRADITIONAL OFFICE										
	05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	70,093,974.20			
							-			
SOCIAL DEVELOPMENT										
	05		21010101	70131	2101	TOTAL PERSONNELCOST	-			
							-			
TOTAL SOCIAL SECTOR							353,197,406.97			
TOTAL FOR ALL SECTORS							638,771,184.62			
ADJUSTMENT :										
PAYEE							16,737,796.44			
PAYEE (POLITICAL OFFICE							952,273.50			
UNION DUES							30,528,506.81			
NHF(2,5%)							14,825,218.19			
EMIRATE COUNCIL							48,871,638.80			
PRIMARY EDUCATION							448,419,136.73			
MHWU-ENDWELL							24,216,551.84			
Salary and Salary Related							24,000,000.00			
TOTAL PERSONNEL COST FOR ALL SECTORS							1,247,322,306.93			

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	143,000.00			
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	14,725,000.00			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	3,000.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	26,959,500.00			
							PROVISION OF SERVICE MATERIALS	-			
							TOTAL	41,830,500.00			
THE COUNCIL											
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	5,264,000.00			
							PROVISION FOR SERVICEABLE	-			
							TOTAL	5,264,000.00			

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	40,000.00			
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 office furniture & 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	800,000.00			
							TOTAL	840,000.00			
PERSONEL MANAGEMENT											
01	25001001	22020101	70131	2101		2	Travel & Transport	553,000.00			
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 office furniture & 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	2,163,300.00			
							TOTAL	2,716,300.00			
							TOTAL ADMIN. SECTOR	50,650,800.00	-	-	-

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	599,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	872,130.00			
02	20001001	22020402	70112	2101		6	Maintenance of office furniture & equipment	226,000.00			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	6,000.00			
02	20001001	22020701	70112	2101		8	Consultancy Services	-			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	4,268,727.78			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	21,000.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	9,370,821.53			
							TOTAL	15,363,679.31			
BUDGET;PLANNING & RESEARCH											
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 office furniture & 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	30,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	225,000.00			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	170,000.00			
02	34001001	22020402	70451	2101		6	Maintenance of office furniture & equipment	-			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	604,000.00			
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	-			
							PROVISION OF SERVICE MATERIALS	872,000.00			
							TOTAL	1,901,000.00			
AGRICULTURE AND NATURAL RESOURCES											
02	15001001	22020101	70421	2101		2	Travel & Transport	191,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	40,000.00			
02	15001001	22020402	70421	2101		6	Maintenance of office furniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	40,000.00			
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	3,610,800.00			
							PROVISION OF SERVICEABLE	-			
							TOTAL	3,881,800.00			
							TOTAL ECONOMIC SECTOR	21,146,479.31	-	-	-

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	549,000.00			
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 office furniture & 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	10,000.00			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	1,384,000.00			
							TOTAL	1,943,000.00			
SOIAL DEVELOPEMENY											
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 office furniture & 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	162,000.00			
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 office furniture & equipment	-			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	40,000.00			
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	310,000.00			
							INTEGRATED MGT. OF CHILD ILLNESS	-			
							NPI	-			
							ASSISTED PROGRAM (SUMMAP)	-			
							TOTAL	512,000.00			
TRADITIONAL OFFICE											
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 office furniture & 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	2,455,000.00	-	-	-
							TOTAL FOR ALL SECTORS	74,252,279.31	-	-	-

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	111,556,942.93			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	11,394,834.07			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	19,594,001.52			
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	142,545,778.52			
B--STATUTORY OFFICERS SALARY						STATUTORY OFFICERS SALARY	-			
						TOTAL CRF	142,545,778.52			

Note 6A: Other Operating Activities

OPERATIONAL ACTIVITIES	AMOUNT
Emirate Council Overhead	12,000,000.00
Security	59,680,320.00
Overhead to Agencies	1,980,000.00
Legal Consultancy Services	3,600,000.00
Allowance to SA's on Security	1,850,000.00
Operational	114,524,922.63
Intervention	53,594,000.00
Party Dues	510,000.00
Direct credit	6,799,366.65
TOTAL	254,538,609.28

Note 6B: Other Transfers

Other TRANSFERS	AMOUNT
TRAINING FUND	9,200,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	25,000,000.00
NISEPA	
Reserve Fund	44,000,000.00
TOTAL	85,400,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	-
Capital	113,402,451.64
TOTAL CONTRIBUTIONS\	142,202,451.64

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECON	FUNCTION	PROGRAMME	FUND	GEO.CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2019	2019 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616	03005			Renovation of Local Government Secretariat	3,500,000.00			
1	11033001							Renovation of INEC Office	2,500,000.00			
1	11033001								-			
								TOTAL FOR ADMIN SECTOR	6,000,000.00			
												-
ECONOMIC SECTOR												-
2	20001001				03005			Construction of Market Shop	21,043,185.27			
2								Hand Borehole	600,000.00			(600,000.00)
								Motorize Borehole	5,471,000.00			
2								ECONOMIC SECTOR TOTAL	27,114,185.27	-	-	(600,000.00)
												-
SOCIAL SECTOR												-
5			70422	70900002606	03005				-			
									-			
									-			
									-			
									-			
									-			
									-			
								SOCIAL SECTOR TOTAL	-	-	-	-
								TOTAL FOR ALL SECTORS	33,114,185.27			-

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

CLOSING CASH BOOK/BANK BALANCES AS AT DEC 2018	AMOUNT
UNITY BANK	1,048,997.76
ZENITH BANK PLC.	46,925.92
UBA PLC.	36,556,299.67
	-
	-
TOTAL	37,652,223.35

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	-	-	-	-	-	-
	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

MANAGEMENT REPORT ON AUDITED ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.0 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, 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 Gbako 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	3,997,108.81	0.40
	Statutory Allocation	2,005,492,588.39	68.75
TOTAL		2,009,489,697.20	100.00
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	1,247,322,306.93	63.02
	Overhead Cost	74,252,279.31	3.75
	Consolidated Revenue Fund Charges	142,545,778.52	7.20
•	Contributions	142,202,451.64	7.18
•	Other Operating Activities	254,538,609.28	12.87
•	Other Transfers	85,400,000.00	4.31
•	Capital Expenditures	33,114,185.27	1.67
TOTAL		1,979,375,610.95	100.00

3.1 REVENUE

The sum of ₦2,009,489,697.20 accrued to Gbako Local Government Councils as total receipts for the year ended 31st December 2019

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 2019 which represents 0.40% of the total accrued revenue of ₦2,009,489,697.20. 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 ₦2,005,492,588.39 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 ₦585.00 in respect of Gbako Local Government Council at the end of the financial year ended 31st December 2019, while the total bank balances stood at ₦37,652,223.35 in respect of Gbako Local Government Council as at the end of the financial year ended 31st December 2019

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.

5.0 BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦3,997,108.81 was generated as Internally Generated Revenue which represents 17.13% when compared with the total budgeted Internally Generated Revenue amounting to ₦23,340,000.00 during the year under review. This is a very 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.

6.0 PERSONNEL COST

It was observed that the total sum of ₦1,247,322,306.93 and ₦1,165,565,437.36 was spent as total personnel cost for the year 2019 and 2018 respectively with an increase of ₦81,756,869.57 over the previous year which represent 6.55%. This is as a result of salary increment by the state government during the year under review.

7.0 CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No.1 (Cash Flow Statement) revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦644,742,750.00 and only the sum of ₦33,114,185.27 representing 5.14% was spent leaving the balance of ₦611,628,564.73 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	162,000,000.00	6,000,000.00	156,000,000.00
02	Economic Sector	294,953,410.00	27,114,185.27	267,839,224.73
05	Social Sector	287,789,340.00	-	287,789,340.00
TOTAL		<u>644,742,750.00</u>	<u>33,114,185.27</u>	<u>611,628,564.73</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.

8.0 PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No.1 revealed that the Total Revenue stood at ₦2,009,489,697.20 with a Total Expenditure of ₦1,979,375,610.95 and close with a surplus balance of ₦30,114,086.25. 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	1,038,550.00
5% Withholding Tax	1,038,550.00
PHC Cooperative	237,215.00
Agriculture Cooperative	382,125.00
DRF Cooperative	15,000.00
MHWG Cooperative	135,750.00
NULGE Cooperative	113,027.50
Yabo Soko Cooperative	336,010.00
TOTAL	3,296,227.50

From the above table, the Councils recorded outstanding VAT amounting to ₦1,038,550.00 and WHT of ₦1,038,550.00 as at 31st December, 2019.

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.

10.0 OUTSTANDING AUDIT INSPECTION

AGX/F.O.19/TA/GBA/VOL.1 - 10th August, 2020

• Arbitrary Granting of Duty Tour Allowance	₦230,000.00
• Payment made without Approval	₦560,000.00
• Purchase and Printing not Taken on Charge in the Store	₦30,000.00
• Outstanding Revenue Receipt Book	₦100,000.00
• Payment made without Supporting Documents	₦57,500.00
• Disposal of Unserviceable Vehicle	₦1,020,000.00

10.1 REQUIRED

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

11.0 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 GOVERNMENT OF NIGERIA
GURARA LOCAL GOVERNMENT COUNCIL



AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2019

AUDITOR GENERAL FOR LOCAL GOVERNMENT
P.M.B 53, NIGER STATE

PERSONALITY PROFILE

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 - Statement of Financial Responsibility

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- **AUDIT REPORT**

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 - 2.0 Statement of Assets & Liabilities

 - 3.0 Statement of Consolidated Revenue Funds

 - 4.0 State of Capital Development Funds

 - 5.0 Notes to the Accounts.

 - 6.0 Scope of Audit

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 - 7.1 General Recommendation

 - 8.0 Review of Financial Statement

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 - 10.0 Budgetary Control

 - 11.0 Personnel Cost

 - 12.0 Capital Expenditure

 - 13.0 Performance of Operation Activities

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 - 15.0 Outstanding Audit Inspection

 - 16.0 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, 2019

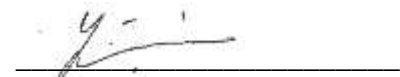
We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended.

In our opinion, these financial statements fairly reflect the financial position of Gurara Local Governments as at 31st December, 2019 and its operations for the year ended on the date.



Treasurer

31st December, 2019



Chairman

31st December, 2019

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, 2019 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.

Special opinion on State Local Government Joint Account Allocation Committee

Gurara Local Government is eligible to receive revenue comprising Statutory Allocation, Value Added Taxes and Exchange Difference from the Federation Account. The revenues received by Gurara Local Government, from the Ministry for Local Government, Community Development and Chieftaincy Affairs are indicated in the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts. In my opinion, the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts present fairly, in all material respects, the revenues received by Gurara Local Government during the year ended December 31st, 2019.



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

1: Cash Flow Statement for the Year Ended 31st December, 2019

ANNUAL BUDGET 2019		NOTES	ACTUAL YEAR 2019	PREVIOUS YEAR 2018
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,348,774,295.00	Statutory Allocations: FAAC	1	1,788,006,890.67	1,755,114,589.62
	Value Added Tax Allocation	1		
1,348,774,295.00	Sub-total - Statutory Allocation		1,788,006,890.67	1,755,114,589.62
1,300,000.00	Direct Taxes	2	-	-
10,865,000.00	Licences & FEES	2	2,748,250.00	1,774,890.00
	Mining Rents:	2		
15,720,181.00	RATES	2	831,400.00	589,500.00
	Fees:	2		
	Fines	2		
	Sales	2		
12,253,101.00	Earnings :	2	8,382,340.00	383,800.00
1,700,000.00	Sales/Rent of Government Buildings:	2	80,000.00	6,669,007.00
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
	Interest Earned	2		
	Re-imbusement	2		
1,300,000.00	MISELLANEOUS	2	245,250.60	50,000.00
	Sub-total - Independent Revenue		12,287,240.60	
	Other Revenue Sources of the -Government	3		
43,138,282.00	TOTAL INDEPENDANT REVENUE		12,287,240.60	9,467,197.00
-	Commercial Bank Loan		-	-
1,391,912,577.00	TOTAL RECEIPTS		1,800,294,131.27	1,764,581,786.62
	Payments:			
520,491,329.00	Personnel Costs	3	1,011,898,103.52	912,559,195.17
224,593,787.00	Overhead Charges:	4	114,006,552.92	172,503,181.13
	Consolidated Revenue Fund Charges.	5	103,939,678.33	79,090,962.31
	contributions	7	173,408,000.00	529,351,132.12
	Other Operating Activities		296,153,487.00	-
	Financial Charges		-	-
-	Other Transfers	6	51,520,000.00	25,100,000.00
745,085,116.00	Total Payments		1,750,925,821.77	1,718,604,470.73
646,827,461.00	Net Cash Flow from Operating Activities		49,368,309.50	45,977,315.89

	CashFlows from Investment Activities:			
	Capital Expenditure: Administrative Sector:	8	6,900,000.00	-
	Capital Expenditure: Economic Sector:	8	8,976,000.00	-
	capital expenditure: Social Service Sector:	8	33,196,339.40	16,236,200.00
	Capital Expenditure: Funded from Aid and Grants:		-	-
475,567,046.00	Total Cash Flow from Investment Activities:		49,072,339.40	16,236,200.00
171,260,415.00	Net Cash Flow from Investment Activities:		295,970.10	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:		295,970.10	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		295,970.10	29,741,115.89
	Cash & Its Equivalent as at 1st January, 2019		30,516,384.46	775,268.57
	Cash & Its Equivalent as at 31st December, 2019	9	30,812,354.56	30,516,384.46

2: Statement of Assets and Liabilities as at 31st December, 2019

	NOTES	CURRENT YEAR 2019		PREVIOUS YEAR 2018
CURRENT ASSETS:-		₦		₦
LIQUID ASSETS:-				
CASH HELD BY AGNS:				
CASH AT HAND	9	2,000.00		-
CASH AT BANK		30,810,354.56		30,516,384.46
TOTAL LIQUID ASSETS		30,812,354.56		30,516,384.46
NON CURRENT ASSETS:				
		-		-
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-		-
TOTAL ASSETS		30,812,354.56		30,516,384.46
LIABILITIES OVER ASSETS		2,800,220.00		811,759.40
TOTAL		33,612,574.56		31,328,143.86
LIABILITIES:-				
PUBLIC FUNDS				
Consolidated Revenue Fund:	CRF	30,812,354.56		30,516,384.46
Capital Development Fund:		-		-
TOTAL PUBLIC FUNDS		30,812,354.56		30,516,384.46
EXTERNAL AND INTERNAL LOANS				-
BANK LOANS	11	-		-
		-		-
		-		-
TOTAL EXTERNAL AND INTERNAL LOANS		-		-
OTHER LIABILITIES				-
UNREMITTED DEDUCTIOS:				
5% Income Tax		2,269,910.00		-
5% Value Added Tax (VAT)		-		811,759.40
1% Stamp Duity		530,310.00		-
TOTAL LIABILITIES		2,800,220.00		811,759.40
TOTAL LIABILITIES AND PUBLIC FOUNDS		33,612,574.56		31,328,143.86

3: Statement of Consolidated Revenue for the year ended 31st December, 2019

ACTUAL PREVIOUS YEAR 2018		NOTES	ACTUAL YEAR 2019	FINAL BUDGET 2019	INITIAL/ORIGINAL BUDGET 2019
₦			₦	₦	₦
775,268.57	Opening Balance:		30,516,384.46		
	ADD: REVENUE				
1,755,114,589.62	Statutory Allocations: FAAC	1	1,788,006,890.67	1,348,774,295.00	
-	Value Added Tax Allocation	1	-		
1,755,114,589.62	Sub-Total - Statutory Allocation		1,788,006,890.67	1,348,774,295.00	
-	Direct Taxes	2	-	1,300,000.00	
1,774,890.00	Licences	2	2,748,250.00	10,865,000.00	
589,500.00	RATES	2	831,400.00	15,720,181.00	
-	Fees:	2	-		
-	Fines	2	-		
-	Sales	2	-		
383,800.00	Earnings :	2	8,382,340.00	12,253,101.00	
6,669,007.00	Sales/Rent of Government Buildings:	2	80,000.00	1,700,000.00	
-	Sale/Rent on Lands and Others:	2	-		
50,000.00	MISCELLANEOUS	2	245,250.60		
-	Investment Income	2	-		
-	Interest Earned	2	-		
-	Re-Imbursements	2	-		
9,467,197.00	Sub-Total - Independent Revenue		12,287,240.60	41,838,282.00	
-	Other Revenue Sources of the ---Government		-	-	
1,765,357,055.19	TOTAL REVENUE:		1,830,810,515.73	1,390,612,577.00	
	LESS:EXPENDITURE				
912,559,195.17	Personnel Costs:	3	1,011,898,103.52	520,491,329.00	
172,503,181.13	Overhead Charges:	4	114,006,552.92	224,593,787.00	
79,090,962.31	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	103,939,678.33		
529,351,132.12	contributions	7	173,408,000.00		
-	Other Operating Activities		296,153,487.00		
-	Financial Charges.		-		
25,100,000.00	Other Transfers	6	51,520,000.00		
1,718,604,470.73	TOTAL EXPENDITURE:		1,750,925,821.77	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:			-	
46,752,584.46	OPERATING BALANCE:			79,884,693.96	
	APPROPRIATIONS/TRANSFERS:				
16,236,200.00	Transfer to Capital Development Fund:			49,072,339.40	
30,516,384.46	Closing Balance:			30,812,354.56	

4: Statement of Capital Development Fund for the year ended 31st December, 2019

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2018			EXPENDITURE 2019	BUDGET 2019	BUDGET 2019	BUDGET 2019
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
16,236,200.00	Transfer from Consolidated Revenue Fund:		49,072,339.40			
-	Aid and Grants		-			
16,236,200.00	TOTAL REVENUE AVAILABLE:		49,072,339.40			
	LESS: CAPITAL EXPENDITURE					
-	Capital Expenditure: Administrative Sector:	10	6,900,000.00			
-	Capital Expenditure: Economic Sector:	10	8,976,000.00			
16,236,200.00	Capital Expenditure: Social Service Sector:	10	33,196,339.40			
-	Capital Expenditure: Funded from Aid and Grants:		-			
16,236,200.00	TOTAL CAPITAL EXPENDITURE:		49,072,339.40	475,567,046.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
-	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2019

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₦	₦
Net Share of Statutory Allocation from FAAC	A	1,192,092,361.40	
Add :Deduction at source for Loan Repayment	B	595,914,529.27	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			1,788,006,890.67
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₦	₦	₦
TAXES	-	-	-
RATES	831,400.00	15,720,181.00	14,888,781.00
LINCENCES & FEES	2,748,250.00	10,856,000.00	8,107,750.00
EARNING FROM COMMERCIAL UNDERTAKING	8,382,340.00	13,562,202.00	5,179,862.00
RENT ON LOCAL GOVERNMENT PROPERTY	80,000.00	1,700,000.00	1,620,000.00
INTREST AND DIVIDEND	-	-	-
MISELLANEOUS	245,250.60	1,300,000.00	1,054,749.40
TOTAL I G R	12,287,240.60	43,138,383.00	30,851,142.40

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	1,769,196.59			
THE COUNCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	5,552,375.28			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	404,476.16			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	66,751,897.36			
TOTAL ADMIN SECTOR							74,477,945.39			
ECONOMIC SECTOR										
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	26,713,716.61			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	5,518,719.79			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	28,394,427.76			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	46,894,969.90			
TOTAL ECONOMIC SECTOR							107,521,834.06			

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	10,090,938.03			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	149,705,789.48			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	27,510,467.79			
TOTAL SOCIAL SECTOR						187,307,195.30			
TOTAL FOR ALL SECTORS						369,306,974.75			
ADJUSTMENT :									
PAYEE						15,072,928.57			
PAYEE (POLITICAL OFFICE						952,273.50			
UNION DUES						26,628,849.44			
NHF(2,5%)						10,064,645.42			
MHWU-ENDWELL						19,417,377.15			
EMIRATE COUNCIL						76,618,974.32			
PRIMARY EDUCATION						468,376,080.37			
Salary and Salary Related						25,460,000.00			
						-			
TOTAL PERSONNEL COST FOR ALL SECTORS						1,011,898,103.52			

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	1,643,000.00			
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	16,330,000.00			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	5,963,000.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	2,047,504.72			
							Provision of Serviceable Materials	-			
							TOTAL	25,983,504.72			
THE COUNCIL											
01	12003001	22020101	70111	2101		2	Travel & Transport	50,000.00			
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 office furniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles and Capital 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	500,000.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	1,320,000.00			
							TOTAL	1,870,000.00			

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	-			
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 office furniture & 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	-			
							TOTAL	-			
PERSONEL MANAGEMENT											
01	25001001	22020101	70131	2101		2	Travel & Transport	718,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	61,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of office furniture & 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	410,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	1,162,000.00			
							TOTAL	2,351,000.00			
							TOTAL ADMIN. SECTOR	30,204,504.72	-	-	-

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	1,800,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	1,180,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of office furniture & 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	68,890,708.20			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	121,000.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	1,442,000.00			
							TOTAL	73,433,708.20			
BUDGET;PLANNING & RESEARCH											
02	38001001	22020101	70112	2101		2	Travel & Transport	379,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	104,000.00			
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	365,000.00			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	-			
							TOTAL	848,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	353,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	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 office furniture & equipment	366,000.00			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	200,000.00			
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	1,552,000.00			
							TOTAL	2,591,000.00			
AGRICULTURE AND NATURAL RESURCES											
02	15001001	22020101	70421	2101		2	Travel & Transport	150,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	0.00			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	-			
02	15001001	22020402	70421	2101		6	Maintenance of office furniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	106,000.00			
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	50,000.00			
							Provision of Serviceable Materials	1,625,340.00			
							TOTAL	1,931,340.00			
							TOTAL ECONOMIC SECTOR MINISTRY	78,804,048.20	-	-	-

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	365,000.00			
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 office furniture & 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	80,000.00			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	1,084,000.00			
							TOTAL	1,529,000.00			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport	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	200,000.00			
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 office furniture & equipment	10,000.00			
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)	315,000.00			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	-			
							Provision of Serviceable Materials	244,000.00			
							TOTAL	769,000.00			
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 office furniture & 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	4,998,000.00	-	-	-
							TOTAL FOR ALL SECTORS	114,006,552.92	-	-	-

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	83,214,268.69			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	1,131,408.12			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		Pension Arrears	19,594,001.52			
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	103,939,678.33			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	103,939,678.33			

Note 6A: Other Operating Activities

OPERATIONAL ACTIVITIES	AMOUNT
EMIRATE COUNCIL OVERHEAD	19,999,999.92
SECURITY	21,880,320.00
OVERHEAD TO AGENCIES	1,980,000.00
LEGAL CONSULTANCY AND SALARY CONSULTANCY	3,600,000.00
CREDIT DIRECT	878,696.09
PARTY DUES	510,000.00
SECURITY	37,800,000.00
OPERATIONAL	143,230,470.99
INTERVENTION	64,424,000.00
ALLOWANCE TO SA'S ON SECURITY	1,850,000.00
	-
TOTAL	296,153,487.00

Note 6B: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,200,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	16,420,000.00
RESERVE	18,700,000.00
TOTAL	51,520,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	-
CAPITAL	144,608,000.00
TOTAL CONTRIBUTIONS	173,408,000.00

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECON	FUNCTION	PROGRAMME	FUND	GEO.COD E	PROJECT NO	PROJECT TITLE	ACTUAL 2019	2019 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
01	11033001	23010122	70722	010400009616	03005	12620500		Renovation of Local Government Secretariat	6,900,000.00			
01	11033001	23010122	70722	010400009616	03005	12620500			-			
01	11033001	23010122	70722	010400009616	03005	12620500			-			
								TOTAL FOR ADMIN SECTOR	6,900,000.00			
ECONOMIC SECTOR												-
02	20001001				03005	12620500		Extension of Electricity	3,500,000.00			
02								Rehabilitation of Township Road	5,196,000.00			(5,196,000.00)
02								Renovation of Slaughter Slab	280,000.00			
02									-			
02								ECONOMIC SECTOR TOTAL	8,976,000.00	-	-	(5,196,000.00)
SOCIAL SECTOR												-
05			70422	70900002606	03005	12620500		LEA Building	24,196,339.40			
								SOCIAL SECTOR TOTAL	33,196,339.40	-	-	-
								TOTAL FOR ALL SECTORS	49,072,339.40			-

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

CLOSING CASH BOOK/BANK BALANCES AS AT DEC 2018	
	AMOUNT
Bmazzazhi Micro Finance Bank	142,463.84
UBA Salary	7,801.78
UBA Salary	30,660,088.94
	-
	-
	-
	-
	-
TOTAL	30,810,354.56

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	-	-	-	-	-	-
	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

MANAGEMENT REPORT ON AUDITED ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.0 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, 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 Gurara 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	12,287,240.60	0.68
	Statutory Allocation	1,788,006,890.67	99.32
TOTAL		1,800,294,131.27	100.00
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	1,011,898,103.52	56.22
	Overhead Cost	114,006,552.92	6.33
	Consolidated Revenue Fund Charges	103,939,678.33	5.77
•	Contributions	173,408,000.00	9.63
•	Other Operating Activities	296,153,487.00	16.45
•	Other Transfers	51,520,000.00	2.86
•	Capital Expenditures	49,072,339.40	2.73
TOTAL		1,799,998,161.17	100.00

3.1 REVENUE

The sum of ₦1,800,294,131.27 accrued to Gurara Local Government Councils as total receipts for the year ended 31st December 2019

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Gurara Local Government Council amounted to ₦12,287,240.60 only for the year ended 31st December 2019 which represents 0.68% of the total accrued revenue of ₦1,800,294,131.27. 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 ₦1,788,006,890.67 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 ₦2,000.00 in respect of Gurara Local Government Council at the end of the financial year ended 31st December 2019, while the total bank balances stood at ₦30,810,354.56 in respect of Gurara Local Government Council as at the end of the financial year ended 31st December 2019

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.

5.0 BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦12,287,240.60 was generated as Internally Generated Revenue which represents 28.48% when compared with the total budgeted Internally Generated Revenue amounting to ₦43,138,282.00 during the year under review. This is a very 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.

6.0 PERSONNEL COST

It was observed that the total sum of ₦1,011,898,103.52 and ₦912,559,195.17 was spent as total personnel cost for the year 2019 and 2018 respectively with an increase of ₦99,338,908.35 over the previous year which represent 9.82%. This is as a result of salary increment by the state government during the year under review.

7.0 CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No.1 (Cash Flow Statement) 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 ₦49,072,339.40 representing 10.32% was spent leaving the balance of ₦426,494,706.60 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	156,013,924.00	11,941,339.40	144,072,584.60
02	Economic Sector	203,134,593.00	8,696,000.00	194,438,593.00
05	Social Sector	116,418,529.00	28,435,000.00	87,983,529.00
TOTAL		475,567,046.00	49,072,339.40	426,494,706.60

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.

8.0 PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No.1 revealed that the Total Revenue stood at ₦1,800,294,131.27 with a Total Expenditure of ₦1,799,998,161.17 and close with a surplus balance of ₦295,970.10. 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 ₦2,800,220.00 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 2019.

Outstanding deductions as at 31 December 2019

DETAILS	AMOUNT ₦
5% Withholding Tax	2,269,910.00
1% Stamp Duty	530,310.00
TOTAL	2,800,220.00

From the above table, the Councils recorded outstanding WHT of ₦2,269,910.00 as at 31st December, 2019.

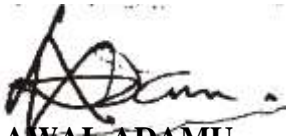
Financial Regulations 334(iv) stipulates that “in the event of failure to provide for and remit the tax to FIRS/BIRS, the tax shall be RECOVERED from the Statutory Allocation of the defaulting government agency. There is therefore, a high risk that the outstanding balance may be deducted from the statutory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

10.0 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 GOVERNMENT OF NIGERIA
KATCHA LOCAL GOVERNMENT COUNCIL



AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2019

AUDITOR GENERAL FOR LOCAL GOVERNMENT
P.M.B 53, NIGER STATE

PERSONALITY PROFILE

- **FINANCIAL STATEMENT**

 - Statement of Financial Responsibility

 - Council Officials

 - Auditor General's Opinion

- **AUDIT REPORT**

 - 1.0 Cash Flow Statements

 - 2.0 Statement of Assets & Liabilities

 - 3.0 Statement of Consolidated Revenue Funds

 - 4.0 State of Capital Development Funds

 - 5.0 Notes to the Accounts.

 - 6.0 Scope of Audit

 - 7.0 General State of Accounts and Records Keeping

 - 7.1 General Recommendation

 - 8.0 Review of Financial Statement

 - 9.0 Internal Control

 - 10.0 Budgetary Control

 - 11.0 Personnel Cost

 - 12.0 Capital Expenditure

 - 13.0 Performance of Operation Activities

 - 14.0 Deposits

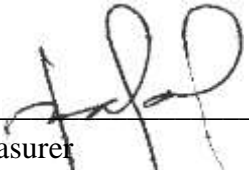
 - 15.0 Outstanding Audit Inspection

 - 16.0 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.

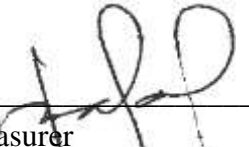


Treasurer

31st December, 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 Katcha Local Governments as at 31st December, 2019 and its operations for the year ended on the date.



Treasurer

31st December, 2019



Chairman

31st December, 2019

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**

First Bank of Nigeria Plc

First Bank of Nigeria Plc

Unity Bank Plc

Keystone Bank Plc.

ADDRESS

Katcha 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, 2019 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.

Special opinion on State Local Government Joint Account Allocation Committee

Katcha Local Government is eligible to receive revenue comprising Statutory Allocation, Value Added Taxes and Exchange Difference from the Federation Account. The revenues received by Katcha Local Government, from the Ministry for Local Government, Community Development and Chieftaincy Affairs are indicated in the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts. In my opinion, the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts present fairly, in all material respects, the revenues received by Katcha Local Government during the year ended December 31st, 2019.



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

1: Cash Flow Statement for the Year Ended 31st December, 2019

ANNUAL BUDGET 2019		NOTES	ACTUAL YEAR 2019	PREVIOUS YEAR 2018
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
2,363,765,411.00	Statutory Allocations: FAAC	1	2,638,392,455.58	2,408,500,048.31
	Value Added Tax Allocation	1		
2,363,765,411.00	Sub-total - Statutory Allocation		2,638,392,455.58	2,408,500,048.31
350,000.00	Direct Taxes	2	502,200.00	-
16,479,000.00	Licences & FEES	2	7,674,040.00	100,000.00
	Mining Rents:	2		
800,000.00	RATES	2	1,047,700.00	5,205.00
	Fees:	2		
	Fines	2		
	Sales	2		
12,694,000.00	Earnings :	2	1,085,180.00	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		
500,000.00	MISELLANEOUS	2	461,880.35	416,200.00
30,823,000.00	Sub-total - Independent Revenue			
	Other Revenue Sources of the -Government	3		
	TOTAL INDEPENDANT REVENUE		10,771,000.35	3,785,365.00
	Commercial Bank Loan		-	-
2,394,588,411.00	TOTAL RECEIPTS		2,649,163,455.93	2,412,285,413.31
	Payments:			
775,336,121.00	Personnel Costs	3	1,792,855,049.73	1,608,451,694.25
184,400,000.00	Overhead Charges:	4	136,125,049.13	136,514,338.51
	Consolidated Revenue Fund Charges .	5	135,190,712.20	83,514,209.47
	contributions	7	175,347,300.00	533,540,299.94
	Other Operating Activities	6b	262,271,733.95	-
	Financial Charges		-	-
	Other Transfers	6	76,920,000.00	25,100,000.00
959,736,121.00	Total Payments		2,578,709,845.01	2,387,120,542.17
1,434,852,290.00	Net Cash Flow from Operating Activities		70,453,610.92	25,164,871.14

	CashFlows from Investment Activities:			
172,539,865.00	Capital Expenditure: Administrative Sector:	8	28,050,000.00	-
141,713,761.00	Capital Expenditure: Economic Sector:	8	-	-
180,966,321.00	capital expenditure: Social Service Sector:	8	12,376,975.14	18,320,000.00
-	Capital Expenditure: Funded from Aid and Grants:		-	-
	Total Cash Flow from Investment Activities:		40,426,975.14	18,320,000.00
	Net Cash Flow from Investment Activities:		30,026,635.78	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:		30,026,635.78	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		30,026,635.78	6,844,871.14
	Cash & Its Equivalent as at 1st January, 2019		8,866,954.04	1,517,754.82
	Cash & Its Equivalent as at 31st December, 2019	9	38,893,589.82	8,362,625.96

2: Statement of Assets and Liabilities as at 31st December, 2019

	NOTES	CURRENT YEAR 2019	PREVIOUS YEAR 2018
CURRENT ASSETS:-		₦	₦
LIQUID ASSETS:-			
CASH HELD BY AGNS:			
CASH AT BANK	9	38,891,447.16	8,360,995.30
CASH AT HAND		2,142.66	1,630.66
TOTAL LIQUID ASSETS		38,893,589.82	8,362,625.96
NON CURRENT ASSETS:			
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	-
TOTAL ASSETS		38,893,589.82	8,362,625.96
LIABILITIES OVER ASSETS		2,467,838.24	4,558,227.94
TOTAL		41,361,428.06	12,920,853.90
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	38,893,589.82	8,362,625.96
Capital Development Fund:		-	-
TOTAL PUBLIC FUNDS		38,893,589.82	8,362,625.96
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	-	1,297,358.89
		-	-
		-	-
		-	-
TOTAL EXTERNAL AND INTERNAL LOANS		-	1,297,358.89
OTHER LIABILITIES			
OVER DRAWN :			
MICROFINANCE SURE-P		250,520.20	1,047,284.21
MICROFINANCE		253,807.88	250,074.68
UNREMITTED DEDUCTIONS		-	-
5% Contract Tax		591,000.00	731,000.00
5% Withholding Tax		591,000.00	591,000.00

Development Levy		(3,236.68)	(3,236.68)
CT & CS Co-operative		81,746.84	81,746.84
Drug Loan Refund		398,500.00	-
Emirate Fund		4,500.00	4,500.00
Stamp Duty		140,000.00	-
District Head Contribution		160,000.00	160,000.00
Land loan (NULGE)		-	398,500.00
TOTAL LIABILITIES		2,467,838.24	3,260,869.05
TOTAL LIABILITIES AND PUBLIC FOUNDS		41,361,428.06	12,920,853.90

3: Statement of Consolidated Revenue for the year ended 31st December, 2019

ACTUAL PREVIOUS YEAR 2018		NOTES	ACTUAL YEAR 2019	FINAL BUDGET 2019	INITIAL/ORIGINAL BUDGET 2019
N			N	N	N
1,517,754.82	Opening Balance:		8,866,954.04		
	ADD: REVENUE				
2,408,500,048.31	Statutory Allocations:FAAC	1	2,638,392,455.58	2,363,765,411.00	
-	Value Added Tax Allocation	1	-		
2,408,500,048.31	Sub-Total - Statutory Allocation		2,638,392,455.58	2,363,765,411.00	
-	Direct Taxes	2	502,200.00	350,000.00	
100,000.00	Licences	2	7,674,040.00	16,479,000.00	
5,205.00	RATES	2	1,047,700.00	800,000.00	
-	Fees:	2	-		
-	Fines	2	-		
-	Sales	2	-		
1,119,280.00	Earnings :	2	1,085,180.00	12,694,000.00	
2,144,680.00	Sales/Rent of Government Buildings:	2	-		
-	Sale/Rent on Lands and Others:	2	-		
416,200.00	MISCELLANEOUS	2	461,880.35	500,000.00	
-	Investment Income	2	-		
-	Interest Earned	2	-		
-	Re-Imbursements	2	-		
3,785,365.00	Sub-Total - Independent Revenue		10,771,000.35	30,823,000.00	
-	Other Revenue Sources of the ---Government		-		
2,413,803,168.13	TOTAL REVENUE:		2,658,030,409.97	2,394,588,411.00	
	LESS:EXPENDITURE				
1,608,451,694.25	Personnel Costs:	3	1,792,855,049.73	775,336,121.00	
136,514,338.51	Overhead Charges:	4	136,125,049.13	184,400,000.00	
83,514,209.47	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	135,190,712.20		
533,540,299.94	contributions	7	175,347,300.00		
-	Other Operating Activities	6b	262,271,733.95		
-	Financial Charges.		-		
25,100,000.00	Other Transfers	6	76,920,000.00		
2,387,120,542.17	TOTAL EXPENDITURE:		2,578,709,845.01	959,736,121.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
-	Repayments: External Loans: States			-	
-	Repayments: States Bonds.			-	
-	Repayments: Development Loan Stock			-	
-	Repayments: Internal Loans from Other Funds	11		-	
-	TOTAL EXPENDITURE:			-	
26,682,625.96	OPERATING BALANCE:			79,320,564.96	
	APPROPRIATIONS/TRANSFERS:				
18,320,000.00	Transfer to Capital Development Fund:			40,426,975.14	-
8,362,625.96	Closing Balance:			38,893,589.82	

4: Statement of Capital Development Fund for the year ended 31st December, 2019

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2018			EXPENDITURE 2019	BUDGET 2019	BUDGET 2019	BUDGET 2019
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
18,320,000.00	Transfer from Consolidated Revenue Fund:		40,426,975.14	-		
-	Aid and Grants		-			
18,320,000.00	TOTAL REVENUE AVAILABLE:		40,426,975.14	-		
	LESS: CAPITAL EXPENDITURE					
-	Capital Expenditure: Administrative Sector:	10	28,050,000.00	172,539,865.00		
-	Capital Expenditure: Economic Sector:	10	-	141,713,761.00		
18,320,000.00	Capital Expenditure: Social Service Sector:	10	12,376,975.14	180,966,321.00		
-	Capital Expenditure: Funded from Aid and Grants:		-			
18,320,000.00	TOTAL CAPITAL EXPENDITURE:		40,426,975.14	495,219,947.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
-	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2019

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₱	₱
Net Share of Statutory Allocation from FAAC	A	1,821,256,623.05	
Add :Deduction at source for Loan Repayment	B	817,135,832.53	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			2,638,392,455.58
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₱	₱	₱
TAXES	502,200.00		
RATES	1,047,700.00		
LINCENCES & FEES	7,674,040.00		
EARNING FROM COMMERCIAL UNDERTAKING	1,085,180.00		
RENT ON LOCAL GOVERNMENT PROPERTY	-		
MISELLANEOUS	461,880.35		
TOTAL I G R	10,771,000.35		

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	20,080,802.12			
THE COUNCCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	37,262,394.08			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	930,940.19			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	71,482,417.72			
TOTAL ADMIN SECTOR							129,756,554.11			
ECONOMIC SECTOR										
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	78,868,006.56			
BUDGET;PLANNING & RESEARCH							-			
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	10,521,227.69			
WORKS & HOUSING							-			
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	101,466,091.94			
AGRICULTURE AND NATURAL RESURCES							-			
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	79,741,789.86			
TOTAL ECONOMIC SECTOR							270,597,116.05			

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	76,515,334.71			
							-			
PRIMARY HEALTH CARE										
	05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	245,633,799.04			
							-			
TRADITIONAL OFFICE										
	05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	32,308,730.71			
TOTAL SOCIAL SECTOR							354,457,864.46			
TOTAL FOR ALL SECTORS							754,811,534.62			
ADJUSTMENT :										
PAYEE							24,536,359.29			
PAYEE (POLITICAL OFFICE							952,273.50			
UNION DUES							47,505,845.98			
NHF(2,5%)							18,971,630.01			
EMIRATE COUNCIL							48,871,638.80			
PRIMARY EDUCATION							830,152,024.23			
MHWU-ENDWELL							28,053,743.30			
Salary and Salary Related							39,000,000.00			
TOTAL PERSONNEL COST FOR ALL SECTORS							1,792,855,049.73			

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	422,705.24			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	348,000.00			
01	11001001	22020402	70111	2101		6	Maintenance of office	718,000.00			
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	47,950,969.90			
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	37,537,173.30			
							TOTAL	86,976,848.44			
THE COUNCIL											
01	12003001	22020101	70111	2101		2	Travel & Transport	25,000.00			
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 office furniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles and Capital 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	4,253,000.00			
							TOTAL	4,278,000.00			

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	130,000.00			
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 office furniture & 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	-			
							TOTAL	130,000.00			
PERSONEL MANAGEMENT											
01	25001001	22020101	70131	2101		2	Travel & Transport	904,000.00			
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 office furniture & equipment	311,000.00			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	84,000.00			
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	1,100,000.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	-			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	83,000.00			
							TOTAL	2,482,000.00			
							TOTAL ADMIN SECTOR	93,866,848.44	-	-	-

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	636,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	1,794,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of office furniture & equipment	-			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	394,149.55			
02	20001001	22020701	70112	2101		8	Consultancy Services	-			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	31,692,515.45			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	20,000.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	732,895.69			
							TOTAL	35,269,560.69			
BUDGET;PLANNING & RESEARCH											
02	38001001	22020101	70112	2101		2	Travel & Transport	440,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	680,000.00			
02	38001001	22020402	70112	2101		6	Maintenance of office furniture & equipment	35,000.00			
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	281,000.00			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	-			
							TOTAL	1,436,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	546,000.00			
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 office furniture & equipment	-			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	1,080,300.00			
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	-			
							TOTAL	1,626,300.00			
AGRICULTURE AND NATURAL RESURCES											
02	15001001	22020101	70421	2101		2	Travel & Transport	22,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	458,000.00			
02	15001001	22020402	70421	2101		6	Maintenance of office furniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	1,024,840.00			
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	640,000.00			
							TOTAL	2,144,840.00			
							TOTAL ECONOMIC SECTOR	40,476,700.69	#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	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	245,000.00			
05	17001001	22020402	70922	2101		6	Maintenance of office furniture & equipment	23,000.00			
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	161,000.00			
							TOTAL	629,000.00			
SOIAL DEVELOPEMENY											
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 office furniture & 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	40,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	460,000.00			
05	21001001	22020402	70731	2101		6	Maintenance of office furniture & equipment	40,000.00			
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	40,000.00			
							100,000.00	100,000.00			
							TOTAL	680,000.00			
TRADITIONAL OFFICE											
05	51002002	22020101	70180	2101		2	Travel & Transport	472,500.00			
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 office furniture & 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	472,500.00			
							TOTAL SOCIAL SECTOR	1,781,500.00			
							TOTAL FOR ALL SECTORS	136,125,049.13			

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	114,044,920.01			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	1,551,790.67			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	19,594,001.52			
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	135,190,712.20			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	135,190,712.20			

Note 6A: Other Operating Activities

OPERATIONAL ACTIVITIES	AMOUNT
EMIRATE COUNCIL OVERHEAD	12,000,000.00
SECURITY	59,680,320.00
OVERHEAD TO AGENCIES	1,980,000.00
LEGAL CONSULTANCY SERVICES	3,600,000.00
ALLOWANCE TO SA'S ON SECURITY	1,850,000.00
OPERATIONAL	125,534,473.94
INTERVENTION	57,094,000.00
PARTY DUES	510,000.00
DIRECT CREDIT	22,940.01
TOTAL	262,271,733.95

Note 6B: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,200,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	16,520,000.00
NISEPA	
RESERVE FUND	44,000,000.00
TOTAL	76,920,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	-
CAPITAL	146,547,300.00
TOTAL CONTRIBUTIONS	175,347,300.00

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECON	FUNCTION	PROGRAMME	FUND	GEO.CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2019	2019 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616	03005			Water Resources and Supply	28,050,000.00			
1	11033001								-			
1	11033001								-			
								TOTAL FOR ADMIN SECTOR	28,050,000.00			
ECONOMIC SECTOR												-
2	20001001				03005				-			
2									-			-
2								ECONOMIC SECTOR TOTAL	-	-	-	-
SOCIAL SECTOR												-
5			70422	70900002606	03005			Community Development	12,376,975.14			
									-			
									-			
									-			
								SOCIAL SECTOR TOTAL	12,376,975.14	-	-	-
								TOTAL FOR ALL SECTORS	40,426,975.14			-

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

CLOSING CASH BOOK/BANK BALANCES AS AT DEC 2018	AMOUNT
FIRST BANK PLC	4,758.47
FIRST BANK PLC	835.67
FIRST BANK PLC	1,866.00
UBA PLC	38,879,539.87
UNITY BANK PLC	1,106.61
UNITY BANK PLC	395.54
UNITY BANK PLC	945.00
UNITY BANK PLC	2,000.00
TOTAL	38,891,447.16
OVERDRAWN ACCOUNTS	
MICROFINANCE SURE-P	(250,520.20)
MICROFINANCE	(253,807.88)
TOTAL	(504,328.08)

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	-	-	-	-	-	-
	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

MANAGEMENT REPORT ON AUDITED ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.0 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)**.

3.0 REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Katcha 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	10,771,000.35	0.41
	Statutory Allocation	2,638,392,455.58	99.59
TOTAL		2,649,163,455.93	100.00
TOTAL EXPENDITURE		AMOUNT	%
		₦	
	Salaries and Wages	1,792,855,049.73	68.45
	Overhead Cost	136,125,049.13	5.20
	Consolidated Revenue Fund Charges	135,190,712.20	5.16
•	Contributions	175,347,300.00	6.69
•	Other Operating Activities	262,271,733.95	10.02
•	Other Transfers	76,920,000.00	2.94
•	Capital Expenditures	40,426,975.14	1.54
TOTAL		2,619,136,820.15	100.00

3.1 REVENUE

The sum of ₦2,649,163,455.93 accrued to Katcha Local Government Councils as total receipts for the year ended 31st December 2019

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Katcha Local Government Council amounted to ₦10,771,000.35 only for the year ended 31st December 2019 which represents 0.41 % of the total accrued revenue of ₦2,649,163,455.93. 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 ₦2,638,392,455.58 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 ₦2,142.66 in respect of Katcha Local Government Council at the end of the financial year ended 31st December 2019, while the total bank balances stood at ₦38,891,447.16 in respect of Katcha Local Government Council as at the end of the financial year ended 31st December 2019

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.

5.0 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.

6.0 PERSONNEL COST

It was observed that the total sum of ₦1,792,855,049.73 and ₦1,608,451,694.25 was spent as total personnel cost for the year 2019 and 2018 respectively with an increase of ₦184,403,355.48 over the previous year which represent 10.29%. This is as a result of salary increment by the state government during the year under review.

7.0 CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No.1 (Cash Flow Statement) 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 ₦40,426,975.14 representing 8.16% was spent leaving the balance of ₦454,792,971.86 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	172,539,865.00	28,050,000.00	144,489,865.00
02	Economic Sector	141,713,761.00	-	141,713,761.00
05	Social Sector	180,966,321.00	12,376,975.14	168,589,345.86
TOTAL		495,219,947.00	40,426,975.14	454,792,971.86

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.

8.0 PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No.1 revealed that the Total Revenue stood at ₦2,649,163,455.93 with a Total Expenditure of ₦2,619,136,820.15 and close with a surplus balance of ₦30,026,635.78 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 ₦1,963,510.16 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	591,000.00
5% Withholding Tax	591,000.00
Development Levy	(3,236.68)
CT & CS Co-operative	81,746.84
Drug Loan Refund	398,500.00
Emirate Fund	4,500.00
Stamp Duty	140,000.00
District Head Contribution	160,000.00
TOTAL	1,963,510.16

From the above table, the Councils recorded outstanding VAT amounting to ₦591,000.00 and WHT of ₦591,000.00 as at 31st December, 2019.

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.

10.0 OUTSTANDING AUDIT INSPECTION

AGX/F.O.19/TA/KAT/VOL.1 – 13th March, 2020

- | | |
|--------------------------------|-------------|
| • Un-Received Payment Vouchers | ₦510,882.00 |
| • Outstanding Payment Vouchers | ₦412,881.97 |

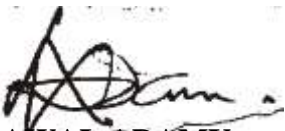
10.1 REQUIRED

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

11.0 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 GOVERNMENT OF NIGERIA
KONTAGORA LOCAL GOVERNMENT COUNCIL



AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2019

AUDITOR GENERAL FOR LOCAL GOVERNMENT
P.M.B 53, NIGER STATE

PERSONALITY PROFILE

- **FINANCIAL STATEMENT**

- Statement of Financial Responsibility

- Council Officials

- Auditor General's Opinion

- **AUDIT REPORT**

- 1.0 Cash Flow Statements

- 2.0 Statement of Assets & Liabilities

- 3.0 Statement of Consolidated Revenue Funds

- 4.0 State of Capital Development Funds

- 5.0 Notes to the Accounts.

- 6.0 Scope of Audit

- 7.0 General State of Accounts and Records Keeping

- 7.1 General Recommendation

- 8.0 Review of Financial Statement

- 9.0 Internal Control

- 10.0 Budgetary Control

- 11.0 Personnel Cost

- 12.0 Capital Expenditure

- 13.0 Performance of Operation Activities

- 14.0 Deposits

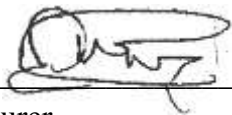
- 15.0 Outstanding Audit Inspection

- 16.0 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.

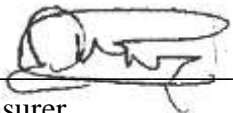


Treasurer

31st December, 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 Kontagora Local Governments as at 31st December, 2019 and its operations for the year ended on the date.



Treasurer

31st December, 2019



Chairman

31st December, 2019

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, 2019 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.

Special opinion on State Local Government Joint Account Allocation Committee

Kontagora Local Government is eligible to receive revenue comprising Statutory Allocation, Value Added Taxes and Exchange Difference from the Federation Account. The revenues received by Kontagora Local Government, from the Ministry for Local Government, Community Development and Chieftaincy Affairs are indicated in the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts. In my opinion, the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts present fairly, in all material respects, the revenues received by Kontagora Local Government during the year ended December 31st, 2019.



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

1: Cash Flow Statement for the Year Ended 31st December, 2019

ANNUAL BUDGET 2019		NOTES	ACTUAL YEAR 2019	PREVIOUS YEAR 2018
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
2,035,923,133.00	Statutory Allocations: FAAC	1	1,903,234,949.78	1,743,944,495.53
	Value Added Tax Allocation	1		
2,035,923,133.00	Sub-total - Statutory Allocation		1,903,234,949.78	1,743,944,495.53
3,040,000.00	Direct Taxes	2	160,000.00	40,000.00
12,040,456.00	Licences & FEES	2	7,485,588.40	4,908,065.68
	Mining Rents:	2		
9,450,000.00	RATES	2	3,683,573.20	4,500,010.30
	Fees:	2		
	Fines	2		
	Sales	2		
7,871,556.00	Earnings :	2	13,146,200.00	13,957,011.00
2,000,000.00	Sales/Rent of Government Buildings:	2	2,544,000.00	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	1,464,795.27	988,410.39
35,197,456.00	Sub-total - Independent Revenue			
	Other Revenue Sources of the -Government	3		
2,071,120,589.00	TOTAL INDEPENDANT REVENUE		28,484,156.87	27,867,097.37
	Commercial Bank Loan		-	-
2,071,120,589.00	TOTAL RECEIPTS		1,931,719,106.65	1,771,811,592.90
	Payments:			
625,298,588.00	Personnel Costs	3	875,555,393.94	809,124,289.52
266,787,193.00	Overhead Charges:	4	121,491,194.32	210,482,197.88
	Consolidated Revenue Fund Charges .	5	110,137,080.69	71,471,763.04
	contributions	7	228,188,000.00	542,053,133.02
	Other Operating Activities	6b	317,963,597.28	-
	Financial Charges		-	-
	Other Transfers	6	146,915,000.00	96,155,000.00
892,085,781.00	Total Payments		1,800,250,266.23	1,729,286,383.46
1,179,034,808.00	Net Cash Flow from Operating Activities		131,468,840.42	42,525,209.44

	CashFlows from Investment Activities:			
29,468,176.00	Capital Expenditure: Administrative Sector:	8	56,165,910.00	30,897,526.95
85,490,308.00	Capital Expenditure: Economic Sector:	8	34,074,299.50	5,575,358.00
40,118,920.00	capital expenditure: Social Service Sector:	8	4,637,044.00	9,131,372.10
-	Capital Expenditure: Funded from Aid and Grants:		-	-
	Total Cash Flow from Investment Activities:		94,877,253.50	45,604,257.05
	Net Cash Flow from Investment Activities:		36,591,586.92	(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:		36,591,586.92	(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		36,591,586.92	(3,079,047.61)
	Cash & Its Equivalent as at 1st January, 2018		10,936,164.86	14,015,212.47
	Cash & Its Equivalent as at 31st December, 2018	9	47,527,751.78	10,936,164.86

2: Statement of Assets and Liabilities as at 31st December, 2019

	NOTES	CURRENT YEAR 2019	PREVIOUS YEAR 2018
		₦	₦
CURRENT ASSETS:-			
LIQUID ASSETS:-			
CASH HELD BY AGNS:			
CASH AT BANK	9	47,526,904.58	10,935,873.55
CASH AT HAND		847.20	291.31
TOTAL LIQUID ASSETS		47,527,751.78	10,936,164.86
NON CURRENT ASSETS:			
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	-
TOTAL ASSETS		47,527,751.78	10,936,164.86
LIABILITIES OVER ASSETS		4,203,363.95	8,406,727.90
TOTAL		51,731,115.73	19,342,892.76
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	47,527,751.78	10,936,164.86
Capital Development Fund:		-	-
TOTAL PUBLIC FUNDS		47,527,751.78	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		784.12	784.12
5% Withholding Tax		4,202,579.83	4,202,579.83
TOTAL LIABILITIES		4,203,363.95	8,406,727.90
TOTAL LIABILITIES AND PUBLIC FUNDS		51,731,115.73	19,342,892.76

3: Statement of Consolidated Revenue for the year ended 31st December, 2019

ACTUAL PREVIOUS YEAR 2018		NOTES	ACTUAL YEAR 2019	FINAL BUDGET 2019	INITIAL/ORIGINAL BUDGET 2019
₦			₦	₦	₦
14,015,212.47	Opening Balance:		10,936,164.86		
	ADD: REVENUE				
1,743,944,495.53	Statutory Allocations: FAAC	1	1,903,234,949.78	2,035,923,133.00	
-	Value Added Tax Allocation	1	-		
1,743,944,495.53	Sub-Total - Statutory Allocation		1,903,234,949.78	2,035,923,133.00	
40,000.00	Direct Taxes	2	160,000.00	3,040,000.00	
4,908,065.68	Licences	2	7,485,588.40	12,040,456.00	
4,500,010.30	RATES	2	3,683,573.20	9,450,000.00	
-	Fees:	2	-		
-	Fines	2	-		
-	Sales	2	-		
13,957,011.00	Earnings :	2	13,146,200.00	7,871,556.00	
3,473,600.00	Sales/Rent of Government Buildings:	2	2,544,000.00	2,000,000.00	
-	Sale/Rent on Lands and Others:	2	-		
988,410.39	MISCELLANEOUS	2	1,464,795.27	745,444.00	
-	Investment Income	2	-		
-	Interest Earned	2	-	50,000.00	
-	Re-Imbursements	2	-		
27,867,097.37	Sub-Total - Independent Revenue		28,484,156.87	35,197,456.00	
-	Other Revenue Sources of the ---Government		-		
1,785,826,805.37	TOTAL REVENUE:		1,942,655,271.51	2,071,120,589.00	
	LESS:EXPENDITURE				
809,124,289.52	Personnel Costs:	3	875,555,393.94	625,298,588.00	
210,482,197.88	Overhead Charges:	4	121,491,194.32	266,787,193.00	
71,471,763.04	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	110,137,080.69		
542,053,133.02	contributions	7	228,188,000.00		
-	Other Operating Activities	6b	317,963,597.28		
-	Financial Charges.		-		
96,155,000.00	Other Transfers	6	146,915,000.00		
1,729,286,383.46	TOTAL EXPENDITURE:		1,800,250,266.23	892,085,781.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
-	Repayments: External Loans: States			-	
-	Repayments: States Bonds.			-	
-	Repayments: Development Loan Stock			-	
-	Repayments: Internal Loans from Other Funds	11		-	
-	TOTAL EXPENDITURE:			-	
56,540,421.91	OPERATING BALANCE:			142,405,005.28	
	APPROPRIATIONS/TRANSFERS:				
45,604,257.05	Transfer to Capital Development Fund:			94,877,253.50	-
10,936,164.86	Closing Balance:			47,527,751.78	

4: Statement of Capital Development Fund for the year ended 31st December, 2019

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2018			EXPENDITURE 2019	BUDGET 2019	BUDGET 2019	BUDGET 2019
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
45,604,257.05	Transfer from Consolidated Revenue Fund:		94,877,253.50	-		
-	Aid and Grants		-			
45,604,257.05	TOTAL REVENUE AVAILABLE:		94,877,253.50	-		
	LESS: CAPITAL EXPENDITURE					
30,897,526.95	Capital Expenditure: Administrative Sector:	10	56,165,910.00	29,468,176.00		
5,575,358.00	Capital Expenditure: Economic Sector:	10	34,074,299.50	85,490,308.00		
9,131,372.10	Capital Expenditure: Social Service Sector:	10	4,637,044.00	40,118,920.00		
-	Capital Expenditure: Funded from Aid and Grants:		-			
45,604,257.05	TOTAL CAPITAL EXPENDITURE:		94,877,253.50	155,077,404.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
-	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2019

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₱	₱
Net Share of Statutory Allocation from FAAC	A	1,306,795,704.05	
Add :Deduction at source for Loan Repayment	B	596,439,245.73	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			1,903,234,949.78
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₱	₱	₱
TAXES	160,000.00		
RATES	3,683,573.20		
LINCENCES & FEES	7,485,588.40		
EARNING FROM COMMERCIAL UNDERTAKING	13,146,200.00		
RENT ON LOCAL GOVERNMENT PROPERTY	2,544,000.00		
INTEREST AND DIVIDEND	-		
MISCELLANEOUS	1,464,795.27		
TOTAL I G R	28,324,156.87		

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	4,011,370.74			
							-			
THE COUNCCIL							-			
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	8,207,872.38			
							-			
OFFICE OF THE SECRETARY							-			
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	611,838.54			
							-			
							-			
PERSONEL MANAGEMENT							-			
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	51,353,535.37			
							-			
TOTAL ADMIN SECTOR							64,184,617.03			
							-			
ECONOMIC SECTOR										
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	40,991,966.27			
							-			
BUDGET;PLANNING & RESEARCH							-			
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	8,594,366.14			
							-			
WORKS & HOUSING							-			
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	48,428,493.60			
							-			
AGRICULTURE AND NATURAL RESURCES							-			
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	51,385,766.61			
							-			
TOTAL ECONOMIC SECTOR							149,400,592.62			
							-			

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	70,269,278.95			
						-			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	118,897,526.11			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	13,546,742.80			
SOCIAL DEVELOPMENT									
05		21010101	70131	2101	TOTAL PERSONNELCOST	-			
TOTAL SOCIAL SECTOR						202,713,547.86			
TOTAL FOR ALL SECTORS						416,298,757.51			
ADJUSTMENT :									
PAYEE						13,161,802.04			
PAYEE (POLITICAL OFFICE						1,167,603.00			
UNION DUES						24,649,411.79			
NHF(2,5%)						11,141,239.15			
EMIRATE COUNCIL						51,339,250.04			
PRIMARY EDUCATION						320,043,561.91			
MHWU-ENDWELL						13,503,768.50			
Salary and Salary Related						24,250,000.00			
TOTAL PERSONNEL COST FOR ALL SECTORS						875,555,393.94			

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	3,652,000.00			
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	18,323,196.50			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	2,985,000.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	31,814,360.00			
							PROVISION OF SERVICE MATERIALS	-			
							TOTAL	56,774,556.50			
THE COUNCIL											
01	12003001	22020101	70111	2101		2	Travel & Transport	785,000.00			
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 office furniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles and Capital 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	7,723,000.00			
							PROVISION FOR SERVICEABLE	-			
							TOTAL	8,508,000.00			

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	165,000.00			
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 office furniture & 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	650,000.00			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	228,000.00			
							TOTAL	1,043,000.00			
PERSONEL MANAGEMENT											
01	25001001	22020101	70131	2101		2	Travel & Transport	1,932,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	335,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of office furniture & equipment	207,000.00			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	160,000.00			
01	25001001	22020701	70131	2101		8	Consultancy Services	-			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	1,022,000.00			
01	25001001	22020501	70131	2101		10	Training and staff Development	240,000.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	233,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	1,755,000.00			
							TOTAL	5,884,000.00			
							TOTAL ADMIN	72,209,556.50			

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	1,606,453.81			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	2,352,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of office furniture & equipment	-			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	20,000.00			
02	20001001	22020701	70112	2101		8	Consultancy Services	375,000.00			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	32,493,856.77			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	600,000.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	2,732,827.24			
							TOTAL	40,180,137.82			
BUDGET;PLANNING & RESEARCH											
02	38001001	22020101	70112	2101		2	Travel & Transport	400,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	260,000.00			
02	38001001	22020402	70112	2101		6	Maintenance of office furniture & 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	910,000.00			
							TOTAL	1,570,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	255,000.00			
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 office furniture & equipment	365,000.00			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	480,500.00			
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	Entertainment & Hospitality	-			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	970,000.00			
							PROVISION OF SERVICE MATERIALS	-			
							TOTAL	2,070,500.00			
AGRICULTURE AND NATURAL RESURCES											
02	15001001	22020101	70421	2101		2	Travel & Transport	894,000.00			
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	730,000.00			
							PROVISION OF SERVICEABLE	-			
							TOTAL	1,624,000.00			
							TOTAL ECONOMIC SECTOR MINISTRY	45,444,637.82			

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	1,286,000.00			
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 office furniture & 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	926,000.00			
							TOTAL	2,212,000.00			
SOIAL DEVELOPEMENY											
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 office furniture & 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	120,000.00			
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 office furniture & 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	1,395,000.00			
							PROVISION OF SERVICEABLE	-			
							NPI	-			
							ASSISTED PROGRAM (SUMMAP)	-			
							TOTAL	1,515,000.00			
TRADITIONAL OFFICE											
05	51002002	22020101	70180	2101		2	Travel & Transport	110,000.00			
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 office furniture & 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	110,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	3,837,000.00	-	-	-
							TOTAL FOR ALL SECTORS	121,491,194.32	-	-	-

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	82,073,515.22			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	8,522,363.27			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	19,541,202.20			
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	110,137,080.69			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	110,137,080.69			

Note 6A: Other Operating Activities

OPERATIONAL ACTIVITIES	AMOUNT
EMIRATE COUNCIL OVERHEAD	12,000,000.00
SECURITY	59,180,320.00
OVERHEAD TO AGENCIES	1,980,000.00
LEGAL CONSULTANCY SERVICES	3,600,000.00
ALLOWANCE TO SA'S ON SECURITY	2,255,000.00
OPERATIONAL	135,750,470.99
INTERVENTION	102,623,859.29
PARTY DUES	570,000.00
DIRECT CREDIT	3,947.00
TOTAL	317,963,597.28

Note 6B: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,200,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	15,460,000.00
NISEPA	71,055,000.00
RESERVE FUND	44,000,000.00
TOTAL	146,915,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	-
CAPITAL	199,388,000.00
TOTAL CONTRIBUTIONS\	228,188,000.00

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECON	FUNCTION	PROGRAMME	FUND	GEO.COD E	PROJECT NO	PROJECT TITLE	ACTUAL 2019	2019 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616	03005				56,165,910.00			
1	11033001								-			
1	11033001								-			
								TOTAL FOR ADMIN SECTOR	56,165,910.00			
ECONOMIC SECTOR												-
2	20001001				03005				34,074,299.50			
2									-			-
									-			-
2								ECONOMIC SECTOR TOTAL	34,074,299.50	-	-	-
												-
SOCIAL SECTOR												-
5			70422	70900002606	03005				4,637,044.00			
									-			
									-			
								SOCIAL SECTOR TOTAL	4,637,044.00	-	-	-
								TOTAL FOR ALL SECTORS	94,877,253.50			

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

CLOSING CASH BOOK/BANK BALANCES AS AT DEC 2018	AMOUNT
SALARY ACCOUNT	3,085,308.04
REVENUE ACCOUNT	559,200.33
PROJECT ACCOUNT	6,042.44
OPERATION ACCOUNT	43,876,353.77
TOTAL	47,526,904.58

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	-	-	-	-	-	-
	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

MANAGEMENT REPORT ON AUDITED ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.0 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, 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)**.

3.0 REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Kontagora 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	28,484,156.87	1.47
	Statutory Allocation	1,903,234,949.78	98.53
TOTAL		1,931,719,106.65	<u>100.00</u>
TOTAL EXPENDITURE		AMOUNT	%
		₦	
	Salaries and Wages	875,555,393.94	46.20
	Overhead Cost	121,491,194.32	6.41
	Consolidated Revenue Fund Charges	110,137,080.69	5.81
•	Contributions	228,188,000.00	12.04
•	Other Operating Activities	317,963,597.28	15.78
•	Other Transfers	146,915,000.00	8.75
•	Capital Expenditures	94,877,253.50	5.01
TOTAL		1,895,127,519.73	<u>100.00</u>

3.1 REVENUE

The sum of ₦1,931,719,106.65 accrued to Kontagora Local Government Councils as total receipts for the year ended 31st December 2019

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Kontagora Local Government Council amounted to ₦28,484,156.87 only for the year ended 31st December 2019 which represents 1.47% of the total accrued revenue of ₦1,931,719,106.65. 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 ₦1,903,234,949.78 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 ₦847.20 in respect of Kontagora Local Government Council at the end of the financial year ended 31st December 2019, while the total bank balances stood at ₦47,526,904.58 in respect of Kontagora Local Government Council as at the end of the financial year ended 31st December 2019

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.

5.0 BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦28,484,156.87 was generated as Internally Generated Revenue which represents 80.93% when compared with the total budgeted Internally Generated Revenue amounting to ₦35,197,456.00 during the year under review. This is an average performance, but there is need for improvement.

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.

6.0 PERSONNEL COST

It was observed that the total sum of ₦875,555,393.94 and ₦809,124,289.52 was spent as total personnel cost for the year 2019 and 2018 respectively with an increase of ₦66,431,104.42 over the previous year which represent 7.59%. This is as a result of salary increment by the state government during the year under review.

7.0 CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No.1 (Cash flow Statement) revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦755,077,404.00 and only the sum of ₦94,877,253.50 representing 12.52% was spent leaving the balance of ₦660,200,150.50 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	329,468,176.00	56,165,910.00	273,302,266.00
02	Economic Sector	185,490,308.00	34,074,299.50	151,416,008.50
05	Social Sector	240,118,920.00	4,637,044.00	235,481,876.00
TOTAL		755,077,404.00	94,877,253.50	660,200,150.50

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.

8.0 PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No.1 revealed that the Total Revenue stood at ₦1,931,719,106.65 with a Total Expenditure of ₦1,895,127,519.73 and close with a surplus balance of ₦36,591,586.92 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 ₦4,203,363.95 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% Tax	4,202,579.83
5% VAT	784.12
TOTAL	4,203,363.95

From the above table, the Councils recorded outstanding VAT amounting to ₦784.12 and WHT of ₦4,202,579.83 as at 31st December, 2019.

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.

10.0 OUTSTANDING AUDIT INSPECTION

AGX/F.O.19/TA/KON/VOL.1 - 5th August, 2020

- Payment in respect of Logistic Support ₦4,816,000.00
- Deduction of withholding Tax and Stamp Duty not remitted to appropriate Authority. ₦2,141,000.00

10.1 REQUIRED

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

11.0 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 GOVERNMENT OF NIGERIA
LAPAI LOCAL GOVERNMENT COUNCIL



AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2019

AUDITOR GENERAL FOR LOCAL GOVERNMENT
P.M.B 53, NIGER STATE

PERSONALITY PROFILE

- **FINANCIAL STATEMENT**

 - Statement of Financial Responsibility

 - Council Officials

 - Auditor General's Opinion

- **AUDIT REPORT**

 - 1.0 Cash Flow Statements

 - 2.0 Statement of Assets & Liabilities

 - 3.0 Statement of Consolidated Revenue Funds

 - 4.0 State of Capital Development Funds

 - 5.0 Notes to the Accounts.

 - 6.0 Scope of Audit

 - 7.0 General State of Accounts and Records Keeping

 - 7.1 General Recommendation

 - 8.0 Review of Financial Statement

 - 9.0 Internal Control

 - 10.0 Budgetary Control

 - 11.0 Personnel Cost

 - 12.0 Capital Expenditure

 - 13.0 Performance of Operation Activities

 - 14.0 Deposits

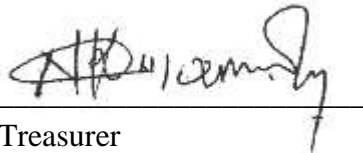
 - 15.0 Outstanding Audit Inspection

 - 16.0 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.

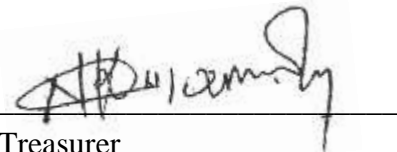


Treasurer

31st December, 2019

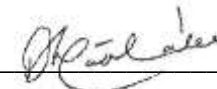
We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended.

In our opinion, these financial statements fairly reflect the financial position of Lapai Local Governments as at 31st December, 2019 and its operations for the year ended on the date.



Treasurer

31st December, 2019



Chairman

31st December, 2019

COUNCIL OFFICIALS

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Hamidu Mu'azu Jantabu Executive Chairman
Honourable Mohammed Mohammed Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:	DEPARTMENTS	DESIGNATION
Mohammed Mohammed	Personnel Management	H. O. D
Alhaji Mohammed Kolo Ezhe	Finance and Supply	H. O. D
Hajiya Rabi Mohammed	Primary Health Care	H. O. D
Idris M. Abubakar	Agriculture and Natural Resources	H. O. D
Musa Mohammed L. T.	Works and Housing	H. O. D
Abdullahi S. Pelemi	Budget and Planning	H. O. D
Aishetu Nma Baba	Social Development	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, 2019 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.

Special opinion on State Local Government Joint Account Allocation Committee

Lapai Local Government is eligible to receive revenue comprising Statutory Allocation, Value Added Taxes and Exchange Difference from the Federation Account. The revenues received by Lapai Local Government, from the Ministry for Local Government, Community Development and Chieftaincy Affairs are indicated in the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts. In my opinion, the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts present fairly, in all material respects, the revenues received by Lapai Local Government during the year ended December 31st, 2019.



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

1: Cash Flow Statement for the Year Ended 31st December, 2019

ANNUAL BUDGET 2019		NOTES	ACTUAL YEAR 2019	PREVIOUS YEAR 2018
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,611,756,836.00	Statutory Allocations: FAAC	1	2,426,484,314.43	2,214,504,790.91
	Value Added Tax Allocation	1		
1,611,756,836.00	Sub-total - Statutory Allocation		2,426,484,314.43	2,214,504,790.91
1,000,000.00	Direct Taxes	2	-	-
9,577,970.00	Licences & FEES	2	3,087,000.00	8,008,554.00
	Mining Rents:	2		
1,378,110.00	RATES	2	38,000.00	818,275.00
	Fees:	2		
	Fines	2		
	Sales	2		
3,576,360.00	Earnings :	2	4,929,459.00	520,550.00
-	Sales/Rent of Government Buildings:	2	414,300.00	58,750.00
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
-	Interest Earned	2		
	Re-imbusement	2		
365,850.00	MISELLANEOUS	2	15,000.00	-
15,898,290.00	Sub-total - Independent Revenue		8,483,759.00	
	Other Revenue Sources of the -Government	3		
15,898,290.00	TOTAL INDEPENDANT REVENUE		8,483,759.00	9,406,129.00
	Commercial Bank Loan		-	-
1,627,655,126.00	TOTAL RECEIPTS		2,434,968,073.43	2,223,910,919.91
	Payments:			
686,121,150.00	Personnel Costs	3	1,434,636,268.46	1,360,782,344.29
266,000,000.00	Overhead Charges:	4	59,552,229.00	132,481,107.05
562,987,083.00	Consolidated Revenue Fund Charges .	5	180,651,611.43	109,101,916.22
	contributions	7	175,901,951.19	550,044,774.34
	Other Operating Activities	6	409,479,724.49	-
	Financial Charges		-	-
-	Other Transfers	6B	99,504,227.50	25,100,000.00
1,515,108,233.00	Total Payments		2,359,726,012.07	2,177,510,141.90
112,546,893.00	Net Cash Flow from Operating Activities		75,242,061.36	46,400,778.01

	CashFlows from Investment Activities:			
	Capital Expenditure: Administrative Sector:	10	16,392,000.00	20,000,000.00
	Capital Expenditure: Economic Sector:	10	7,584,292.00	2,000,000.00
	capital expenditure: Social Service Sector:	10	19,828,708.00	25,000,000.00
	Capital Expenditure: Funded from Aid and Grants:		-	-
521,857,532.00	Total Cash Flow from Investment Activities:		43,805,000.00	47,000,000.00
-	Net Cash Flow from Investment Activities:		31,437,061.36	(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:		-	-
-	Net Cash Flow from Financing Activities:		31,437,061.36	(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		31,437,061.36	(599,221.99)
	Cash & Its Equivalent as at 1st January, 2019		5,164,085.15	5,763,307.14
	Cash & Its Equivalent as at 31st December, 2019		36,601,146.51	5,164,085.15

2: Statement of Assets and Liabilities as at 31st December, 2019

	NOTES	CURRENT YEAR 2019	PREVIOUS YEAR 2018
		₦	₦
CURRENT ASSETS:-			
LIQUID ASSETS:-			
Cash Held by AGNS:			
CASH AT BANK	11	36,601,146.51	5,164,085.15
TOTAL LIQUID ASSETS		36,601,146.51	5,164,085.15
NON CURRENT ASSETS:			
		-	-
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	-
TOTAL ASSETS		36,601,146.51	9,241,572.09
LIABILITIES OVER ASSETS		83,632,470.66	112,611,621.15
TOTAL ASSETS		120,233,617.17	121,853,193.24
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:		36,601,146.51	43,039,272.08
Capital Development Fund:		-	-
TOTAL PUBLIC FUNDS		36,601,146.51	43,039,272.08
EXTERNAL AND INTERNAL LOANS			
Internal Loans from Other Funds	13	76,616,033.94	76,616,033.94
	14	-	-
	15	-	-
	16	-	-
TOTAL EXTERNAL AND INTERNAL LOANS		76,616,033.94	76,616,033.94
OTHER LIABILITIES			
OVER DRAWN :		-	0.50
UNREMITTED DEDUCTIOS:		-	-
5% Contract Tax	12	3,145,810.91	955,560.91
5% VAT	12	3,432,575.81	1,242,325.81
1% Stamp Duty	12	438,050.00	-
TOTAL LIABILITIES		7,016,436.72	2,197,887.22
TOTAL LIABILITIES AND PUBLIC FOUNDS		120,233,617.17	121,853,193.24

3: Statement of Consolidated Revenue for the year ended 31st December, 2019

ACTUAL PREVIOUS YEAR 2018		NOTES	ACTUAL YEAR 2019	FINAL BUDGET 2019	INITIAL/ORIGINAL BUDGET 2019
₦			₦	₦	₦
5,763,307.14	Opening Balance:		5,164,085.15		
	ADD: REVENUE				
2,214,504,790.91	Statutory Allocations: FAAC	1	2,426,484,314.43	1,611,756,836.00	
-	Value Added Tax Allocation	1	-		
2,214,504,790.91	Sub-Total - Statutory Allocation		2,426,484,314.43	1,611,756,836.00	
-	Direct Taxes	2	-	1,000,000.00	
8,008,554.00	Licences	2	3,087,000.00	9,577,970.00	
818,275.00	RATES	2	38,000.00	1,378,110.00	
-	Fees:	2	-		
-	Fines	2	-		
-	Sales	2	-		
520,550.00	Earnings :	2	4,929,459.00	3,576,360.00	
58,750.00	Sales/Rent of Government Buildings:	2	414,300.00	-	
-	Sale/Rent on Lands and Others:	2	-		
-	MISCELLANEOUS	2	15,000.00	365,850.00	
-	Investment Income	2	-		
-	Interest Earned	2	-	-	
-	Re-Imbursements	2	-		
9,406,129.00	Sub-Total - Independent Revenue		8,483,759.00	15,898,290.00	
-	Other Revenue Sources of the ---Government	2	-		
2,229,674,227.05	TOTAL REVENUE:		2,440,132,158.58	1,627,655,126.00	
	LESS:EXPENDITURE				
1,360,782,344.29	Personnel Costs:	3	1,434,636,268.46	686,121,150.00	
132,481,107.05	Overhead Charges:	4	59,552,229.00	266,000,000.00	
109,101,916.22	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	180,651,611.43	562,987,083.00	
550,044,774.34	contributions	7	175,901,951.19		
-	Other Operating Activities	6B	409,479,724.49		
-	Financial Charges.		-		
25,100,000.00	Other Transfers	8	99,504,227.50	-	
2,177,510,141.90	TOTAL EXPENDITURE:		2,359,726,012.07	1,515,108,233.00	

	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:		-		
52,164,085.15	OPERATING BALANCE:		80,406,146.51		
	APPROPRIATIONS/TRANSFERS:				
47,000,000.00	Transfer to Capital Development Fund:		43,805,000.00		
5,164,085.15	Closing Balance:		36,601,146.51		

4: Statement of Capital Development Fund for the year ended 31st December, 2019

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2018			EXPENDITURE 2019	BUDGET 2019	BUDGET 2019	BUDGET 2019
₦			₦	₦	₦	₦
-	Opening Balance:		-			
	ADD: REVENUE					
47,000,000.00	Transfer from Consolidated Revenue Fund:		43,805,000.00			
-	Aid and Grants		-			
47,000,000.00	TOTAL REVENUE AVAILABLE:		43,805,000.00			
	LESS: CAPITAL EXPENDITURE					
20,000,000.00	Capital Expenditure: Administrative Sector:	10	16,392,000.00			
2,000,000.00	Capital Expenditure: Economic Sector:	10	7,584,292.00			
25,000,000.00	Capital Expenditure: Social Service Sector:	10	19,828,708.00			
-	Capital Expenditure: Funded from Aid and Grants:		-			
47,000,000.00	TOTAL CAPITAL EXPENDITURE:		43,805,000.00	521,857,532.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
-	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2019

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₱	₱
Net Share of Statutory Allocation from FAAC	A	1,676,353,347.98	
Add :Deduction at source for Loan Repayment	B	750,130,966.45	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			2,426,484,314.43
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)		Actual	Budget	Variance
		₱	₱	₱
TAXES			1,000,000.00	1,000,000.00
RATES		38,000.00	1,378,110.00	1,340,110.00
LINCENCES & FEES		3,087,000.00	9,577,970.00	6,490,970.00
EARNING FROM COMMERCIAL UNDERTAKING		4,929,459.00	3,576,360.00	(1,353,099.00)
RENT ON LOCAL GOVERNMENT PROPERTY		414,300.00	-	(414,300.00)
Interest/Dividend		15,000.00	-	(15,000.00)
MISELLANEOUS		179,000.00	365,850.00	186,850.00
TOTAL I G R		8,662,759.00	15,898,290.00	7,235,531.00

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	11,029,663.24			
THE COUNCCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	10,527,760.63			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	4,652,824.96			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	146,344,275.50			
TOTAL ADMIN SECTOR							172,554,524.33			
ECONOMIC SECTOR										
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	76,159,981.19			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	-			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	82,176,674.82			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	69,752,818.60			
TOTAL ECONOMIC SECTOR							228,089,474.61			

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	29,929,119.91			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	149,179,409.31			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	46,035,179.69			
TOTAL SOCIAL SECTOR						225,143,708.91			
TOTAL FOR ALL SECTORS						625,787,707.85			
ADJUSTMENT :									
PAYEE						19,399,578.63			
PAYEE (POLITICAL OFFICE						952,273.50			
UNION DUES						34,543,865.19			
NHF(2,5%)						16,253,481.26			
EMIRATE COUNCIL						88,445,570.96			
PRIMARY EDUCATION						606,057,962.71			
MHWU-EDWELL						19,295,828.36			
Salary and Salary Related						23,900,000.00			
TOTAL PERSONNEL COST FOR ALL SECTORS						1,434,636,268.46			

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	4,450,000.00			
01	11001001	22020201	70111	2101		3	Utility Services	3,380,000.00			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	3,950,000.00			
01	11001001	22020402	70111	2101		6	Maintenance of office	-			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	6,237,000.00			
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	6,775,000.00			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	-			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	7,821,500.00			
							TOTAL	32,613,500.00			
THE COUNCIL											
01	12003001	22020101	70111	2101		2	Travel & Transport	791,600.00			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	689,200.00			
01	12003001	22020402	70111	2101		6	Maintenance of office furniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles and Capital 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	700,200.00			
							TOTAL	2,181,000.00			

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	1,500,000.00			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	1,500,000.00			
01	11013001	22020402	70111	2101		6	Maintenance of office furniture & 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	3,200,000.00			
							TOTAL	6,200,000.00			
PERSONEL MANAGEMENT											
01	25001001	22020101	70131	2101		2	Travel & Transport	1,000,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	800,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of office furniture & equipment	1,500,000.00			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	1,480,000.00			
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	2,095,000.00			
							TOTAL	6,875,000.00			
							TOTAL ADMIN. SECTOR	47,869,500.00	-	-	-

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	2,030,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	2,580,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of office furniture & 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	4,572,429.00			
							TOTAL	9,182,429.00			
BUDGET;PLANNING & RESEARCH											
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 office furniture & 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	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	120,000.00			
02	34001001	22020402	70451	2101		6	Maintenance of officefurniture & equipment	180,000.00			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	100,000.00			
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	65,000.00			
							TOTAL	615,000.00			
AGRICULTURE AND NATURAL RESURCES											
02	15001001	22020101	70421	2101		2	Travel & Transport	250,000.00			
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	-			
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	440,000.00			
							TOTAL	890,000.00			
							TOTAL ECONOMIC SECTOR MINISTRY	10,687,429.00	-	-	-

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	170,000.00			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	104,300.00			
05	17001001	22020402	70922	2101		6	Maintenance of office furniture & 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	274,300.00			
SOIAL DEVELOPEMENY											
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 office furniture & 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	73,000.00			
05	21001001	22020402	70731	2101		6	Maintenance of office furniture & equipment	-			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	50,000.00			
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	50,000.00			
							TOTAL	323,000.00			
TRADITIONAL OFFICE											
05	51002002	22020101	70180	2101		2	Travel & Transport	188,400.00			
05	51002002	22020201	70180	2101		3	Utility Services	0.00			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	209,600.00			
05	51002002	22020402	70180	2101		6	Maintenance of office furniture & 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	398,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	995,300.00	-	-	-
							TOTAL FOR ALL SECTORS	59,552,229.00	-	-	-

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	162,210,776.02			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	1,601,056.45			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		Pension Arrears	16,839,778.96			
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	180,651,611.43			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	180,651,611.43			

Note 6A: Other Operating Activities

OPERATIONAL ACTIVITIES	AMOUNT
EMIRATE COUNCIL OVERHEAD	48,000,000.00
SECURITY	21,880,320.00
OVERHEAD TO AGENCIES	1,980,000.00
LEGAL CONSULTANCY SERVICES	3,600,000.00
CREDIT DIRECT LOAN	10,871,688.59
PARTY DUES	510,000.00
SECURITY	35,800,000.00
OPERATIONAL	133,504,735.65
INTERVENTION	154,628,635.75
ALLOWANCE TO SA ON SECURITY	3,701,894.00
TOTAL	414,477,273.99

Note 6B: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,200,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	39,104,227.50
RESERVED	44,000,000.00
TOTAL	99,504,227.50

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	-
CAPITAL	147,101,951.19
TOTAL CONTRIBUTIONS	175,901,951.19

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECON	FUNCTION	PROGRAMME	FUND	GEO.CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2019	2019 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616	03005			Administrative Sector	16,392,000.00			
1	11033001											
1	11033001											
								TOTAL FOR ADMIN SECTOR	16,392,000.00			
ECONOMIC SECTOR												-
2	20001001				03005			Economic Sector	7,584,292.00			
2									-			-
2								ECONOMIC SECTOR TOTAL	7,584,292.00	-	-	-
												-
SOCIAL SECTOR												-
5			70422	70900002606	03005			Social Sector	8,864,000.00			
								Development Sector	10,964,708.00			
								SOCIAL SECTOR TOTAL	19,828,708.00	-	-	-
								TOTAL FOR ALL SECTORS	43,805,000.00			-

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

CLOSING CASH BOOK/BANK BALANCES AS AT DEC 2018	AMOUNT
UBA	36,270,227.79
UNITY BANK PLC. MINNA	-
FIRST BANK PLC. LAPAI	2,760.64
FIRST BANK PLC. LAPAI	179,883.09
FIRST BANK PLC. LAPAI	6814.98
ACCESS BANK PLC.	22,085.43
ACCESS BANK PLC.	55,197.95
MICROFINANCE BANK LAPAI	64,177.13
TOTAL	36,601,147.01
OVERDRAWN ACCOUNTS:	
FIRST BANK PLC. 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					
		-	-	-	-	76,616,033.94
TOTAL	76,616,033.94					

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIOS:	AMOUNT
5% Contract Tax	3,145,810.91
5% VAT	3,432,575.81
1% Stamp Duty	438,050.00
TOTAL	7,016,436.72

MANAGEMENT REPORT ON AUDITED ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.0 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, 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 Lapai 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	8,483,759.00	0.35
	Statutory Allocation	2,426,484,314.43	99.65
TOTAL		2,434,968,073.43	<u>100.00</u>
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	1,434,636,268.46	59.69
	Overhead Cost	59,552,229.00	2.78
	Consolidated Revenue Fund Charges	180,651,611.43	7.52
•	Contributions	175,901,951.19	7.32
•	Other Operating Activities	409,479,724.49	17.04
•	Other Transfers	99,504,227.50	4.14
•	Capital Expenditures	43,805,000.00	1.51
TOTAL		2,403,531,012.07	100.00

3.1 REVENUE

The sum of ₦2,434,968,073.43 accrued to Lapai Local Government Councils as total receipts for the year ended 31st December 2019

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Lapai Local Government Council amounted to ₦8,483,759.00 only for the year ended 31st December 2019 which represents 0.35 % of the total accrued revenue of ₦2,434,968,073.43. 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 ₦2,426,484,314.43 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 2019, while the total bank balances stood at ₦36,601,136.51 in respect of Lapai Local Government Council as at the end of the financial year ended 31st December 2019

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.

5.0 BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦8,483,759.00 was generated as Internally Generated Revenue which represents 53.36% when compared with the total budgeted Internally Generated Revenue amounting to ₦15,898,290.00 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.

6.0 PERSONNEL COST

It was observed that the total sum of ₦1,434,636,268.46 and ₦1,360,782,344.29 was spent as total personnel cost for the year 2019 and 2018 respectively with an increase of ₦73,853,924.17 over the previous year which represent 5.15%. This is as a result of salary increment by the state government during the year under review.

7.0 CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No.1 (Cash Flow Statement) revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦521,857,532.00 and only the sum of ₦43,805,000.00 representing 8.39% was spent leaving the balance of ₦478,052,582.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	102,967,883.00	16,392,000.00	86,575,883.00
02	Economic Sector	57,174,426.00	7,584,292.00	49,590,134.00
05	Social Sector	361,715,273.00	19,828,708.00	341,886,565.00
TOTAL		521,857,582.00	43,805,000.00	478,052,582.00

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.

8.0 PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No.1 revealed that the Total Revenue stood at ₦2,434,968,073.43 with a Total Expenditure of ₦2,403,531,012.07 and close with a surplus balance of ₦31,437,061.36. 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 ₦7,016,436.72 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% Contract Tax	3,432,575.81
5% Withholding Tax	3,145,810.91
1% Stamp Duty	438,050.00
TOTAL	7,016,436.72

From the above table, the Councils recorded outstanding VAT amounting to ₦3,432,575.81 and WHT of ₦3,145,810.91 as at 31st December, 2019.

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.

10.0 OUTSTANDING AUDIT INSPECTION

AGX/F.O.19/TA/LAP/VOL.1 - 26th August, 2020

• Payment without Vouchers	₦1,117,000.00
• Undefined Payment	₦1,007,000.00
• Undocumented Payment Vouchers	₦21,595,840.00
• Payment Made without Council Chairman's Approval	₦6,576,000.00
• Illegal Payment made to Director and Chairman of the Council (DTA)	₦3,533,700.00
• Deduction of VAT and Tax from Capital Project Fund	₦4,376,500.00

10.1 REQUIRED

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

11.0 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 GOVERNMENT OF NIGERIA
LAVUN LOCAL GOVERNMENT COUNCIL



AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2019

AUDITOR GENERAL FOR LOCAL GOVERNMENT
P.M.B 53, NIGER STATE

PERSONALITY PROFILE

- **FINANCIAL STATEMENT**

- Statement of Financial Responsibility

- Council Officials

- Auditor General's Opinion

- **AUDIT REPORT**

- 1.0 Cash Flow Statements

- 2.0 Statement of Assets & Liabilities

- 3.0 Statement of Consolidated Revenue Funds

- 4.0 State of Capital Development Funds

- 5.0 Notes to the Accounts.

- 6.0 Scope of Audit

- 7.0 General State of Accounts and Records Keeping

- 7.1 General Recommendation

- 8.0 Review of Financial Statement

- 9.0 Internal Control

- 10.0 Budgetary Control

- 11.0 Personnel Cost

- 12.0 Capital Expenditure

- 13.0 Performance of Operation Activities

- 14.0 Deposits


- 15.0 Outstanding Audit Inspection

- 16.0 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, 2019

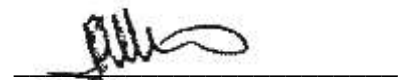
We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended.

In our opinion, these financial statements fairly reflect the financial position of Lavun Local Governments as at 31st December, 2019 and its operations for the year ended on the date.



Treasurer

31st December, 2019



Chairman

31st December, 2019

COUNCIL OFFICIALS

- COUNCIL MEMBERS DESIGNATION:**

Honourable Limanko A. Pata	Executive Chairman
Honourable Ibrahim Aliyu	Secretary

- HEAD OF DEPARTMENTS:**

NAMES:	DEPARTMENTS	DESIGNATION
Hajiya Hawawu Asebe Chado	Personnel Management	H. O. D
Mr. Michael B. Tsado	Finance and Supply	H. O. D
Mallam Ndagi Usman	Primary Health Care	H. O. D
Alhaji Mohammed Jiya	Agriculture and Natural Resources	H. O. D
Alhaji Ibrahim Bello Umar	Works and Housing	H. O. D
Alhaji Idrisu Abubakar Kutigi	Budget and Planning	H. O. D
Asmau Abubakar	Social Development	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, 2019 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.

Special opinion on State Local Government Joint Account Allocation Committee

Lavun Local Government is eligible to receive revenue comprising Statutory Allocation, Value Added Taxes and Exchange Difference from the Federation Account. The revenues received by Lavun Local Government, from the Ministry for Local Government, Community Development and Chieftaincy Affairs are indicated in the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts. In my opinion, the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts present fairly, in all material respects, the revenues received by Lavun Local Government during the year ended December 31st, 2019.



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

1: Cash Flow Statement for the Year Ended 31st December, 2019

ANNUAL BUDGET 2019		NOTES	ACTUAL YEAR 2019	PREVIOUS YEAR 2018
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
2,131,141,440.00	Statutory Allocations: FAAC	1	2,850,745,694.89	2,628,094,920.16
-	Value Added Tax Allocation	1		
2,131,141,440.00	Sub-total - Statutory Allocation		2,850,745,694.89	2,628,094,920.16
2,000,000.00	Direct Taxes	2	27,000.00	-
4,578,760.00	Licences & FEES	2	1,051,304.00	401,550.00
0	Mining Rents:	2		
2,350,000.00	RATES	2	224,963.97	269,000.00
-	Fees:	2		
-	Fines	2		
-	Sales	2		
4,055,000.00	Earnings :	2	1,158,060.00	1,346,408.00
1,191,240.00	Sales/Rent of Government Buildings:	2	206,100.00	129,500.00
-	Sale/Rent on Lands and Others:	2		
-	Repayments-General:	2		
-	Investment Income	2		
325,000.00	Interest & DIVIDEND Earned	2	-	
-	Re-imbusement	2		
5,500,000.00	MISELLANEOUS	2	2,403,221.56	764,087.00
20,000,000.00	Sub-total - Independent Revenue			
-	Other Revenue Sources of the -Government	3		
20,000,000.00	TOTAL INDEPENDANT REVENUE		5,070,649.53	2,910,545.00
-	Commercial Bank Loan		-	-
2,151,141,440.00	TOTAL RECEIPTS		2,855,816,344.42	2,631,005,465.16
	Payments:			
759,099,496.00	Personnel Costs	3	1,926,289,492.70	1,786,057,719.46
317,076,918.00	Overhead Charges:	4	68,805,435.01	88,896,537.50
968,683,355.00	Consolidated Revenue Fund Charges .	5	255,879,063.01	144,663,493.30
-	contributions	7	166,408,000.00	523,912,778.28
-	Other Operating Activities		300,490,518.33	-
-	Financial Charges		-	-
-	Other Transfers	6	73,680,000.00	25,100,000.00
2,044,859,769.00	Total Payments		2,791,552,509.05	2,568,630,528.54
	Net Cash Flow from Operating Activities		64,263,835.37	62,374,936.62

	CashFlows from Investment Activities:			
	Capital Expenditure: Administrative Sector:	8	27,390,000.00	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:		-	-
569,498,824.00	Total Cash Flow from Investment Activities:		27,390,000.00	65,175,000.00
	Net Cash Flow from Investment Activities:		36,873,835.37	(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:		-	-
	Net Cash Flow from Financing Activities:		36,873,835.37	(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		36,873,835.37	(2,800,063.38)
	Cash & Its Equivalent as at 1st January, 2018		283,599.56	3,083,662.94
	Cash & Its Equivalent as at 31st December, 2018	9	37,157,434.93	283,599.56

2: Statement of Assets and Liabilities as at 31st December, 2019

	NOTES	CURRENT YEAR 2019	PREVIOUS YEAR 2018
		₦	₦
CURRENT ASSETS:-			
LIQUID ASSETS:-			
Cash Held by AGNS:			
CASH AT BANK	9	37,157,434.93	283,599.56
TOTAL LIQUID ASSETS		37,157,434.93	283,599.56
NON CURRENT ASSETS:			
KAGARA TALC COMPANY	9	-	-
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	-
TOTAL ASSETS		37,157,434.93	4,025,465.88
LIABILITIES OVER ASSETS		24,504,196.09	18,705,105.49
TOTAL		61,661,631.02	22,730,571.37
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	37,157,434.93	1,239,275.28
Capital Development Fund:		-	-
TOTAL PUBLIC FUNDS		37,157,434.93	1,239,275.28
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	16,859,296.09	16,859,296.09
		-	-
		-	-
		-	-
TOTAL EXTERNAL AND INTERNAL LOANS		16,859,296.09	16,859,296.09
OTHER LIABILITIES::			
VAT		3,685,500.00	2,316,000.00
Withholding Tax		3,685,500.00	2,316,000.00
1% Stamp Duty		273,900.00	-
		-	-
TOTAL LIABILITIES		7,644,900.00	4,632,000.00
TOTAL LIABILITIES AND PUBLIC FOUNDS		61,661,631.02	22,730,571.37

3: Statement of Consolidated Revenue for the year ended 31st December, 2019

ACTUAL PREVIOUS YEAR 2018		NOTES	ACTUAL YEAR 2019	FINAL BUDGET 2019	INITIAL/ORIGINAL BUDGET 2019
N			N	N	N
3,083,662.94	Opening Balance:		283,599.56		
	ADD: REVENUE				
2,628,094,920.16	Statutory Allocations: FAAC	1	2,850,745,694.89		
-	Value Added Tax Allocation	1	-		
2,628,094,920.16	Sub-Total - Statutory Allocation		2,850,745,694.89		
-	Direct Taxes	2	27,000.00		
401,550.00	Licences	2	1,051,304.00		
269,000.00	RATES	2	224,963.97		
-	Fees:	2	-		
-	Fines	2	-		
-	Sales	2	-		
1,346,408.00	Earnings :	2	1,158,060.00		
129,500.00	Sales/Rent of Government Buildings:	2	206,100.00		
-	Sale/Rent on Lands and Others:	2	-		
764,087.00	MISCELLANEOUS	2	2,403,221.56		
-	Investment Income	2	-		
-	Interest Earned	2	-		
-	Re-Imbursements	2	-		
2,910,545.00	Sub-Total - Independent Revenue		5,070,649.53		
-	Other Revenue Sources of the ---Government		-		
2,634,089,128.10	TOTAL REVENUE:		2,856,099,943.98		
	LESS:EXPENDITURE				
1,786,057,719.46	Personnel Costs:	3	1,926,289,492.70		
88,896,537.50	Overhead Charges:	4	68,805,435.01		
144,663,493.30	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	255,879,063.01		
523,912,778.28	contributions	7	166,408,000.00		
-	Other Operating Activities		300,490,518.33		
-	Financial Charges.		-		
25,100,000.00	Other Transfers	6	73,680,000.00		
2,568,630,528.54	TOTAL EXPENDITURE:		2,791,552,509.05		

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
-	Repayments :External Loans :States			-	
-	Repayments: States Bonds.			-	
-	Repayments: Development Loan Stock			-	
-	Repayments: Internal Loans from Other Funds	11		-	
-	TOTAL EXPENDITURE:			-	
65,458,599.56	OPERATING BALANCE:			64,547,434.93	
	APPROPRIATIONS/TRANSFERS:				
65,175,000.00	Transfer to Capital Development Fund:			27,390,000.00	
283,599.56	Closing Balance:			37,157,434.93	

4: Statement of Capital Development Fund for the year ended 31st December, 2019

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2018			EXPENDITURE 2019	BUDGET 2019	BUDGET 2019	BUDGET 2019
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
65,175,000.00	Transfer from Consolidated Revenue Fund:		27,390,000.00			
-	Aid and Grants		-			
65,175,000.00	TOTAL REVENUE AVAILABLE:		27,390,000.00			
	LESS: CAPITAL EXPENDITURE					
11,195,000.00	Capital Expenditure: Administrative Sector:	10	27,390,000.00			
8,000,000.00	Capital Expenditure: Economic Sector:	10	-			
45,980,000.00	Capital Expenditure: Social Service Sector:	10	-			
-	Capital Expenditure: Funded from Aid and Grants:		-			
65,175,000.00	TOTAL CAPITAL EXPENDITURE:		27,390,000.00	569,498,824.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
-	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2019

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₦	₦
Net Share of Statutory Allocation from FAAC	A	1,942,807,917.16	
Add :Deduction at source for Loan Repayment	B	907,937,777.73	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			2,850,745,694.89
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₦	₦	₦
TAXES	27,000.00		
RATES	224,963.97		
LINCENCES & FEES	1,051,304.00		
EARNING FROM COMMERCIAL UNDERTAKING	1,158,060.00		
RENT ON LOCAL GOVERNMENT PROPERTY	206,100.00		
INTEREST& DIVIDEND	-		
MISCELLANEOUS	2,403,221.56		
TOTAL I G R	5,070,649.53		

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	4,391,349.42			
THE COUNCCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	9,440,516.88			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	776,709.74			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	74,571,491.27			
TOTAL ADMIN SECTOR							89,180,067.31			
ECONOMIC SECTOR										
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	77,516,246.36			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	2,656,255.66			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	77,251,166.69			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	60,918,727.61			
TOTAL ECONOMIC SECTOR							218,342,396.32			

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	273,133,110.52			
SOIAL DEVELOPEMENY										
05	51003001	22020101	70922	2101		TOTAL PERSONNELCOST	105,494,130.53			
TRADITIONAL OFFICE										
05	51002002	21010101	70131	2101		TOTAL PERSONNELCOST	68,723,594.17			
TOTAL SOCIAL SECTOR							447,350,835.22			
TOTAL FOR ALL SECTORS							754,873,298.85			
ADJUSTMENT :										
PAYEE							28,383,381.57			
PAYEE (POLITICAL OFFICE							1,095,826.50			
UNION DUES							51,867,987.43			
NHF(2,5%)							18,655,542.67			
EMIRATE COUNCIL							47,471,638.80			
PRIMARY EDUCATION							979,676,197.29			
MHWU-ENDWELL							21,965,619.59			
Salary and Salary Related							22,300,000.00			
TOTAL ADJUSTMENTS							1,171,416,193.85			
TOTAL PERSONNEL COST FOR ALL SECTORS							1,926,289,492.70			

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	4,685,000.00			
01	11001001	22020201	70111	2101		3	Utility Services				
01	11001001	22020202	70111	2101		4	Telephone & Postal Services				
01	11001001	22020301	70111	2101		5	Stationary	50,000.00			
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	21,520,000.00			
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	19,991,000.00			
							TOTAL	46,246,000.00			
THE COUNCIL											
01	12003001	22020101	70111	2101		2	Travel & Transport	20,000.00			
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 office furniture & equipment				
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles and Capital 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	3,066,000.00			
							TOTAL	3,086,000.00			

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				
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 office furniture & 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	218,000.00			
							TOTAL	218,000.00			
PERSONEL MANAGEMENT											
01	25001001	22020101	70131	2101		2	Travel & Transport	601,000.00			
01	25001001	22020201	70131	2101		3	Utility Services				
01	25001001	22020202	70131	2101		4	Telephone & Postal Services				
01	25001001	22020301	70131	2101		5	Stationary	80,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of office furniture & 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	1,775,000.00			
							TOTAL	2,456,000.00			
							TOTAL ADMIN MINISTIES	52,006,000.00	-	-	-

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	558,000.00			
02	20001001	22020201	70112	2101		3	Utility Services				
02	20001001	22020202	70112	2101		4	Telephone & Postal Services				
02	20001001	22020301	70112	2101		5	Stationary	351,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of office furniture & 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	464,000.00			
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	2,502,435.01			
							TOTAL	3,875,435.01			
BUDGET;PLANNING & RESEARCH											
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	280,000.00			
02	38001001	22020402	70112	2101		6	Maintenance of office furniture & 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	510,000.00			
							TOTAL	860,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	110,000.00			
02	34001001	22020201	70451	2101		3	Utility Services				
02	34001001	22020202	70451	2101		4	Telephone & Postal Services				
02	34001001	22020301	70451	2101		5	Stationary	210,000.00			
02	34001001	22020402	70451	2101		6	Maintenance of office furniture & equipment	1,510,000.00			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	5,005,000.00			
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	490,000.00			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	900,000.00			
							TOTAL	8,225,000.00			
AGRICULTURE AND NATURAL RESURCES											
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	200,000.00			
02	15001001	22020402	70421	2101		6	Maintenance of officefurniture & equipment	100,000.00			
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	989,000.00			
							TOTAL	1,289,000.00			
							TOTAL ECONOMIC SECTOR MINISTRY	14,249,435.01	-	-	-

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 office furniture & 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											
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 office furniture & 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	750,000.00			
							TOTAL	750,000.00			

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	480,000.00			
05	21001001	22020201	70731	2101		3	Utility Services				
05	21001001	22020202	70731	2101		4	Telephone & Postal Services				
05	21001001	22020301	70731	2101		5	Stationary	40,000.00			
05	21001001	22020402	70731	2101		6	Maintenance of office furniture & 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	1,280,000.00			
							TOTAL	1,800,000.00			
TRADITIONAL OFFICE											
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 office furniture & 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	2,550,000.00	-	-	-
							TOTAL FOR ALL SECTORS	68,805,435.01	-	-	-

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		233,363,376.88		
01	25001001	22010101	70131	02101		Gratuity Statutory				
01	25001001	22010103	70131	02101		Additional Pension		2,921,684.61		
01	25001001	22010104	70131	02101		Gratuity to contract officers				
01	25001001	22010105	70131	02101		Pension arrears		19,594,001.52		
01	25001002	22020902	70132	02102		Insurance Premium				
01	25001001	22010106	70131	02101		Acturial Valuation				
01	25001001	22010107	70131	02101						
						TOTAL	-	255,879,063.01		
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	-	255,879,063.01		

Note 6A: Other Operating Activities

OPERATIONAL ACTIVITIES	AMOUNT
EMIRATE COUNCIL OVERHEAD	12,000,000.00
SECURITY	54,280,320.00
OVERHEAD TO AGENCIES	1,980,000.00
LEGAL CONSULTANCY SERVICES	3,600,000.00
ALLOWANCE TO SA'S ON SECURITY	1,985,000.00
OPERATIONAL	125,188,995.80
INTERVENTION	100,886,202.53
PARTY DUES	570,000.00
TOTAL	300,490,518.33

Note 6B: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,200,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	13,280,000.00
RESERVE FUND	44,000,000.00
TOTAL	73,680,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	
CAPITAL	137,608,000.00
TOTAL CONTRIBUTIONS	166,408,000.00

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECON	FUNCTION	PROGRAMME	FUND	GEO.CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2019	2019 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616	03005			Legislative Chamber	27,390,000.00			
1	11033001											
1	11033001											
								TOTAL FOR ADMIN SECTOR	27,390,000.00			
ECONOMIC SECTOR												-
2	20001001				03005							
2												-
2								ECONOMIC SECTOR TOTAL	-	-	-	-
												-
SOCIAL SECTOR												-
5			70422	70900002606	03005							
								SOCIAL SECTOR TOTAL	-	-	-	-
								TOTAL FOR ALL SECTORS	27,390,000.00			

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

CLOSING CASH BOOK/BANK BALANCES AS AT DEC 2019		
ACCOUNT TYPE	ACCOUNT NUMBER	AMOUNT
UBA PLC KUTIGI	1011205521	36,953,239.06
UBA PLC KUTIGI	1011205514	14,399.91
UBA PLC KUTIGI	1014451501	6,837.08
UBA PLC KUTIGI	1014819178	20,749.97
UBA PLC KUTIGI	1018361400	53.00
UBA PLC KUTIGI	1018907862	11177.75
KEYSTONE BANK	1001563639	15,436.85
ZENITH BANK BIDA	1011565557	7,779.32
ACCESS BANK BIDA	46192055	9,761.99
BENIN MICRO FINANCE BANK	10120903	118,000.00
TOTAL		37,157,434.93
OVERDRAWN ACCOUNTS:		
UBA PLC KUTIGI	230040000069	(446,725.31)
KEYSTONE BANK	101167068	(16,412,570.78)
TOTAL		(16,859,296.09)
UNREMITTE DEDUCTIONS		
VAT		3,685,500.00
WITHHOLDING TAX		3,685,500.00
1% STAMP DUTY		273,900.00
TOTAL		7,644,900.00

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 DEDUCTIOS:	AMOUNT
5% Contract Tax	-
5% VAT	-
1% Stamp Duty	-
TOTAL	-

MANAGEMENT REPORT ON AUDITED ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.0 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, 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 Lavun 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	5,070,649.53	0.18
	Statutory Allocation	2,850,745,694.89	99.82
TOTAL		2,855,816,344.42	100.00
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	1,926,289,492.70	68.33
	Overhead Cost	68,805,435.01	2.44
	Consolidated Revenue Fund Charges	255,879,063.01	9.10
•	Contributions	166,408,000.00	5.90
•	Other Operating Activities	300,490,518.33	10.65
•	Other Transfers	73,680,000.00	2.61
•	Capital Expenditures	27,390,000.00	0.97
TOTAL		2,818,942,509.05	100.00

3.1 REVENUE

The sum of ₦2,855,816,344.42 accrued to Lavun Local Government Councils as total receipts for the year ended 31st December 2019.

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Lavun Local Government Council amounted to ₦5,070,649.53 only for the year ended 31st December 2019 which represents 0.18 % of the total accrued revenue of ₦2,855,816,344.42. 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 ₦2,850,745,694.89 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 2019, while the total bank balances stood at ₦37,157,434.93 in respect of Lavun Local Government Council as at the end of the financial year ended 31st December 2019

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.

5.0 BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦5,070,649.53 was generated as Internally Generated Revenue which represents 25.35% when compared with the total budgeted Internally Generated Revenue amounting to ₦20,000,000.00 during the year under review. This is a very 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.

6.0 PERSONNEL COST

It was observed that the total sum of ₦1,926,289,492.70 and ₦1,786,057,719.46 was spent as total personnel cost for the year 2019 and 2018 respectively with an increase of ₦140,231,773.24 over the previous year which represent 7.80%. This is as a result of salary increment by the state government during the year under review.

7.0 CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No.1 (Cash Flow Statement) revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦569,498,824.00 and only the sum of ₦27,390,000.00 representing 4.81% was spent leaving the balance of ₦542,108.824.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	174,692,829.00	27,390,000.00	147,302,829.00
02	Economic Sector	185,169,549.00	-	185,169,549.00
05	Social Sector	209,636,446.00	-	209,636,446.00
TOTAL		569,498,824.00	27,390,000.00	542,108.824.00

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.1 revealed that the Total Revenue stood at ₦2,855,816,344.42 with a Total Expenditure of ₦2,818,942,509.05 and close with a surplus balance of ₦36,873,835.37. 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 ₦7,644,900.00 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 2019.

Outstanding deductions as at 31 December 2019

DETAILS	AMOUNT ₦
5% VAT	3,685,500.00
5% Withholding Tax	3,685,500.00
1% Stamp Duty	273,900.00
TOTAL	7,644,900.00

From the above table, the Councils recorded outstanding VAT amounting to ₦3,685,500.00 and WHT of ₦3,685,500.00 as at 31st December, 2019.

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.

10.0 OUTSTANDING AUDIT INSPECTION

AGX/F.O.19/TA/LAV/VOL.1 – 7th July, 2020

• Payment made in respect of Duty Tour Allowance.	₦3,075,000.00
• Payment made without Documentation	₦8,375,000.00
• Fraudulent withdrawal of funds without Payment Vouchers	₦5,342,679.69
• Payment Made without Approval	₦4,800,000.00
• Repair of Boreholes	₦3,465,650.00
• Payment of Capital Project – Direct Labour	₦2,610,000.00
• Payment of VAT and Tax for Direct Labour Project	₦3,409,000.00

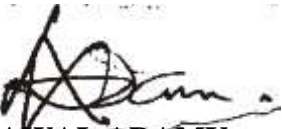
10.1 REQUIRED

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

11.0 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 GOVERNMENT OF NIGERIA
MAGAMA LOCAL GOVERNMENT COUNCIL



AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2019

AUDITOR GENERAL FOR LOCAL GOVERNMENT
P.M.B 53, NIGER STATE

PERSONALITY PROFILE

- **FINANCIAL STATEMENT**

- Statement of Financial Responsibility
- Council Officials
- Auditor General's Opinion

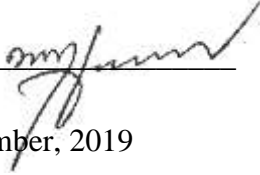
- **AUDIT REPORT**

- 17.0 Cash Flow Statements
- 18.0 Statement of Assets & Liabilities
- 19.0 Statement of Consolidated Revenue Funds
- 20.0 State of Capital Development Funds
- 21.0 Notes to the Accounts.
- 22.0 Scope of Audit
- 23.0 General State of Accounts and Records Keeping
- 7.1 General Recommendation
- 24.0 Review of Financial Statement
- 25.0 Internal Control
- 26.0 Budgetary Control
- 27.0 Personnel Cost
- 28.0 Capital Expenditure
- 29.0 Performance of Operation Activities
- 30.0 Deposits
- 31.0 Outstanding Audit Inspection
- 32.0 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, 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 Magama Local Governments as at 31st December, 2019 and its operations for the year ended on the date.



Treasurer

31st December, 2019



Chairman

31st December, 2019

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**

First Bank Plc.

ADDRESS

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, 2019 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.

Special opinion on State Local Government Joint Account Allocation Committee

Magama Local Government is eligible to receive revenue comprising Statutory Allocation, Value Added Taxes and Exchange Difference from the Federation Account. The revenues received by Magama Local Government, from the Ministry for Local Government, Community Development and Chieftaincy Affairs are indicated in the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts. In my opinion, the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts present fairly, in all material respects, the revenues received by Magama Local Government during the year ended December 31st, 2019.



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

1: Cash Flow Statement for the Year Ended 31st December, 2019

ANNUAL BUDGET 2019		NOTES	ACTUAL YEAR 2019	PREVIOUS YEAR 2018
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
2,140,980,596.00	Statutory Allocations: FAAC	1	1,793,075,969.21	1,698,965,096.10
	Value Added Tax Allocation	1		
2,140,980,596.00	Sub-total - Statutory Allocation		1,793,075,969.21	1,698,965,096.10
350,000.00	Direct Taxes	2	95,000.00	264,000.00
11,034,000.00	Licences & FEES	2	4,652,320.00	5,172,750.00
	Mining Rents:	2		
6,600,000.00	RATES	2	290,000.00	1,638,000.00
	Fees:	2		
	Fines	2		
	Sales	2		
4,800,000.00	Earnings :	2	3,593,150.00	4,139,860.00
500,000.00	Sales/Rent of Government Buildings:	2	22,180.00	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		
760,000.00	MISELLANEOUS	2	1,443,559.46	581,527.00
24,044,000.00	Sub-total - Independent Revenue			
	Other Revenue Sources of the -Government	3		
2,165,024,596.00	TOTAL INDEPENDANT REVENUE		10,096,209.46	12,069,287.00
	Commercial Bank Loan		-	-
	TOTAL RECEIPTS		1,803,172,178.67	1,711,034,383.10
	Payments:			
432,718,509.00	Personnel Costs	3	965,734,402.41	894,683,331.89
291,772,635.00	Overhead Charges:	4	31,985,872.27	141,993,021.50
	Consolidated Revenue Fund Charges .	5	120,147,815.26	73,733,655.87
	contributions	7	171,908,000.00	547,269,687.70
	Other Operating Activities	6b	353,878,173.04	-
	Financial Charges		-	-
	Other Transfers	6	75,680,000.00	25,100,000.00
724,491,144.00	Total Payments		1,719,334,262.98	1,682,779,696.96
1,440,533,452.00	Net Cash Flow from Operating Activities		83,837,915.69	28,254,686.14

	CashFlows from Investment Activities:			
180,740,000.00	Capital Expenditure: Administrative Sector:	8	7,285,993.48	4,055,555.55
509,223,902.00	Capital Expenditure: Economic Sector:	8	51,031,104.97	29,136,074.01
279,735,122.00	capital expenditure: Social Service Sector:	8	8,800,000.00	1,111,111.11
-	Capital Expenditure: Funded from Aid and Grants:		-	-
	Total Cash Flow from Investment Activities:		67,117,098.45	34,302,740.67
	Net Cash Flow from Investment Activities:		16,720,817.24	(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:		16,720,817.24	(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		16,720,817.24	(6,048,054.53)
	Cash & Its Equivalent as at 1st January, 2018		2,000,828.89	8,048,883.42
	Cash & Its Equivalent as at 31st December, 2018	9	18,721,646.13	2,000,828.89

2: Statement of Assets and Liabilities as at 31st December, 2019

	NOTES	CURRENT YEAR 2019		PREVIOUS YEAR 2018
CURRENT ASSETS:-		₦		₦
Liquid Assets:-				
Cash Held by AGNS:				
CASH AT BANK	9	18,721,425.54		2,000,608.30
CASH IN HAND		220.59		220.59
TOTAL LIQUID ASSETS		18,721,646.13		2,000,828.89
NON CURRENT ASSETS:				
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-		-
TOTAL ASSETS		18,721,646.13		2,000,828.89
LIABILITIES OVER ASSETS		14,362,023.92		8,589,184.13
TOTAL		33,083,670.05		10,590,013.02
LIABILITIES:-				
PUBLIC FUNDS				
Consolidated Revenue Fund:	CRF	18,721,646.13		2,000,828.89
Capital Development Fund:		-		-
TOTAL PUBLIC FUNDS		18,721,646.13		2,000,828.89
EXTERNAL AND INTERNAL LOANS				
BANK LOANS	11	-		-
		-		-
		-		-
		-		-
TOTAL EXTERNAL AND INTERNAL LOANS		-		-
OTHER LIABILITIES				
UNREMITTED DEDUCTIONS		-		-
PAYE		218,011.39		218,011.39
5% Contract Tax		7,392,905.08		4,523,086.36
5% Value Added Tax (VAT)		6,079,936.50		3,848,086.38
1% Stamp Duty		671,170.95		-
TOTAL LIABILITIES		14,362,023.92		8,589,184.13
TOTAL LIABILITIES AND PUBLIC FUNDS		33,083,670.05		10,590,013.02

3: Statement of Consolidated Revenue for the year ended 31st December, 2019

ACTUAL PREVIOUS YEAR 2018		NOTES	ACTUAL YEAR 2019	FINAL BUDGET 2019	INITIAL/ORIGINAL BUDGET 2019
₦			₦	₦	₦
8,048,883.42	Opening Balance:		2,000,828.89		
	ADD: REVENUE				
1,698,965,096.10	Statutory Allocations: FAAC	1	1,793,075,969.21	2,140,980,596.00	
-	Value Added Tax Allocation	1	-		
1,698,965,096.10	Sub-Total - Statutory Allocation		1,793,075,969.21	2,140,980,596.00	
264,000.00	Direct Taxes	2	95,000.00	350,000.00	
5,172,750.00	Licences	2	4,652,320.00	11,034,000.00	
1,638,000.00	RATES	2	290,000.00	6,600,000.00	
-	Fees:	2	-		
-	Fines	2	-		
-	Sales	2	-		
4,139,860.00	Earnings :	2	3,593,150.00	4,800,000.00	
212,850.00	Sales/Rent of Government Buildings:	2	22,180.00	500,000.00	
-	Sale/Rent on Lands and Others:	2	-		
581,527.00	MISCELLANEOUS	2	1,443,559.46	760,000.00	
-	Investment Income	2	-		
60,300.00	Interest Earned	2	-		
-	Re-Imbursements	2	-		
12,069,287.00	Sub-Total - Independent Revenue		10,096,209.46	24,044,000.00	
-	Other Revenue Sources of the ---Government		-		
1,719,083,266.52	TOTAL REVENUE:		1,805,173,007.56	2,165,024,596.00	
	LESS:EXPENDITURE				
894,683,331.89	Personnel Costs:	3	965,734,402.41	432,718,509.00	
141,993,021.50	Overhead Charges:	4	31,985,872.27	291,772,635.00	
73,733,655.87	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	120,147,815.26		
547,269,687.70	contributions	7	171,908,000.00		
-	Other Operating Activities	6b	353,878,173.04		
-	Financial Charges.		-		
25,100,000.00	Other Transfers	6	75,680,000.00		
1,682,779,696.96	TOTAL EXPENDITURE:		1,719,334,262.98	724,491,144.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
-	Repayments: External Loans: States			-	
-	Repayments: States Bonds.			-	
-	Repayments: Development Loan Stock			-	
-	Repayments: Internal Loans from Other Funds	11		-	
-	TOTAL EXPENDITURE:			-	
36,303,569.56	OPERATING BALANCE:			85,838,744.58	
	APPROPRIATIONS/TRANSFERS:				
34,302,740.67	Transfer to Capital Development Fund:			67,117,098.45	-
2,000,828.89	Closing Balance:			18,721,646.13	

4: Statement of Capital Development Fund for the year ended 31st December, 2019

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2018			EXPENDITURE 2019	BUDGET 2019	BUDGET 2019	BUDGET 2019
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
34,302,740.67	Transfer from Consolidated Revenue Fund:		67,117,098.45	-		
-	Aid and Grants		-			
34,302,740.67	TOTAL REVENUE AVAILIABLE:		67,117,098.45	-		
	LESS: CAPITAL EXPENDITURE					
4,055,555.55	Capital Expenditure: Administrative Sector:	10	7,285,993.48	180,740,000.00		
29,136,074.01	Capital Expenditure: Economic Sector:	10	51,031,104.97	509,223,902.00		
1,111,111.11	Capital Expenditure: Social Service Sector:	10	8,800,000.00	279,735,122.00		
-	Capital Expenditure: Funded from Aid and Grants:		-			
34,302,740.67	TOTAL CAPITAL EXPENDITURE:		67,117,098.45	969,699,024.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
-	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2019

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	540,937,425.50	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			1,793,075,969.21
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		
RATES	290,000.00		
LINCENCES & FEES	4,652,320.00		
EARNING FROM COMMERCIAL UNDERTAKING	3,593,150.00		
RENT ON LOCAL GOVERNMENT PROPERTY	22,180.00		
INTEREST PAYMENTS AND DIVIDENDS	-		
MISELLANEOUS	1,443,559.46		
TOTAL I G R	10,096,209.46		

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	19,052,785.25			
							-			
THE COUNCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	10,853,807.13			
							-			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	776,709.74			
							-			
							-			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	39,818,325.38			
TOTAL ADMIN SECTOR							70,501,627.50			
ECONOMIC SECTOR										
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	47,320,328.71			
							-			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	3,018,557.55			
							-			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	42,259,805.75			
							-			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	39,463,200.96			
							-			
TOTAL ECONOMIC SECTOR							132,061,892.97			

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	218756641.6			
SOCIAL DEVELOPMENTY									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	37,465,626.11			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	15,803,036.61			
TOTAL SOCIAL SECTOR						272,025,304.27			
TOTAL FOR ALL SECTORS						474,588,824.74			
ADJUSTMENT :									
PAYEE						17,008,213.66			
PAYEE (POLITICAL OFFICE						1,024,050.00			
UNION DUES						27,940,917.10			
NHF(2,5%)						11,699,495.00			
EMIRATE COUNCIL						51,339,250.04			
PRIMARY EDUCATION						338,967,356.81			
MHWU-ENDWELL						18,816,295.06			
Salary and Salary Related						24,350,000.00			
TOTAL PERSONNEL COST FOR ALL SECTORS						965,734,402.41			

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	2,542,177.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	150,000.00			
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	202,000.00			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	2,702,373.00			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	2,410,000.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	1,746,800.00			
							PROVISION OF SERVICE MATERIALS	-			
							TOTAL	9,753,350.00			
THE COUNCIL											
01	12003001	22020101	70111	2101		2	Travel & Transport	1,300,000.00			
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 office furniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles and Capital 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	578,000.00			
							PROVISION FOR SERVICEABLE	-			
							TOTAL	1,878,000.00			

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	-			
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 office furniture & 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	498,000.00			
							TOTAL	498,000.00			
PERSONEL MANAGEMENT											
01	25001001	22020101	70131	2101		2	Travel & Transport	1,209,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	38,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of office furniture & equipment	1,050,000.00			
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	140,000.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	450,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	390,000.00			
							TOTAL	3,277,000.00			
							TOTAL ADMIN	15,406,350.00	#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	1,447,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	448,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of office furniture & 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	4,801,927.97			
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	795,000.00			
							TOTAL	7,491,927.97			
BUDGET;PLANNING & RESEARCH											
02	38001001	22020101	70112	2101		2	Travel & Transport	243,754.30			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	351,000.00			
02	38001001	22020402	70112	2101		6	Maintenance of office furniture & 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	60,000.00			
							TOTAL	654,754.30			

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	-			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	30,000.00			
02	34001001	22020402	70451	2101		6	Maintenance of office furniture & equipment	-			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	3,761,000.00			
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	100,000.00			
							TOTAL	3,891,000.00			
AGRICULTURE AND NATURAL RESURCES											
02	15001001	22020101	70421	2101		2	Travel & Transport	115,000.00			
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 office furniture & 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	1,383,840.00			
							PROVISION OF SERVICEABLE	-			
							TOTAL	1,498,840.00			
							TOTAL ECONOMIC SECTOR	13,536,522.27	-	-	-

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 office furniture & 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												
05	51003001	22020101	70922	2101		2	Travel & Transport	100,000.00				
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 office furniture & 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	676,000.00				
							TOTAL	776,000.00				

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	1,020,000.00			
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 office furniture & 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)	20,000.00			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	745,000.00			
							PROVISION OF SERVICEABLE	-			
							TOTAL	1,785,000.00			
TRADITIONAL OFFICE											
05	51002002	22020101	70180	2101		2	Travel & Transport	102,000.00			
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 office furniture & 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	380,000.00			
							TOTAL	482,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	3,043,000.00	-	-	-
-							TOTAL FOR ALL SECTORS	31,985,872.27	-	-	-

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			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	981,909.69			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	19,880,312.77			
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	120,147,815.26			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	120,147,815.26			

Note 6A: Other Operating Activities

OPERATIONAL ACTIVITIES	AMOUNT
EMIRATE COUNCIL OVERHEAD	12,000,000.00
SECURITY	61,181,320.00
OVERHEAD TO AGENCIES	1,980,000.00
LEGAL CONSULTANCY SERVICES	3,600,000.00
ALLOWANCE TO SA'S ON SECURITY	1,985,000.00
OPERATIONAL INTERVENTION	183,230,470.99
PARTY DUES	94,068,979.05
DIRECT CREDIT	540,000.00
TOTAL	358,585,770.04

Note 6B: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,200,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	15,280,000.00
NISEPA	
RESERVE FUND	44,000,000.00
TOTAL	75,680,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	-
CAPITAL	143,108,000.00
TOTAL CONTRIBUTIONS	171,908,000.00

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR	ADMIN	ECON	FUNCTION	PROGRAMME	FUND	GEO.CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2019	2019 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616	03005			Purchase of Official Car	400,000.00			
1	11033001							Chanchaga Municipal	800,000.00			
1	11033001							Renovation of Staff Quarters	1,878,098.75			
1								Supply of Furniture	1,850,000.00			
1									2,357,894.73			
1								TOTAL FOR ADMIN SECTOR	7,285,993.48			
ECONOMIC SECTOR												-
2	20001001				03005			Agro Chemical	2,000,000.00			
2								Rural Electrification	999,999.99			(999,999.99)
2								Construction of new Market Stalls	27,427,402.13			
2								Drainage and Culvert	12,957,980.65			
2								Purchase of Vaccine Equipment	3,777,777.76			
2								Provision of Boreholes	3,867,944.44			
2												
2								ECONOMIC SECTOR TOTAL	51,031,104.97	-	-	(999,999.99)
SOCIAL SECTOR												-
5			70422	70900002606	03005			IBBU Lapai	4,800,000.00			
								Women and Youth Empowerment	4,000,000.00			
								SOCIAL SECTOR TOTAL	8,800,000.00	-	-	-
								TOTAL FOR ALL SECTORS	67,117,098.45			#REF!

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

ACCOUNT TYPE		AMOUNT
FIRST BANK PLC. – PROJECT ACCOUNT		22,326.30
FIRST BANK PLC. –		4,094.19
FIRST BANK PLC. – SALARIES ACCOUNT		101,473.72
MICRO FINANCE BANK– REVENUE ACCOUNT		152,122.94
UBA PLC.		35,684,918.78
GUARANTY TRUST BANK PLC. – WARD DEVELOPMENT		17,849.61
TOTAL		35,982,785.54
LESS:		
UNPRESENTED CHEQUES		17,261,360.00
TOTAL BALANCE		18,721,425.54

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						

MANAGEMENT REPORT ON AUDITED ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.0 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, 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)**.

3.0 REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Magama 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	10,096,209.46	0.56
	Statutory Allocation	1,793,075,969.21	99.44
TOTAL		1,803,172,178.67	100.00
TOTAL EXPENDITURE		AMOUNT	%
		₦	
	Salaries and Wages	965,734,402.41	54.06
	Overhead Cost	31,985,872.27	1.79
	Consolidated Revenue Fund Charges	120,147,815.26	6.73
•	Contributions	171,908,000.00	9.62
•	Other Operating Activities	353,878,173.04	19.81
•	Other Transfers	75,680,000.00	4.24
•	Capital Expenditures	67,117,098.45	3.75
TOTAL		1,786,451,361.43	100.00

3.1 REVENUE

The sum of ₦1,803,172,178.67 accrued to Magama Local Government Councils as total receipts for the year ended 31st December 2019

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Magama Local Government Council amounted to ₦10,096,209.46 only for the year ended 31st December 2019 which represents 0.56 % of the total accrued revenue of ₦1,803,172,178.67

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 ₦1,793,075,969.21 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 ₦220.59 in respect of Magama Local Government Council at the end of the financial year ended 31st December 2019, while the total bank balances stood at ₦18,721,425.54 in respect of Magama Local Government Council as at the end of the financial year ended 31st December 2019.

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.

5.0 BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦10,096,209.46 was generated as Internally Generated Revenue which represent 42% when compared with the total budgeted Internally Generated Revenue amounting to ₦24,044,000.00 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.

6.0 PERSONNEL COST

It was observed that the total sum of ₦965,734,402.41 and ₦894,683,331.89 was spent as total personnel cost for the year 2019 and 2018 respectively with an increase of ₦71,051,070.52 over the previous year which represent 7.36%. This is as a result of salary increment by the state government during the year under review.

7.0 CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No.1 (Cash Flow Statement) revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦969,699,024.00 and only the sum of ₦67,117,098.45 representing 6.92% was spent leaving the balance of ₦902,581,925.55 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	180,740,000.00	9,953,937.92	170,786,062.08
02	Economic Sector	509,223,902.00	43,785,382.77	465,438,519.23
05	Social Sector	279,735,122.00	10,753,937.92	266,357,344.24
TOTAL		969,699,024.00	67,117,098.45	902,581,925.55

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.

8.0 PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No.1 revealed that the Total Revenue stood at ₦1,803,172,178.67 with a Total Expenditure of ₦1,786,451,361.43 and close with a surplus balance of ₦16,720,817.24 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 ₦14,362,023.92 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 2019.

Outstanding deductions as at 31 December 2019

DETAILS	AMOUNT ₦
5% VAT	6,079,936.50
5% Withholding Tax	7,392,905.08
1% Stamp Duty	<u>671,170.95</u>
PAYE	218,011.39
TOTAL	14,362,023.92

From the above table, the Councils recorded outstanding VAT amounting to ₦6,079,936.50 and WHT of ₦7,392,905.08 as at 31st December, 2019.

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.

10.0 OUTSTANDING AUDIT INSPECTION

AGX/F.O.19/TA/MGM/VOL.1 – 5th August, 2020

- Payment without Internal Auditor's prepayment audit. ₦700,000.00
- Purchase of Drugs/Vaccine. ₦477,777.71

10.1 REQUIRED

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

11.0 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 GOVERNMENT OF NIGERIA
MARIGA LOCAL GOVERNMENT COUNCIL



AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2019

AUDITOR GENERAL FOR LOCAL GOVERNMENT
P.M.B 53, NIGER STATE

PERSONALITY PROFILE

- **FINANCIAL STATEMENT**

- Statement of Financial Responsibility
- Council Officials
- Auditor General's Opinion

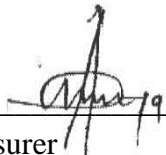
- **AUDIT REPORT**

- 33.0 Cash Flow Statements
- 34.0 Statement of Assets & Liabilities
- 35.0 Statement of Consolidated Revenue Funds
- 36.0 State of Capital Development Funds
- 37.0 Notes to the Accounts.
- 38.0 Scope of Audit
- 39.0 General State of Accounts and Records Keeping
- 7.1 General Recommendation
- 40.0 Review of Financial Statement
- 41.0 Internal Control
- 42.0 Budgetary Control
- 43.0 Personnel Cost
- 44.0 Capital Expenditure
- 45.0 Performance of Operation Activities
- 46.0 Deposits
- 47.0 Outstanding Audit Inspection
- 48.0 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.

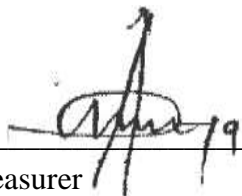


Treasurer

31st December, 2019

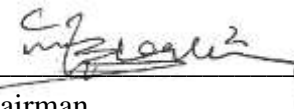
We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended.

In our opinion, these financial statements fairly reflect the financial position of Mariga Local Governments as at 31st December, 2019 and its operations for the year ended on the date.



Treasurer

31st December, 2019



Chairman

31st December, 2019

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, 2019 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.

Special opinion on State Local Government Joint Account Allocation Committee

Mariga Local Government is eligible to receive revenue comprising Statutory Allocation, Value Added Taxes and Exchange Difference from the Federation Account. The revenues received by Mariga Local Government, from the Ministry for Local Government, Community Development and Chieftaincy Affairs are indicated in the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts. In my opinion, the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts present fairly, in all material respects, the revenues received by Mariga Local Government during the year ended December 31st, 2019.



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

1: Cash Flow Statement for the Year Ended 31st December, 2019

ANNUAL BUDGET 2019		NOTES	ACTUAL YEAR 2019	PREVIOUS YEAR 2018
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,708,056,879.00	Statutory Allocations: FAAC	1	1,969,166,076.49	1,627,345,398.01
	Value Added Tax Allocation	1		
1,708,056,879.00	Sub-total - Statutory Allocation		1,969,166,076.49	1,627,345,398.01
4,000,000.00	Direct Taxes	2	3,173,800.00	3,460,610.00
20,005,000.00	Licences & FEES	2	16,596,715.00	16,551,960.00
	Mining Rents:	2		
300,000.00	RATES	2	608,000.00	608,000.00
	Fees:	2		
	Fines	2		
	Sales	2		
10,505,500.00	Earnings :	2	11,811,100.00	13,238,900.00
600,000.00	Sales/Rent of Government Buildings:	2	1,840,000.00	2,000.00
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
500,000.00	Interest Earned	2		
	Re-imbusement	2		
-	MISELLANEOUS	2	356,854.09	75,000.00
35,910,500.00	Sub-total - Independent Revenue		34,386,469.09	
	Other Revenue Sources of the -Government	3		
35,910,500.00	TOTAL INDEPENDANT REVENUE		34,386,469.09	33,936,470.00
	Commercial Bank Loan		-	-
1,743,967,379.00	TOTAL RECEIPTS		2,003,552,545.58	1,661,281,868.01
	Payments:			
477,806,258.00	Personnel Costs	3	889,957,971.37	742,597,906.96
253,500,000.00	Overhead Charges:	4	121,619,963.78	170,143,080.21
460,939,400.00	Consolidated Revenue Fund Charges.	5	76,790,563.29	52,652,077.52
	contributions	7	199,708,000.00	588,593,940.92
	Other Operating Activities		359,673,574.99	-
	Financial Charges		-	-
-	Other Transfers	6	125,860,000.00	25,100,000.00
1,192,245,658.00	Total Payments		1,773,610,073.43	1,579,087,005.61
	Net Cash Flow from Operating Activities		229,942,472.15	82,194,862.40

	CashFlows from Investment Activities:			
	Capital Expenditure: Administrative Sector:	8	21,700,000.00	32,199,000.00
	Capital Expenditure: Economic Sector:	8	168,406,525.25	17,270,000.00
	capital expenditure: Social Service Sector:	8	3,500,000.00	32,839,965.00
	Capital Expenditure: Funded from Aid and Grants:		-	-
1,058,942,521.00	Total Cash Flow from Investment Activities:		193,606,525.25	82,308,965.00
	Net Cash Flow from Investment Activities:		36,335,946.90	(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		-	-
	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:		36,335,946.90	(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		36,335,946.90	(114,102.60)
	Cash & Its Equivalent as at 1st January, 2019		1,245,657.36	1,359,759.96
	Cash & Its Equivalent as at 31st December, 2019	9	37,581,604.26	1,245,657.36

2: Statement of Assets and Liabilities as at 31st December, 2019

	NOTES	CURRENT YEAR 2019	PREVIOUS YEAR 2018
		N	N
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:			
CASH AT HAND		312.00	467.92
CASH AT BANK	9	37,581,292.26	1,245,189.36
TOTAL LIQUID ASSETS		37,581,604.26	1,245,657.28
NON CURRENT ASSETS:			
		-	-
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	-
TOTAL ASSETS		37,581,604.26	1,245,657.28
LIABILITIES OVER ASSETS		15,343,954.38	5,155,148.22
TOTAL		52,925,558.64	6,400,805.50
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	37,581,604.26	1,245,657.36
Capital Development Fund:		-	-
TOTAL PUBLIC FUNDS		37,581,604.26	1,245,657.36
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	-	-
		-	-
TOTAL EXTERNAL AND INTERNAL LOANS		-	-
OTHER LIABILITIES			
UNREMITTED DEDUCTIOS:			
Pay as You Earn (PAYE)		30,243.79	30,143.79
Development Levy		9,541.11	9,541.11
MHWUN		889.31	889.31
NULGE		428.12	428.12
5% Withholding Tax		9,680,326.26	2,992,011.88
5% VAT		3,680,326.26	1,993,999.65
Retention Fees		6,134.28	6,134.28
1% Stamp Duty Charges		1,936,065.25	122,000.00
		-	-
TOTAL LIABILITIES		15,343,954.38	5,155,148.14
TOTAL LIABILITIES AND PUBLIC FUNDS		52,925,558.64	6,400,805.50

3: Statement of Consolidated Revenue for the year ended 31st December, 2019

ACTUAL PREVIOUS YEAR 2018		NOTES	ACTUAL YEAR 2019	FINAL BUDGET 2019	INITIAL/ORIGINAL BUDGET 2019
₦			₦	₦	₦
1,359,759.96	Opening Balance:		1,245,657.36		
	ADD: REVENUE				
1,627,345,398.01	Statutory Allocations: FAAC	1	1,969,166,076.49	1,708,056,879.00	
-	Value Added Tax Allocation	1	-		
1,627,345,398.01	Sub-Total - Statutory Allocation		1,969,166,076.49	1,708,056,879.00	
3,460,610.00	Direct Taxes	2	3,173,800.00	4,000,000.00	
16,551,960.00	Licences	2	16,596,715.00	20,005,000.00	
608,000.00	RATES	2	608,000.00	300,000.00	
-	Fees:	2	-		
-	Fines	2	-		
-	Sales	2	-		
13,238,900.00	Earnings :	2	11,811,100.00	10,505,500.00	
2,000.00	Sales/Rent of Government Buildings:	2	1,840,000.00	600,000.00	
-	Sale/Rent on Lands and Others:	2	-	-	
75,000.00	MISCELLANEOUS	2	356,854.09	-	
-	Investment Income	2	-		
-	Interest Earned	2	-		
-	Re-Imbursements	2	-		
33,936,470.00	Sub-Total - Independent Revenue		34,386,469.09	35,910,500.00	
-	Other Revenue Sources of the ---Government		-		
1,662,641,627.97	TOTAL REVENUE:		2,004,798,202.94	1,743,967,379.00	
	LESS:EXPENDITURE				
742,597,906.96	Personnel Costs:	3	889,957,971.37	477,806,258.00	
170,143,080.21	Overhead Charges:	4	121,619,963.78	253,500,000.00	
52,652,077.52	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	76,790,563.29	460,939,400.00	
588,593,940.92	contributions	7	199,708,000.00		
-	Other Operating Activities		359,673,574.99		
-	Financial Charges.		-		
25,100,000.00	Other Transfers	6	125,860,000.00		
1,579,087,005.61	TOTAL EXPENDITURE:		1,773,610,073.43	1,192,245,658.00	

ACTUAL PREVIOUS YEAR 2018		NOTES	ACTUAL YEAR 2019	FINAL BUDGET 2019	INITIAL/ORIGINAL BUDGET 2019
₦			₦	₦	₦
	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
-	Repayments: External Loans: States		-		
-	Repayments: States Bonds.		-		
-	Repayments: Development Loan Stock		-		
-	Repayments: Internal Loans from Other Funds	11	-		
-	TOTAL EXPENDITURE:		-		
83,554,622.36	OPERATING BALANCE:		231,188,129.51		
	APPROPRIATIONS/TRANSFERS:				
82,308,965.00	Transfer to Capital Development Fund:		193,606,525.25		
1,245,657.36	Closing Balance:		37,581,604.26		

4: Statement of Capital Development Fund for the year ended 31st December, 2019

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2018			EXPENDITURE 2019	BUDGET 2019	BUDGET 2019	BUDGET 2019
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
82,308,965.00	Transfer from Consolidated Revenue Fund:		193,606,525.25			
-	Aid and Grants		-			
82,308,965.00	TOTAL REVENUE AVAILABLE:		193,606,525.25			
	LESS: CAPITAL EXPENDITURE					
32,199,000.00	Capital Expenditure: Administrative Sector:	10	21,700,000.00			
17,270,000.00	Capital Expenditure: Economic Sector:	10	168,406,525.25			
32,839,965.00	Capital Expenditure: Social Service Sector:	10	3,500,000.00			
-	Capital Expenditure: Funded from Aid and Grants:		-			
82,308,965.00	TOTAL CAPITAL EXPENDITURE:		193,606,525.25	1,058,942,521.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
-	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2019

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₦	₦
Net Share of Statutory Allocation from FAAC	A	1,324,362,458.36	
Add :Deduction at source for Loan Repayment	B	644,803,618.13	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			1,969,166,076.49
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₦	₦	₦
TAXES	3,173,800.00	4,000,000.00	826,200.00
RATES	608,000.00	300,000.00	(308,000.00)
LINCENCES & FEES	16,596,715.00	20,005,000.00	3,408,285.00
EARNING FROM COMMERCIAL UNDERTAKING	11,811,100.00	10,505,500.00	(1,305,600.00)
RENT ON LOCAL GOVERNMENT PROPERTY	1,840,000.00	600,000.00	(1,240,000.00)
INTREST AND DIVIDEND	-	500,000.00	500,000.00
MISELLANEOUS	356,854.09	-	(356,854.09)
TOTAL I G R	34,386,469.09	35,910,500.00	1,524,030.91

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	27,993,062.91			
THE COUNCCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	4,669,254.76			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	1,578,421.62			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	19,439,531.27			
TOTAL ADMIN SECTOR							53,680,270.56			
ECONOMIC SECTOR										
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	46,664,467.31			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	-			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	28,295,089.36			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	29,839,042.06			
TOTAL ECONOMIC SECTOR							104,798,598.73			

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	30,553,507.49		
PRIMARY HEALTH CARE									
	05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	197,677,273.71		
TRADITIONAL OFFICE									
	05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	25,504,253.65		
TOTAL SOCIAL SECTOR							253,735,034.85		
TOTAL FOR ALL SECTORS							412,213,904.14		
ADJUSTMENT :									
PAYEE							14,258,007.38		
PAYEE (POLITICAL OFFICE							1,024,050.00		
UNION DUES							23,917,476.42		
NHF(2,5%)							11,388,081.74		
MHWU-EDWELL							22,842,593.76		
EMIRATE COUNCIL							51,339,250.04		
PRIMARY EDUCATION							328,624,607.89		
Salary and Salary Related							24,350,000.00		
TOTAL PERSONNEL COST FOR ALL SECTORS							889,957,971.37		

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	2,107,000.64			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	499,600.00			
01	11001001	22020402	70111	2101		6	Maintenance of office	4,232,640.82			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	3,754,000.00			
01	11001001	22020701	70111	2101		8	Consultancy Services	-			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	28,548,675.94			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	1,303,313.01			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	8,314,769.59			
							Provision of Serviceable Materials	7,238,000.00			
							TOTAL	55,998,000.00			
THE COUNCIL											
01	12003001	22020101	70111	2101		2	Travel & Transport	1,875,250.00			
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 office furniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles and Capital 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	655,000.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	1,897,750.00			
							TOTAL	4,428,000.00			

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	128,000.00			
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 office furniture & equipment	45,000.00			
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	-			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	155,000.00			
							TOTAL	328,000.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	1,241,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	1,458,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of office furniture & equipment	-			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	1,140,000.00			
01	25001001	22020701	70131	2101		8	Consultancy Services	-			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	1,660,000.00			
01	25001001	22020501	70131	2101		10	Training and staff Development	946,000.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	-			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	500,000.00			
							TOTAL	6,945,000.00			
							TOTAL ADMIN. SECTOR	67,699,000.00	-	-	-

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	1,754,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	1,400,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of office furniture & equipment	2,604,000.00			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	3,361,355.75			
02	20001001	22020701	70112	2101		8	Consultancy Services	-			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	33,433,938.77			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	1,640,945.01			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	857,607.25			
							TOTAL	45,051,846.78			
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	145,000.00			
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 office furniture & 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	85,000.00			
							TOTAL	230,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	716,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	25,000.00			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	-			
02	34001001	22020402	70451	2101		6	Maintenance of office furniture & equipment	659,400.00			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	421,000.00			
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	100,000.00			
							TOTAL	1,921,400.00			
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	615,565.00			
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 office furniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	1,564,775.00			
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	250,000.00			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	151,000.00			
							Provision of Serviceable Materials	45,000.00			
							TOTAL	2,626,340.00			
							TOTAL ECONOMIC SECTOR MINISTRY	49,829,586.78	-	-	-

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	140,000.00			
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 office furniture & 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	775,000.00			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	230,000.00			
							TOTAL	1,145,000.00			
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 office furniture & 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	495,000.00			
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 office furniture & 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)	446,377.00			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	150,000.00			
							Provision of Serviceable Materials	110,000.00			
							TOTAL	1,201,377.00			
TRADITIONAL OFFICE											
05	51002002	22020101	70180	2101		2	Travel & Transport	576,490.00			
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 office furniture & equipment	320,000.00			
05	51002002	22020401	70180	2101		7	Maintenance of Vehicles and Capital assets	83,000.00			
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	765,510.00			
							TOTAL	1,745,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	4,091,377.00	-	-	-
							TOTAL FOR ALL SECTORS	121,619,963.78	-	-	-

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	51,760,972.70			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	5,435,589.07			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	19,594,001.52			
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	76,790,563.29			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	76,790,563.29			

Note 6A: Other Operating Activities

OPERATIONAL ACTIVITIES	AMOUNT
EMIRATE COUNCIL OVERHEAD	12,000,000.00
NISEPA	11,340,000.00
SECURITY	21,880,320.00
OVERHEAD TO AGENCIES	1,980,000.00
LEGAL CONSULTANT AND SALARY CONSULTANCY	3,600,000.00
PARTY DUES	540,000.00
SECURITY	92,800,000.00
OPERATIONAL INTERVENTION	159,954,254.99
ALLOWANCE TO SA ON SECURITY	53,594,000.00
ALLOWANCE TO SA ON SECURITY	1,985,000.00
TOTAL	359,673,574.99

Note 6B: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,200,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	65,460,000.00
RESERVE FUND	44,000,000.00
TOTAL	125,860,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	-
Capital	170,908,000.00
TOTAL CONTRIBUTIONS	199,708,000.00

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECON	FUNCTION	PROGRAMME	FUND	GEO.COD E	PROJECT NO	PROJECT TITLE	ACTUAL 2019	2019 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
01	11033001	23010122	70722	010400009616	03005	12620500		Construction of Local Government Secretariat	20,000,000.00			
01	11033001	23010122	70722	010400009616	03005	12620500		Rehabilitation of Café	300,000.00			
01	11033001	23010122	70722	010400009616	03005	12620500		Renovation of Secretariat	400,000.00			
								Renovation of INEC Office Bangi	1,000,000.00			
									-			
								TOTAL FOR ADMIN SECTOR	21,700,000.00			
ECONOMIC SECTOR												-
02	20001001				03005	12620500		Construction of Modal Market Bangi	165,406,525.25			
02								SUPPLY OF HILUX	3,000,000.00			
02									-			
02									-			
02								ECONOMIC SECTOR TOTAL	168,406,525.25	-	-	-
												-
SOCIAL SECTOR												-
05			70422	70900002606	03005	12620500		Repair of Bore Holes	2,500,000.00			
								Renovation of Primary Schools	1,000,000.00			
									-			
								SOCIAL SECTOR TOTAL	3,500,000.00	-	-	-
								TOTAL FOR ALL SECTORS	193,606,525.25			-

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

ACCOUNT TYPE		AMOUNT
FIRST BANK PLC		12,725.71
UNITY BANK PLC		219.91
UNITY BANK PLC		16268
UNITY BANK PLC		36,884.04
UNITY BANK PLC		5,423.49
KONA GABA MICROFINANCE BANK		880,352.62
UNITED BANK FOR AFRICA PLC		36,629,418.49
TOTAL		37,581,292.26

Note 10: Investment

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

MANAGEMENT REPORT ON AUDITED ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.0 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, 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 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	34,386,469.09	1.72
	Statutory Allocation	1,969,166,076.49	98.28
TOTAL		2,003,552,545.58	<u>100.00</u>
TOTAL EXPENDITURE		AMOUNT	%
		₦	
	Salaries and Wages	889,957,971.37	45.24
	Overhead Cost	121,619,963.78	6.18
	Consolidated Revenue Fund Charges	76,790,563.29	3.90
•	Contributions	199,708,000.00	10.15
•	Other Operating Activities	359,673,574.99	18.28
•	Other Transfers	125,860,000.00	6.40
•	Capital Expenditures	193,606,525.25	9.85
TOTAL		1,967,216,598.68	100.00

3.1 REVENUE

The sum of ₦2,003,552,545.58 accrued to Mariga Local Government Councils as total receipts for the year ended 31st December 2019

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Mariga Local Government Council amounted to ₦34,386,469.09 only for the year ended 31st December 2019 which represents 1.72 % of the total accrued revenue of ₦2,003,552,545.58. 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 ₦1,969,166,076.49 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 ₦312.00 in respect of Mariga Local Government Council at the end of the financial year ended 31st December 2019, while the total bank balances stood at ₦37,581,292.26 in respect of Mariga Local Government Council as at the end of the financial year ended 31st December 2019.

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.

5.0 BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦34,386,469.09 was generated as Internally Generated Revenue which represents 95.76% when compared with the total budgeted Internally Generated Revenue amounting to ₦35,910,500.00 during the year under review. This is a good performance, and should be maintained.

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.

6.0 PERSONNEL COST

It was observed that the total sum of ₦889,957,971.37 and ₦742,587,906.96 was spent as total personnel cost for the year 2019 and 2018 respectively with an increase of ₦174,360,064.41 over the previous year which represent 16.56%. This is as a result of salary increment by the state government during the year under review.

7.0 CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No.1 Cash Flow Statement) revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦1,058,942,521.00 and only the sum of ₦193,606,525.25 representing 18.28% was spent leaving the balance of ₦865,335,995.75 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	357,321,446.00	67,197,330.00	290,124,116.00
02	Economic Sector	347,027,974.00	85,474,605.25	261,553,368.75
05	Social Sector	354,593,101.00	40,934,590.00	313,658,511.00
TOTAL		1,058,942,521.00	193,606,525.25	865,335,995.75

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.

8.0 PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No.1 revealed that the Total Revenue stood at ₦2,003,552,545.58 with a Total Expenditure of ₦1,967,216,598.68 and close with a surplus balance of ₦36,335,946.90. 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 ₦15,343,954.38 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 ₦
Pay as You Earn (PAYE)	30,243.79
Development Levy	9,541.11
MHWUN	889.31
5% Withholding Tax	9,680,326.26
5% VAT	3,680,326.26
Retention Fees	6,134.28
1% Stamp Duty Charges	1,936,065.25
NULGE	428.12
TOTAL	15,343,954.38

From the above table, the Councils recorded outstanding VAT amounting to ₦3,680,326.26 and WHT of ₦9,680,326.26 as at 31st December, 2019.

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.

10.0 OUTSTANDING AUDIT INSPECTION

AGX/F.O.19/TA/MRG/VOL.1 - 19th March, 2020

- | | |
|------------------------------------------------------------|----------------|
| • Revenue Earning Receipts not Accounted for | ₦381,500.00 |
| • Unaccounted Payment for Deduction | ₦481,962.10 |
| • Non Remittance of VAT and Tax to Appropriate Authorities | ₦11,493,365.18 |

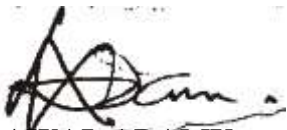
10.1 REQUIRED

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 GOVERNMENT OF NIGERIA
MASHEGU LOCAL GOVERNMENT COUNCIL



AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2019

AUDITOR GENERAL FOR LOCAL GOVERNMENT
P.M.B 53, NIGER STATE

PERSONALITY PROFILE

- **FINANCIAL STATEMENT**

- Statement of Financial Responsibility

- Council Officials

- Auditor General's Opinion

- **AUDIT REPORT**

- 49.0 Cash Flow Statements

- 50.0 Statement of Assets & Liabilities

- 51.0 Statement of Consolidated Revenue Funds

- 52.0 State of Capital Development Funds

- 53.0 Notes to the Accounts.

- 54.0 Scope of Audit

- 55.0 General State of Accounts and Records Keeping

- 7.1 General Recommendation

- 56.0 Review of Financial Statement

- 57.0 Internal Control

- 58.0 Budgetary Control

- 59.0 Personnel Cost

- 60.0 Capital Expenditure

- 61.0 Performance of Operation Activities

- 62.0 Deposits

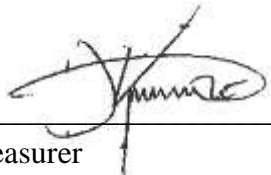
- 63.0 Outstanding Audit Inspection

- 64.0 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.

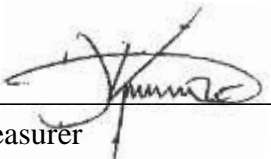


Treasurer

31st December, 2019

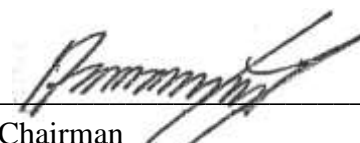
We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended.

In our opinion, these financial statements fairly reflect the financial position of Mashegu Local Governments as at 31st December, 2019 and its operations for the year ended on the date.



Treasurer

31st December, 2019



Chairman

31st December, 2019

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**

First Bank Plc.
Eco Bank Plc.
Unity Bank
Zenith Bank Plc.
UBA Plc.
Tattali Microfinance Bank

ADDRESS

Kontagora Branch
Kontagora Branch
Kontagora Branch
Kontagora Branch
Kontagora Branch
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, 2019 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.

Special opinion on State Local Government Joint Account Allocation Committee

Mashegu Local Government is eligible to receive revenue comprising Statutory Allocation, Value Added Taxes and Exchange Difference from the Federation Account. The revenues received by Mashegu Local Government, from the Ministry for Local Government, Community Development and Chieftaincy Affairs are indicated in the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts. In my opinion, the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts present fairly, in all material respects, the revenues received by Mashegu Local Government during the year ended December 31st, 2019.



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

1: Cash Flow Statement for the Year Ended 31st December, 2019

ANNUAL BUDGET 2019		NOTES	ACTUAL YEAR 2019	PREVIOUS YEAR 2018
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
2,033,056,771.00	Statutory Allocations: FAAC	1	1,466,184,686.70	1,467,196,624.87
	Value Added Tax Allocation	1		
2,033,056,771.00	Sub-total - Statutory Allocation		1,466,184,686.70	1,467,196,624.87
700,000.00	Direct Taxes	2	312,000.00	2,074,900.00
10,702,104.00	Licences & FEES	2	4,418,060.00	4,929,620.00
	Mining Rents:	2		
3,379,000.00	RATES	2	1,200,000.00	-
	Fees:	2		
	Fines	2		
	Sales	2		
7,473,905.00	Earnings :	2	1,658,940.00	1,454,000.00
500,000.00	Sales/Rent of Government Buildings:	2	1,478,602.22	-
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
	Interest Earned	2		
	Re-imbusement	2		
3,200,000.00	MISELLANEOUS	2	15,000.00	51,651.74
25,955,009.00	Sub-total - Independent Revenue		9,082,602.22	
	Other Revenue Sources of the -Government	3		
25,955,009.00	TOTAL INDEPENDANT REVENUE		9,082,602.22	8,510,171.74
	Commercial Bank Loan		-	-
2,059,011,780.00	TOTAL RECEIPTS		1,475,267,288.92	1,475,706,796.61
	Payments:			
416,608,587.00	Personnel Costs	3	715,073,903.64	608,202,486.12
265,000,000.00	Overhead Charges:	4	76,388,381.81	212,120,507.44
386,873,668.00	Consolidated Revenue Fund Charges.	5	45,498,630.64	40,963,076.99
	contributions	7	130,688,000.00	556,146,336.66
	Other Operating Activities		355,710,073.28	-
	Financial Charges		-	-
-	Other Transfers	6	76,400,000.00	25,100,000.00
1,068,482,255.00	Total Payments		1,399,758,989.37	1,442,532,407.21
990,529,525.00	Net Cash Flow from Operating Activities		75,508,299.55	33,174,389.40

	CashFlows from Investment Activities:			
	Capital Expenditure: Administrative Sector:	8	35,400,000.00	6,500,000.00
	Capital Expenditure: Economic Sector:	8	3,000,000.00	34,000,000.00
	capital expenditure: Social Service Sector:	8	1,000,000.00	-
	Capital Expenditure: Funded from Aid and Grants:		-	-
546,806,469.00	Total Cash Flow from Investment Activities:		39,400,000.00	40,500,000.00
443,723,056.00	Net Cash Flow from Investment Activities:		36,108,299.55	(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:		-	-
443,723,056.00	Net Cash Flow from Financing Activities:		36,108,299.55	(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		36,108,299.55	(7,325,610.60)
	Cash & Its Equivalent as at 1st January, 2019		2,139,369.20	9,464,979.80
	Cash & Its Equivalent as at 31st December, 2019	9	38,247,668.75	2,139,369.20

2: Statement of Assets and Liabilities as at 31st December, 2019

	NOTES	CURRENT YEAR 2019	PREVIOUS YEAR 2018
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:			
CASH AT HAND		1.74	158.19
CASH AT BANK	9	38,247,667.01	2139211.01
TOTAL LIQUID ASSETS		38,247,668.75	2,139,369.20
NON CURRENT ASSETS:			
	10	-	-
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	-
TOTAL ASSETS		38,247,668.75	2,139,369.20
LIABILITIES OVER ASSETS		52,122,203.10	47,788,203.10
TOTAL		90,369,871.85	49,927,572.30
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	38,247,668.75	2139369.2
Capital Development Fund:		-	-
TOTAL PUBLIC FUNDS		38,247,668.75	2,139,369.20
EXTERNAL AND INTERNAL LOANS			-
BANK LOANS	11	-	-
		-	-
TOTAL EXTERNAL AND INTERNAL LOANS		-	-
OTHER LIABILITIES			
UNREMITTED DEDUCTIOS:			
PAYE	12	2,983,999.97	
10% Retention	12	4,977,038.97	4977038.97
5% Contract Tax	12	22,112,894.67	20762894.64
Value Added Tax	12	22,048,269.49	22,048,269.49
TOTAL LIABILITIES		52,122,203.10	47,788,203.10
TOTAL LIABILITIES AND PUBLIC FOUNDS		90,369,871.85	49,927,572.30

3: Statement of Consolidated Revenue for the year ended 31st December, 2019

ACTUAL PREVIOUS YEAR 2018		NOTES	ACTUAL YEAR 2019	FINAL BUDGET 2019	INITIAL/ORIGINAL BUDGET 2019
₦			₦	₦	₦
9,464,979.80	Opening Balance:		2,139,369.20		
	ADD: REVENUE				
1,467,196,624.87	Statutory Allocations: FAAC	1	1,466,184,686.70	2,033,056,771.00	
-	Value Added Tax Allocation	1	-		
1,467,196,624.87	Sub-Total - Statutory Allocation		1,466,184,686.70	2,033,056,771.00	
2,074,900.00	Direct Taxes	2	312,000.00	700,000.00	
4,929,620.00	Licences	2	4,418,060.00	10,702,104.00	
-	RATES	2	1,200,000.00	3,379,000.00	
-	Fees:	2	-		
-	Fines	2	-		
-	Sales	2	-		
1,454,000.00	Earnings :	2	1,658,940.00	7,473,905.00	
-	Sales/Rent of Government Buildings:	2	1,478,602.22	500,000.00	
-	Sale/Rent on Lands and Others:	2	-		
51,651.74	MISCELLANEOUS	2	15,000.00	3,200,000.00	
-	Investment Income	2	-		
-	Interest Earned	2	-		
-	Re-Imbursements	2	-		
8,510,171.74	Sub-Total - Independent Revenue		9,082,602.22	25,955,009.00	
-	Other Revenue Sources of the ---Government		-	-	
1,485,171,776.41	TOTAL REVENUE:		1,477,406,658.12	2,059,011,780.00	
	LESS:EXPENDITURE				
608,202,486.12	Personnel Costs:	3	715,073,903.64	416,608,587.00	
212,120,507.44	Overhead Charges:	4	76,388,381.81	265,000,000.00	
40,963,076.99	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	45,498,630.64		
556,146,336.66	contributions	7	130,688,000.00		
-	Other Operating Activities	6	355,710,073.28		
-	Financial Charges.		-		
25,100,000.00	Other Transfers	6B	76,400,000.00		
1,442,532,407.21	TOTAL EXPENDITURE:		1,399,758,989.37	681,608,587.00	

ACTUAL PREVIOUS YEAR 2018		NOTES	ACTUAL YEAR 2019	FINAL BUDGET 2019	INITIAL/ORIGINAL BUDGET 2019
₦			₦	₦	₦
	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
-	Repayments: External Loans: States		-		
-	Repayments: States Bonds.		-		
-	Repayments: Development Loan Stock		-		
-	Repayments: Internal Loans from Other Funds	11	-		
-	TOTAL EXPENDITURE:		-		
42,639,369.20	OPERATING BALANCE:		77,647,668.75		
	APPROPRIATIONS/TRANSFERS:				
40,500,000.00	Transfer to Capital Development Fund:		39,400,000.00		
2,139,369.20	Closing Balance:		38,247,668.75		

4: Statement of Capital Development Fund for the year ended 31st December, 2019

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2018			EXPENDITURE 2019	BUDGET 2019	BUDGET 2019	BUDGET 2019
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
40,500,000.00	Transfer from Consolidated Revenue Fund:		39,400,000.00			
-	Aid and Grants		-			
40,500,000.00	TOTAL REVENUE AVAILABLE:		39,400,000.00			
	LESS: CAPITAL EXPENDITURE					
6,500,000.00	Capital Expenditure: Administrative Sector:	10	35,400,000.00			
34,000,000.00	Capital Expenditure: Economic Sector:	10	3,000,000.00			
-	Capital Expenditure: Social Service Sector:	10	1,000,000.00			
-	Capital Expenditure: Funded from Aid and Grants:		-			
40,500,000.00	TOTAL CAPITAL EXPENDITURE:		39,400,000.00	546,806,469.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
-	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2019

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₱	₱
Net Share of Statutory Allocation from FAAC	A	1,002,110,632.27	
Add :Deduction at source for Loan Repayment	B	464,074,054.43	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			1,466,184,686.70
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₱	₱	₱
TAXES	312,000.00	700,000.00	388,000.00
RATES	1,200,000.00	3,379,000.00	2,179,000.00
LINCENCES & FEES	4,418,060.00	10,702,104.00	6,284,044.00
EARNING FROM COMMERCIAL UNDERTAKING	1,658,940.00	7,473,905.00	5,814,965.00
RENT ON LOCAL GOVERNMENT PROPERTY	1,478,602.22	500,000.00	(978,602.22)
INTREST AND DIVIDEND	-	-	-
MISELLANEOUS	15,000.00	3,200,000.00	3,185,000.00
TOTAL I G R	9,082,602.22	25,955,009.00	16,872,406.78

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	780,294.30			
THE COUNCCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	4,264,731.60			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	404,473.16			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	49,243,917.41			
TOTAL ADMIN SECTOR							54,693,416.47			
ECONOMIC SECTOR										
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	27,447,146.80			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	2,280,105.76			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	34,748,877.49			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	23,613,419.96			
TOTAL ECONOMIC SECTOR							88,089,550.01			

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	15,118,902.91			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	144,358,539.02			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	20,947,358.55			
TOTAL SOCIAL SECTOR						180,424,800.48			
TOTAL FOR ALL SECTORS						323,207,766.96			
ADJUSTMENT :									
PAYEE						11,031,582.77			
PAYEE (POLITICAL OFFICE						952,273.50			
UNION DUES						18,225,061.32			
NHF(2,5%)						8,181,425.43			
MHWU-EDWELL						12,156,152.97			
EMIRATE COUNCIL						51,339,250.04			
PRIMARY EDUCATION						265,980,390.65			
Salary and Salary Related						24,000,000.00			
TOTAL PERSONNEL COST FOR ALL SECTORS						715,073,903.64			

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	10,335,000.00			
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	370,000.00			
01	11001001	22020701	70111	2101		8	Consultancy Services	-			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	270,000.00			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	5,753,000.00	60,424.39		
01	11001001	22021002	70111	2101		12	Miscellaneous expense	19,517,454.63	19,457,030.24		
							TOTAL	36,245,454.63			
THE COUNCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	2,697,155.00			
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 office furniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles and Capital 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	2,578,000.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	1,000,000.00			
							TOTAL	6,275,155.00			

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	460,715.50			
01	11013001	22020201	70111	2101		3	Utility Services	100,000.00			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	-			
01	11013001	22020402	70111	2101		6	Maintenance of office furniture & 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	100,000.00			
							TOTAL	660,715.50			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	1,980,000.00			
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 office furniture & 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	891,486.43			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	580,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	1,077,000.00			
							TOTAL	4,528,486.43			
							TOTAL ADMIN SECTOR	47,709,811.56	-	-	-

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	2,440,000.00			
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 office furniture & 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	11,362,063.07			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	370,202.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	700,537.00			
							Provision of Serviceable Materials	570,757.00			
							TOTAL	15,443,559.07			
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	350,000.00			
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 office furniture & 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	170,000.00			
							TOTAL	1,170,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	652,413.82			
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 office furniture & equipment	-	4,806,909.13		
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	228,000.00	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	Entertainment & Hospitality	180,000.00			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	150,000.00			
							TOTAL	1,210,413.82			
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	800,000.00			
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 office furniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	2,206,000.00			
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	-	3,976,387.66		
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	220,000.00			
							Provision of Serviceable Materials	294,840.00			
							TOTAL	3,520,840.00			
							TOTAL ECONOMIC SECTOR MINISTRY	21,344,812.89	-	-	-

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	705,000.00			
05	17001001	22020201	70922	2101		3	Utility Services	190,000.00			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	-			
05	17001001	22020402	70922	2101		6	Maintenance of office furniture & 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	190,000.00			
							TOTAL	1,085,000.00			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport	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 office furniture & 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	738,382.82			
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 office furniture & equipment	-			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	-			
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	151,454.40			
							Provision of Serviceable Materials	166,890.96			
							TOTAL	1,056,728.18			
TRADITIONAL OFFICE											
05	51002002	22020101	70180	2101		2	Travel & Transport	900,773.27			
05	51002002	22020201	70180	2101		3	Utility Services	0.00			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	-			
05	51002002	22020402	70180	2101		6	Maintenance of office furniture & 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	201,000.00			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	-			
							TOTAL	1,101,773.27			
							TOTAL SOCIAL SECTOR MINISTRY	7,333,757.36	-	-	-
							TOTAL FOR ALL SECTORS	76,388,381.81	-	-	-

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	44,302,010.79			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	910,308.60			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		Pension arrears	-			
01	25001002	22020902	70132	02102		Insurance Premium	-			
01	25001001	22010106	70131	02101		Acturial Valuation	286,311.25			
01	25001001	22010107	70131	02101		Pension of Permanent Secretaries compulsorily retired by the 1988 Civil Service Reforms	-			
						Deceased 3rd Annual Emolument (CPS)	-			
						TOTAL	45,498,630.64			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	45,498,630.64			

Note 6A: Other Operating Activities

OPERATIONAL ACTIVITIES	AMOUNT
EMIRATE COUNCIL OVERHEAD	12,000,000.00
SECURITY	92,820,480.00
OVERHEAD TO AGENCIES	1,980,000.00
LEGAL CONSULTANCY AND SALARY CONSULTANCY	3,600,000.00
PARTY DUES	480,000.00
OPERATIONAL	143,230,470.99
INTERVENTION	76,449,122.29
ALLOWANCE TO SA'S ON SECURITY	1,850,000.00
TDC SALARY	23,300,000.00
TOTAL	355,710,073.28

Note 6B: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,200,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	16,000,000.00
Reserve	44,000,000.00
TOTAL	76,400,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	-
Capital	101,888,000.00
TOTAL CONTRIBUTIONS	130,688,000.00

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECON	FUNCTION	PROGRAMME	FUND	GEO.CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2019	2019 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616	03005	12620500		Renovation of Market	35,400,000.00			
1	11033001	23010122	70722	010400009616	03005	12620500			-			
1	11033001	23010122	70722	010400009616	03005	12620500			-			
								TOTAL FOR ADMIN SECTOR	35,400,000.00			
												-
ECONOMIC SECTOR												-
2	20001001				03005	12620500		Micro Project	3,000,000.00			
2												-
2								ECONOMIC SECTOR TOTAL	3,000,000.00	-	-	-
												-
SOCIAL SECTOR												-
5			70422	70900002606	03005	12620500		Education	1,000,000.00			
									-			
									-			
								SOCIAL SECTOR TOTAL	1,000,000.00	-	-	-
								TOTAL FOR ALL SECTORS	39,400,000.00			-

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

ACCOUNT TYPE		AMOUNT
FIRST BANK PLC. – SALARY ACCOUNT		118,294.39
FIRST BANK PLC. – REVENUE ACCOUNT		350,476.29
FIRST BANK PLC. – DRF		3,567.58
FIRST BANK PLC. – WARD DEVELOPMENT PROJECT		135,882.70
ZENITH BANK PLC.		159,058.37
UNITY BANK PLC. – OVERHEAD ACCOUNT		24,309.36
ECO BANK PLC. – PROJECT ACCOUNT		40,597.70
TATALI MICRO FINANCE BANK – REVENUE ACCOUNT		62,111.87
TATALI MICRO FINANCE BANK – TRACTOR ACCOUNT		7,266.70
TATALI MICRO FINANCE BANK – SURE-P BUSES		1,216,680.00
TATALI MICRO FINANCE BANK – HEAVY DUTY		40,000.00
TATALI MICRO FINANCE BANK – WARD DEVELOPMENT		405,700.00
UBA – OPERATIONAL ACCOUNT		35,683,722.05
TOTAL		38,247,667.01

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						
TOTAL						

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS	AMOUNT
PAYE	2,983,999.97
10% Retention	4,977,038.97
5% Contract Tax	22,112,894.67
Value Added Tax	22,048,269.49
TOTAL	52,122,203.10

MANAGEMENT REPORT ON AUDITED ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.0 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, 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)**.

3.0 REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Mashegu 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	9,082,602.22	0.62
	Statutory Allocation	1,466,184,686.70	99.38
TOTAL		1,475,267,288.92	100.00
TOTAL EXPENDITURE		AMOUNT	%
		₦	
	Salaries and Wages	715,073,903.64	49.69
	Overhead Cost	76,388,381.81	5.30
	Consolidated Revenue Fund Charges	45,498,630.64	3.16
•	Contributions	130,688,000.00	9.08
•	Other Operating Activities	355,710,073.28	24.72
•	Other Transfers	76,400,000.00	5.31
•	Capital Expenditures	39,400,000.00	2.74
TOTAL		1,439,158,989.37	100.00

3.1 REVENUE

The sum of ₦1,475,267,288.92 accrued to Mashegu Local Government Councils as total receipts for the year ended 31st December 2019

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Mashegu Local Government Council amounted to ₦9,082,602.22 only for the year ended 31st December 2019 which represents 0.62 % of the total accrued revenue of ₦1,475,267,288.92. 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 ₦1.74 in respect of Mashegu Local Government Council at the end of the financial year ended 31st December 2019, while the total bank balances stood at ₦38,247,667.01 in respect of Mashegu Local Government Council as at the end of the financial year ended 31st December 2019.

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.

5.0 BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦9,082,602.22 was generated as Internally Generated Revenue which represents 34.99% when compared with the total budgeted Internally Generated Revenue amounting to ₦25,955,009.00 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.

6.0 PERSONNEL COST

It was observed that the total sum of ₦715,073,903.64 and ₦608,202,486.12 was spent as total personnel cost for the year 2019 and 2018 respectively with an increase of ₦106,871,417.52 over the previous year which represent 14.95%. This is as a result of salary increment by the state government during the year under review.

7.0 CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No.1 (Cash Flow Statement) revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦990,529,525.00 and only the sum of ₦39,400,000.00 representing 3.98% was spent leaving the balance of ₦951,129,525.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	356,199,821.00	35,400,000.00	320,799,821.00
02	Economic Sector	382,853,217.00	-	382,853,217.00
05	Social Sector	251,476,487.00	4,000,000.00	247,476,486.00
TOTAL		990,529,525.00	39,400,000.00	951,129,525.00

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.

8.0 PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No.1 revealed that the Total Revenue stood at ₦1,475,267,288.92 with a Total Expenditure of ₦1,439,158,989.37 and close with a surplus balance of ₦36,108,299.55. 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 ₦50,122,203.10 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 2019.

Outstanding deductions as at 31 December 2019

DETAILS	AMOUNT ₦
5% Withholding Tax	22,732,894.64
Value Added Tax	22,018,269.49
10% Retention	4,977,038.97
1% Stamp Duty	394,000.00
TOTAL	50,122,203.10

From the above table, the Councils recorded outstanding VAT amounting to ₦22,018,269.49 and WHT of ₦22,732,894.64 as at 31st December, 2019.

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.

10.0 OUTSTANDING AUDIT INSPECTION

AGX/F.O.19/TA/MSG/VOL.1 – 5th August, 2020

- Payment not Acknowledge by Payees ₦1,174,000.00
- Duty Tour Allowances paid without Details ₦1,585,000.00


10.1 REQUIRED

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

11.0 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 GOVERNMENT OF NIGERIA
MINNA LOCAL GOVERNMENT COUNCIL



AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2019

AUDITOR GENERAL FOR LOCAL GOVERNMENT
P.M.B 53, NIGER STATE

PERSONALITY PROFILE

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 - Statement of Financial Responsibility

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- **AUDIT REPORT**

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 - 70.0 Scope of Audit

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 - 7.1 General Recommendation

 - 72.0 Review of Financial Statement

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 - 74.0 Budgetary Control

 - 75.0 Personnel Cost

 - 76.0 Capital Expenditure

 - 77.0 Performance of Operation Activities

 - 78.0 Deposits

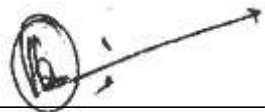
 - 79.0 Outstanding Audit Inspection

 - 80.0 Conclusion

STATEMENT OF FINANCIAL RESPONSIBILITY

These Financial Statements have been prepared by the Treasurer of Minna 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.

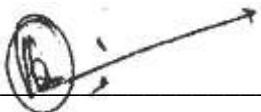


Treasurer

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 Chanchaga Local Governments as at 31st December, 2019 and its operations for the year ended on the date.



Treasurer

31st December, 2019



Chairman

31st December, 2019

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**

Fidelity Bank Plc.

United Bank for Africa Plc.

Zenith Bank Plc.

Wema Bank Plc.

ADDRESS

Minna Branch

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, 2019 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.

Special opinion on State Local Government Joint Account Allocation Committee

Minna Local Government is eligible to receive revenue comprising Statutory Allocation, Value Added Taxes and Exchange Difference from the Federation Account. The revenues received by Minna Local Government, from the Ministry for Local Government, Community Development and Chieftaincy Affairs are indicated in the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts. In my opinion, the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts present fairly, in all material respects, the revenues received by Minna Local Government during the year ended December 31st, 2019.



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

1: Cash Flow Statement for the Year Ended 31st December, 2019

ANNUAL BUDGET 2019		NOTES	ACTUAL YEAR 2019	PREVIOUS YEAR 2018
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
2,125,591,862.00	Statutory Allocations: FAAC	1	3,883,919,614.43	3,533,817,371.21
	Value Added Tax Allocation	1		
2,125,591,862.00	Sub-total - Statutory Allocation		3,883,919,614.43	3,533,817,371.21
1,500,000.00	Direct Taxes	2	-	6,000.00
52,350,000.00	Licences & FEES	2	36,359,651.75	33,685,268.00
	Mining Rents:	2		
29,500,000.00	RATES	2	11,077,604.15	8,497,500.00
	Fees:	2		
	Fines	2		
	Sales	2		
58,050,000.00	Earnings :	2	37,935,150.00	44,998,985.00
2,450,000.00	Sales/Rent of Government Buildings:	2	715,000.00	2,533,368.15
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
	Interest Earned	2	292,657.50	
	Re-imbusement	2		
2,850,000.00	MISELLANEOUS	2	1,349,778.74	3,472,649.05
2,272,291,862.00	Sub-total - Independent Revenue			
	Other Revenue Sources of the -Government	3		
	TOTAL INDEPENDANT REVENUE		87,729,842.14	93,193,770.20
	Commercial Bank Loan		-	-
2,272,291,862.00	TOTAL RECEIPTS		3,971,649,456.57	3,627,011,141.41
	Payments:			
1,024,852,718.00	Personnel Costs	3	2,580,052,937.25	2,384,588,671.72
236,300,000.00	Overhead Charges:	4	190,779,745.67	296,438,366.46
	Consolidated Revenue Fund Charges.	5	252,734,254.98	182,297,450.78
	contributions	7	244,314,200.00	578,716,814.91
	Other Operating Activities	6b	399,852,687.29	-
	Financial Charges		-	-
	Other Transfers	6	137,740,000.00	85,100,000.00
1,261,152,718.00	Total Payments		3,805,473,825.19	3,527,141,303.87
1,011,139,144.00	Net Cash Flow from Operating Activities		166,175,631.38	99,869,837.54

	CashFlows from Investment Activities:			
195,234,573.00	Capital Expenditure: Administrative Sector:	8	-	1,230,000.00
251,000,000.00	Capital Expenditure: Economic Sector:	8	65,033,046.62	16,725,404.92
405,108,928.00	capital expenditure: Social Service Sector:	8	111,919,947.58	77,036,010.29
-	Capital Expenditure: Funded from Aid and Grants:		-	-
851,343,501.00	Total Cash Flow from Investment Activities:		176,952,994.20	94,991,415.21
	Net Cash Flow from Investment Activities:		(10,777,362.82)	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:		(10,777,362.82)	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		(10,777,362.82)	4,878,422.33
	Cash & Its Equivalent as at 1st January, 2019		23,160,578.79	18,282,156.46
	Cash & Its Equivalent as at 31st December, 2019	9	12,383,215.97	23,160,578.79

2: Statement of Assets and Liabilities as at 31st December, 2019

	NOTES	CURRENT YEAR 2019	PREVIOUS YEAR 2018
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:			-
CASH AT BANK	9	12,380,675.97	23,160,138.79
CASH AT HAND		2,540.00	440.00
TOTAL LIQUID ASSETS		12,383,215.97	23,160,578.79
NON CURRENT ASSETS:			-
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	-
TOTAL ASSETS		12,383,215.97	23,160,578.79
LIABILITIES OVER ASSETS		19,476,875.52	12,667,826.58
TOTAL		31,860,091.49	35,828,405.37
LIABILITIES:-			-
PUBLIC FUNDS			-
Consolidated Revenue Fund:	CRF	12,383,215.97	23,160,578.79
Capital Development Fund:		-	-
TOTAL PUBLIC FUNDS		12,383,215.97	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)		8,267,169.73	6,333,913.29
LEA		1,247.24	-
1% Stamp Duty		616,806.40	-
Cooperative Society		1,000.00	-
Withholding Tax		10,590,652.15	6,333,913.29
TOTAL LIABILITIES		19,476,875.52	12,667,826.58
TOTAL LIABILITIES AND PUBLIC FUNDS		31,860,091.49	35,828,405.37

3: Statement of Consolidated Revenue for the year ended 31st December, 2019

ACTUAL PREVIOUS YEAR 2018		NOTES	ACTUAL YEAR 2019	FINAL BUDGET 2019	INITIAL/ORIGINAL BUDGET 2019
₦			₦	₦	₦
18,282,156.46	Opening Balance:		23,160,578.79		
	ADD: REVENUE				
3,533,817,371.21	Statutory Allocations: FAAC	1	3,883,919,614.43	2,125,591,862.00	
-	Value Added Tax Allocation	1	-		
3,552,099,527.67	Sub-Total - Statutory Allocation		3,883,919,614.43	2,125,591,862.00	
6,000.00	Direct Taxes	2	-	1,500,000.00	
33,685,268.00	Licences	2	36,359,651.75	52,350,000.00	
8,497,500.00	RATES	2	11,077,604.15	29,500,000.00	
-	Fees:	2	-		
-	Fines	2	-		
-	Sales	2	-		
44,998,985.00	Earnings :	2	37,935,150.00	58,050,000.00	
2,533,368.15	Sales/Rent of Government Buildings:	2	715,000.00	2,450,000.00	
-	Sale/Rent on Lands and Others:	2	-		
3,472,649.05	MISCELLANEOUS	2	1,349,778.74	2,850,000.00	
-	Investment Income	2	-		
-	Interest Earned	2	292,657.50		
-	Re-Imbursements	2	-		
93,193,770.20	Sub-Total - Independent Revenue		87,729,842.14	146,700,000.00	
-	Other Revenue Sources of the ---Government		-		
3,645,293,297.87	TOTAL REVENUE:		3,994,810,035.36	2,272,291,862.00	
	LESS:EXPENDITURE				
2,384,588,671.72	Personnel Costs:	3	2,580,052,937.25	1,024,852,718.00	
296,438,366.46	Overhead Charges:	4	190,779,745.67	236,300,000.00	
182,297,450.78	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	252,734,254.98		
578,716,814.91	contributions	7	244,314,200.00		
-	Other Operating Activities	6b	399,852,687.29		
-	Financial Charges.		-		
85,100,000.00	Other Transfers	6	137,740,000.00		
3,527,141,303.87	TOTAL EXPENDITURE:		3,805,473,825.19	-	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
-	Repayments: External Loans: States			-	
-	Repayments: States Bonds.			-	
-	Repayments: Development Loan Stock			-	
-	Repayments: Internal Loans from Other Funds	11		-	
-	TOTAL EXPENDITURE:			-	
118,151,994.00	OPERATING BALANCE:			189,336,210.17	
	APPROPRIATIONS/TRANSFERS:				
94,991,415.21	Transfer to Capital Development Fund:			176,952,994.20	-
23,160,578.79	Closing Balance:			12,383,215.97	

4: Statement of Capital Development Fund for the year ended 31st December, 2019

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2018			EXPENDITURE 2019	BUDGET 2019	BUDGET 2019	BUDGET 2019
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
94,991,415.21	Transfer from Consolidated Revenue Fund:		176,952,994.20	-		
-	Aid and Grants		-			
94,991,415.21	TOTAL REVENUE AVAILABLE:		176,952,994.20	-		
	LESS: CAPITAL EXPENDITURE					
1,230,000.00	Capital Expenditure: Administrative Sector:	10	-			
16,725,404.92	Capital Expenditure: Economic Sector:	10	65,033,046.62			
77,036,010.29	Capital Expenditure: Social Service Sector:	10	111,919,947.58			
-	Capital Expenditure: Funded from Aid and Grants:		-			
94,991,415.21	TOTAL CAPITAL EXPENDITURE:		176,952,994.20	-		
	Intangible Assets					
	LOSS ON INVESTMENT					
-	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2019

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₱	₱
Net Share of Statutory Allocation from FAAC	A	2,687,713,483.01	
Add :Deduction at source for Loan Repayment	B	1,196,206,131.42	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			3,883,919,614.43
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₱	₱	₱
TAXES	-		
RATES	11,077,604.15		
LINCENCES & FEES	36,359,651.75		
EARNING FROM COMMERCIAL UNDERTAKING	37,935,150.00		
RENT ON LOCAL GOVERNMENT PROPERTY	715,000.00		
INTEREST AND DIVIDEND	292,657.50		
MISELLANEOUS	1,349,778.74		
TOTAL I G R	87,729,842.14		

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	19,598,587.33			
							-			
THE COUNCCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	8,851,521.52			
							-			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	1,381,124.50			
							-			
							-			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	79,431,535.13			
TOTAL ADMIN SECTOR							109,262,768.48			
ECONOMIC SECTOR										
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	93,497,460.59			
							-			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	16,670,943.94			
							-			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	70,436,418.54			
							-			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	73,576,165.28			
TOTAL ECONOMIC SECTOR							254,180,988.35			

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	571,187,683.87			
							-			
TRADITIONAL OFFICE										
	05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	4,246,077.53			
							-			
SOCIAL DEVELOPMENT										
	05		21010101	70131	2101	TOTAL PERSONNELCOST	84,756,707.37			
TOTAL SOCIAL SECTOR							660,190,468.77			
TOTAL FOR ALL SECTORS							1,023,634,225.60			
ADJUSTMENT :										
PAYEE							46,905,306.25			
PAYEE (POLITICAL OFFICE							1,024,050.00			
UNION DUES							73,622,251.65			
NHF(2,5%)							28,059,303.74			
EMIRATE COUNCIL							52,305,611.84			
PRIMARY EDUCATION							1,290,227,703.22			
MHWU-ENDWELL							39,924,484.95			
Salary and Salary Related							24,350,000.00			
TOTAL PERSONNEL COST FOR ALL SECTORS							2,580,052,937.25			

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	3,885,000.00			
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	16,940,284.00			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	22,745,643.05			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	15,206,764.36			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	27,818,720.07			
							PROVISION OF SERVICE MATERIALS	-			
							TOTAL	86,596,411.48			
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	659,000.00			
01	12003001	22020402	70111	2101		6	Maintenance of office furniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles and Capital 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	400,000.00			
							PROVISION FOR SERVICEABLE	-			
							TOTAL	1,059,000.00			

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	-			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	353,000.00			
01	11013001	22020402	70111	2101		6	Maintenance of office furniture & 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	-			
							TOTAL	353,000.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	970,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	1,980,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of office furniture & equipment	2,691,500.00			
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	5,343,500.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	-			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	2,334,800.00			
							TOTAL	13,319,800.00			
							TOTAL ADMIN	101,328,211.48	-	-	-

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	2,980,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	13,267,078.08			
02	20001001	22020402	70112	2101		6	Maintenance of office furniture & equipment	-			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	20001001	22020701	70112	2101		8	Consultancy Services	5,900,500.00			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	28,057,441.11			
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	9,099,048.38			
							TOTAL	59,304,067.57			
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	888,500.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	2,217,118.24			
02	38001001	22020402	70112	2101		6	Maintenance of office furniture & 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	917,000.05			
							TOTAL	4,022,618.29			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	954,000.00			
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 office furniture & equipment	1,825,000.00			
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	Entertainment & Hospitality	-			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	1,464,879.67			
							TOTAL	4,243,879.67			
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	500,000.00			
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	440,000.00			
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	761,000.00			
							PROVISION OF SERVICEABLE	-			
							TOTAL	1,701,000.00			
							TOTAL ECONOMIC SECTOR	69,271,565.53	-	-	-

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 office furniture & 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	720,000.00			
05	51003001	22020201	70922	2101		3	Utility Services	-			
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	51003001	22020301	70922	2101		5	Stationary	640,000.00			
05	51003001	22020402	70922	2101		6	Maintenance of office furniture & equipment	1,123,209.00			
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	-			
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	549,802.66			
							TOTAL	3,033,011.66			

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	882,000.00			
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 office furniture & 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	3,815,000.00			
							INTEGRATED MGT. OF CHILD ILLINESS	4,636,000.00			
							NPI	-			
							ASSISTED PROGRAM (SUMMAP)	-			
							TOTAL	9,333,000.00			
TRADITIONAL OFFICE											
05	51002002	22020101	70180	2101		2	Travel & Transport	1,500,000.00			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	2,000,000.00			
05	51002002	22020402	70180	2101		6	Maintenance of office furniture & 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	4,313,957.00			
							TOTAL	7,813,957.00			
							TOTAL SOCIAL SECTOR MINISTRY	20,179,968.66	-	-	-
							TOTAL FOR ALL SECTORS	190,779,745.67	-	-	-

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	229,975,711.18			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	3,164,542.28			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	19,594,001.52			
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	252,734,254.98			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	252,734,254.98			

Note 6A: Other Operating Activities

OPERATIONAL ACTIVITIES	AMOUNT
EMIRATE COUNCIL OVERHEAD	13,200,000.00
SECURITY	59,680,320.00
OVERHEAD TO AGENCIES	1,980,000.00
LEGAL CONSULTANCY SERVICES	3,600,000.00
ALLOWANCE TO SA'S ON SECURITY	1,985,000.00
OPERATIONAL	182,556,188.93
INTERVENTION	93,919,717.95
PARTY DUES	540,000.00
DIRECT CREDIT	42,391,460.41
TOTAL	399,852,687.29

Note 6B: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,200,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	17,340,000.00
NISEPA	60,000,000.00
RESERVE FUND	44,000,000.00
TOTAL	137,740,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	-
CAPITAL	215,514,200.00
TOTAL CONTRIBUTIONS	244,314,200.00

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECON	FUNCTION	PROGRAMME	FUND	GEO.CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2019	2019 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			Road and Bridge	26,803,546.62			
2								Water Resources	28,890,000.00			(28,890,000.00)
								Commerce and Industry	9,339,500.00			
2								ECONOMIC SECTOR TOTAL	65,033,046.62	-	-	(28,890,000.00)
												-
SOCIAL SECTOR												-
5			70422	7.09E+10	03005			Education	14,651,000.00			
								Health	39,022,080.04			
								Social development	35,858,744.94			
								Community development	22,388,122.60			
									-			
									-			
									-			
								SOCIAL SECTOR TOTAL	111,919,947.58	-	-	-
								TOTAL FOR ALL SECTORS	176,952,994.20			

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

ACCOUNT TYPE		AMOUNT
FIDELITY BANK PLC.		314,474.74
UBA PLC.		11,795,631.58
ZENITH BANK PLC.		25,953.92
ZENITH BANK PLC.		62,910.10
WEMA BANK PLC.		181,705.63
TOTAL		12,380,675.97

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)		8,267,169.73
LEA		1,247.24
1% Stamp Duty		616,806.40
Cooperative Society		1,000.00
Withholding Tax		10,590,652.15
TOTAL LIABILITIES		19,476,875.52

MANAGEMENT REPORT ON AUDITED ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.0 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)**.

3.0 REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Minna 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	87,729,842.14	2.21
	Statutory Allocation	3,883,919,614.43	97.79
	TOTAL	3,971,649,456.57	100.00
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	2,580,052,937.25	64.79
	Overhead Cost	190,779,745.67	4.79
	Consolidated Revenue Fund Charges	252,734,254.98	6.35
•	Contributions	244,314,200.00	6.14
•	Other Operating Activities	399,852,687.29	10.04
•	Other Transfers	137,740,000.00	3.45
•	Capital Expenditures	176,952,994.20	4.44
	TOTAL	3,982,426,819.39	100.00

3.1 REVENUE

The sum of ₦3,971,649,456.57 accrued to Minna Local Government Councils as total receipts for the year ended 31st December 2019

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Minna Local Government Council amounted to ₦87,729,842.14 only for the year ended 31st December 2019 which represents 2.21 % of the total accrued revenue of ₦3,971,649,456.57. 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 ₦3,883,919,614.43 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 ₦2,540.00 in respect of Minna Local Government Council at the end of the financial year ended 31st December 2019, while the total bank balances stood at ₦12,380,675.97 in respect of Minna Local Government Council as at the end of the financial year ended 31st December 2019.

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.

5.0 BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦87,729,842.14 was generated as Internally Generated Revenue which represents 59.80% when compared with the total budgeted Internally Generated Revenue amounting to ₦146,700,000.00 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.

6.0 PERSONNEL COST

It was observed that the total sum of ₦2,580,052,937.25 and ₦2,384,588,671.72 was spent as total personnel cost for the year 2019 and 2018 respectively with an increase of ₦195,464,265.53 over the previous year which represent 15.15%. This is as a result of salary increment by the state government during the year under review.

7.0 CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No1 of (Cash Flow Statement) revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦851,343,501.00 and only the sum of ₦176,952,994.20 representing 20.78% was spent leaving the balance of ₦674,390,506.80 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	195,234,573.00	45,198,244.94	150,036,328.06
02	Economic Sector	251,000,000.00	26,803,546.62	224,196,453.38
05	Social Sector	315,234,573.00	104,951,202.64	300,157,725.36
TOTAL		851,343,501.00	176,952,994.20	674,390,506.80

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.

8.0 PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No. 1 revealed that the Total Revenue stood at ₦3,971,649,456.57 with a Total Expenditure of ₦3,982,426,819.39 and close with a deficit balance of ₦10,77,7362.82 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 ₦19,476,875.52 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	8,267,169.73
5% Withholding Tax	10,590,652.15
LEA	1,247.24
Co-operative Society	1,000.00
1% Stamp Duty	616,806.40
TOTAL	19,476,875.52

From the above table, the Councils recorded outstanding VAT amounting to ₦8,267,169.73 and WHT of ₦10,590,652.15 as at 31st December, 2019.

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/F.O.19/TA/CHA/VOL.1 - 26th June, 2020

• Interception of Internally Generated Revenue	₦415,400.38
• Payment not Accounted for	₦1,578,558.00
• Fraudulent withdrawal of Council's funds without Payment Vouchers	₦95,005.00
iv. Items Alleged to have been purchased but not taken on charge to Store	₦662,679.50
v. Payment without Chairman's Approval	₦650,000.00
vi. Payment Made without Internal Audit Control	₦4,999,700.80
vii. VAT and Tax not Charge for Construction of Culvert and Bridge in Front of Local Government	₦563,860.00

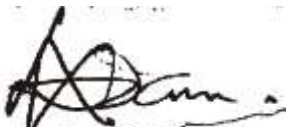
10.1 REQUIRED

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

11.0 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 GOVERNMENT OF NIGERIA
MOKWA LOCAL GOVERNMENT COUNCIL



AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2019

AUDITOR GENERAL FOR LOCAL GOVERNMENT
P.M.B 53, NIGER STATE

PERSONALITY PROFILE

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- Statement of Financial Responsibility

- Council Officials

- Auditor General's Opinion

- **AUDIT REPORT**

- 81.0 Cash Flow Statements

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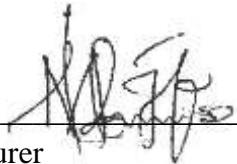
- 95.0 Outstanding Audit Inspection

- 96.0 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.

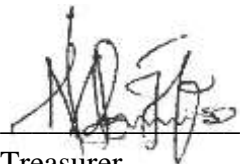


Treasurer

31st December, 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 Mokwa Local Governments as at 31st December, 2019 and its operations for the year ended on the date.



Treasurer

31st December, 2019



Chairman

31st December, 2019

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, 2019 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.

Special opinion on State Local Government Joint Account Allocation Committee

Mokwa Local Government is eligible to receive revenue comprising Statutory Allocation, Value Added Taxes and Exchange Difference from the Federation Account. The revenues received by Mokwa Local Government, from the Ministry for Local Government, Community Development and Chieftaincy Affairs are indicated in the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts. In my opinion, the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts present fairly, in all material respects, the revenues received by Mokwa Local Government during the year ended December 31st, 2019.



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

1: Cash Flow Statement for the Year Ended 31st December, 2019

ANNUAL BUDGET 2019		NOTES	ACTUAL YEAR 2019	PREVIOUS YEAR 2018
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
2,292,745,784.00	Statutory Allocations: FAAC	1	2,353,531,560.34	2,220,275,263.31
	Value Added Tax Allocation	1		
2,292,745,784.00	Sub-total - Statutory Allocation		2,353,531,560.34	2,220,275,263.31
529,000.00	Direct Taxes	2	-	-
4,767,600.00	Licences & FEES	2	298,700.00	914,900.00
	Mining Rents:	2		
25,000,000.00	RATES	2	20,678,726.47	12,308,526.42
	Fees:	2		
	Fines	2		
	Sales	2		
12,756,780.00	Earnings :	2	14,267,572.59	13,187,445.00
3,460,000.00	Sales/Rent of Government Buildings:	2	561,000.00	511,577.35
1,500,000.00	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	455,000.00	269,157.58
49,019,380.00	Sub-total - Independent Revenue		36,260,999.06	
	Other Revenue Sources of the -Government	3		
49,019,380.00	TOTAL INDEPENDANT REVENUE		36,260,999.06	27,191,739.97
	Commercial Bank Loan		-	-
2,341,765,164.00	TOTAL RECEIPTS		2,389,792,559.40	2,247,467,003.28
	Payments:			
780,731,756.00	Personnel Costs	4	1,445,993,793.15	1,360,456,405.89
232,100,000.00	Overhead Charges:	5	132,647,670.68	206,403,655.61
635,679,322.00	Consolidated Revenue Fund Charges .	6	172,585,402.66	107,667,651.08
	contributions	9	157,088,500.00	537,470,520.78
	Other Operating Activities	7	343,801,274.03	-
	Financial Charges	7b	-	-
-	Other Transfers	8	70,000,000.00	25,100,000.00
1,648,511,078.00	Total Payments		2,322,116,640.52	2,237,098,233.36
693,254,086.00	Net Cash Flow from Operating Activities		67,675,918.88	10,368,769.92

	CashFlows from Investment Activities:			
	Capital Expenditure: Administrative Sector:	10	66,873,419.81	3,000,000.00
	Capital Expenditure: Economic Sector:	10	4,076,748.97	6,700,000.00
	Capital Expenditure: Law and Justice:	10	-	-
	Capital Expenditure: Regional Development	10	-	-
	capital expenditure: Social Service Sector:	10	5,457,247.10	2,740,000.00
	Capital Expenditure: Funded from Aid and Grants:		-	-
840,491,061.00	Total Cash Flow from Investment Activities:		76,407,415.88	12,440,000.00
(147,236,975.00)	Net Cash Flow from Investment Activities:		(8,731,497.00)	(2,071,230.08)
	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:		-	-
(147,236,975.00)	Net Cash Flow from Financing Activities:		(8,731,497.00)	(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		(8,731,497.00)	(2,071,230.08)
	Cash & Its Equivalent as at 1st January, 2019		9,264,804.71	11,336,034.79
	Cash & Its Equivalent as at 31st December, 2019		533,307.71	9,264,804.71

2: Statement of Assets and Liabilities as at 31st December, 2019

	NOTES	CURRENT YEAR 2019	PREVIOUS YEAR 2018
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:			
CASH AT HAND		73.28	
CASH AT BANK	9	533,234.43	9,264,804.71
TOTAL LIQUID ASSETS		533,307.71	9,264,804.71
NON CURRENT ASSETS:			
		-	-
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	-
TOTAL ASSETS		533,307.71	9,264,804.71
LIABILITIES OVER ASSETS		11,922,221.76	3,517,406.02
TOTAL		12,455,529.47	12,782,210.73
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	533,307.71	9,264,804.71
Capital Development Fund:		-	-
TOTAL PUBLIC FUNDS		533,307.71	9,264,804.71
EXTERNAL AND INTERNAL LOANS			-
BANK LOANS	11	-	-
		-	-
TOTAL EXTERNAL AND INTERNAL LOANS		-	-
OTHER LIABILITIES			
UNREMITTED DEDUCTIOS:			
Retention		120,000.00	1,065,813.36
5% Vat Deduction		4,886,184.15	2331592.66
5% Tax		6,151,963.45	120,000.00
1% Stamp duty		764,074.16	-
TOTAL LIABILITIES		11,922,221.76	3,517,406.02
TOTAL LIABILITIES AND PUBLIC FOUNDS		12,455,529.47	12,782,210.73

3: Statement of Consolidated Revenue for the year ended 31st December, 2019

ACTUAL PREVIOUS YEAR 2018		NOTES	ACTUAL YEAR 2019	FINAL BUDGET 2019	INITIAL/ORIGINAL BUDGET 2019
N			N	N	N
11,336,034.79	Opening Balance:		9,264,804.71		
-			-	-	-
-	ADD: REVENUE		-	-	-
2,220,275,263.31	Statutory Allocations: FAAC	1	2,353,531,560.34	2,292,745,784.00	-
-	Value Added Tax Allocation	1	-	-	-
2,231,611,298.10	Sub-Total - Statutory Allocation		2,362,796,365.05	2,292,745,784.00	-
-	Direct Taxes	2	-	529,000.00	-
914,900.00	Licences	2	298,700.00	4,767,600.00	-
-	Mining Rents:	2	-	-	-
12,308,526.42	RATE	2	20,678,726.47	25,000,000.00	-
-	Fees:	2	-	-	-
-	Fines	2	-	-	-
-	Sales	2	-	-	-
13,187,445.00	Earnings :	2	14,267,572.59	12,756,780.00	-
511,577.35	Sales/Rent of Government Buildings:	2	561,000.00	3,460,000.00	-
-	Sale/Rent on Lands and Others:	2	-	-	-
-	Repayment: General:	2	-	-	-
-	Investment Income	2	-	-	-
133.62	Interest Earned	2	-	6,000.00	-
269,157.58	MISCELLANEOUS	2	455,000.00	1,000,000.00	-
-	Re-Imbursements	2	-	-	-
27,191,739.97	Sub-Total - Independent Revenue		36,260,999.06	47,519,380.00	-
-	Other Revenue Sources of the ---Government	3	-	-	-
2,258,803,038.07	TOTAL REVENUE:		2,399,057,364.11	2,340,265,164.00	-
	LESS:EXPENDITURE				
1,360,456,405.89	Personnel Costs:	4	1,445,993,793.15	780,731,756.00	-
206,403,655.61	Overhead Charges:	5	132,647,670.68	232,100,000.00	-
107,667,651.08	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	6	172,585,402.66	-	-
537,470,520.78	Subvention to Parastatals:	9	157,088,500.00	-	-
-	Other Operating Activities	7	343,801,274.03	-	-
-	Financial Charges.	7b	-	-	-
25,100,000.00	Other Transfers	8	70,000,000.00	-	-
2,237,098,233.36	TOTAL EXPENDITURE:		2,322,116,640.52	1,012,831,756.00	-

	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:		-	-	-
21,704,804.71	OPERATING BALANCE:		76,940,723.59	1,012,831,756.00	-
	APPROPRIATIONS/TRANSFERS:				
12,440,000.00	Transfer to Capital Development Fund:		76,407,415.88	-	-
9,264,804.71	Closing Balance:		533,307.71		

4: Statement of Capital Development Fund for the year ended 31st December, 2019

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2018			EXPENDITURE 2019	BUDGET 2019	BUDGET 2019	BUDGET 2019
₦			₦	₦	₦	₦
-	Opening Balance:		-			
-	ADD: REVENUE		-	-	-	-
12,440,000.00	Transfer from Consolidated Revenue Fund:		76,407,415.88	-	-	-
-	Aid and Grants		-	-	-	-
12,440,000.00	TOTAL REVENUE AVAILABLE:		76,407,415.88	-	-	-
	LESS: CAPITAL EXPENDITURE					
3,000,000.00	Capital Expenditure: Administrative Sector:	10	66,873,419.81	-	-	-
6,700,000.00	Capital Expenditure: Economic Sector:	10	4,076,748.97	-	-	-
-	Capital Expenditure: Law and Justice:	10	-	-	-	-
-	Capital Expenditure: Regional Development	10	-	-	-	-
2,740,000.00	Capital Expenditure: Social Service Sector:	10	5,457,247.10	-	-	-
-	Capital Expenditure: Funded from Aid and Grants:		-	-	-	-
12,440,000.00	TOTAL CAPITAL EXPENDITURE:		76,407,415.88	840,491,061.00	-	-
	Intangible Assets					
-	LOSS ON INVESTMENT		-			
-	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2019

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₦	₦
Net Share of Statutory Allocation from FAAC	A	1,608,293,489.74	
Add :Deduction at source for Loan Repayment	B	745,238,070.60	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			2,353,531,560.34
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₦	₦	₦
TAXES	-	529,000.00	529,000.00
RATES	20,678,726.47	25,000,000.00	4,321,273.53
LINCENCES & FEES	298,700.00	4,767,600.00	4,468,900.00
EARNING FROM COMMERCIAL UNDERTAKING	14,267,572.59	12,756,780.00	(1,510,792.59)
RENT ON LOCAL GOVERNMENT PROPERTY	561,000.00	1,500,000.00	939,000.00
MISELLANEOUS	455,000.00	1,000,000.00	(449,000.00)
Interest& DIVIDEND Earned	-	6,000.00	
TOTAL I G R	36,260,999.06	45,559,380.00	8,298,380.94

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	2,017,603.88			
THE COUNCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	10,831,131.52			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	984,648.32			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	76,409,934.00			
TOTAL ADMIN SECTOR							90,243,317.72			
ECONOMIC SECTOR										
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	66,309,265.61			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	6,074,644.61			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	62,866,596.65			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	91,140,156.06			
TOTAL ECONOMIC SECTOR							226,390,662.93			

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	63,914,366.67			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	221,995,532.77			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	35,805,538.48			
TOTAL SOCIAL SECTOR						321,715,437.92			
TOTAL FOR ALL SECTORS						638,349,418.57			
ADJUSTMENT :									
PAYEE						21,713,935.10			
PAYEE (POLITICAL OFFICE						1,024,050.00			
UNION DUES						38,637,302.05			
NHF(2,5%)						16,491,236.39			
MHWU-ENDWELL						28,865,333.34			
EMIRATE COUNCIL						48,871,638.80			
PRIMARY EDUCATION						627,690,878.90			
Salary and Salary Related						24,350,000.00			
TOTAL PERSONNEL COST FOR ALL SECTORS						1,445,993,793.15			

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	2,491,000.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	75,000.00			
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	868,186.30			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	12,963,000.00			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	4,165,000.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	79,320,428.22			
							Provision of Serviceable Materials	-			
							TOTAL	99,882,614.52			
THE COUNCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	50,000.00			
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 office furniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles and Capital 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	150,000.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	2,300,000.00			
							TOTAL	2,500,000.00			

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	170,000.00			
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 office furniture & 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	550,000.00			
							TOTAL	720,000.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	827,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	330,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of office furniture & 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	45,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	1,424,000.00			
							TOTAL	2,626,000.00			
							TOTAL ADMIN SECTOR	105,728,614.52	-	-	-

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	2,138,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	45,000.00			
02	20001001	22020301	70112	2101		5	Stationary	1,458,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of office furniture & equipment	-			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	40,000.00			
02	20001001	22020701	70112	2101		8	Consultancy Services	30,000.00			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	10,184,191.16			
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	2,129,025.00			
							TOTAL	16,024,216.16			
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	10,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	1,230,000.00			
02	38001001	22020402	70112	2101		6	Maintenance of office furniture & 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	470,000.00			
							TOTAL	1,710,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	440,000.00			
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 office furniture & equipment	775,000.00			
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	Entertainment & Hospitality	-			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	645,000.00			
							Provision of Serviceable Materials	415,000.00			
							TOTAL	2,275,000.00			
AGRICULTURE AND NATURAL RESOURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	3,704,840.00			
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 office furniture & equipment	20,000.00			
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	591,000.00			
							TOTAL	4,315,840.00			
							TOTAL ECONOMIC SECTOR MINISTRY	24,325,056.16	-	-	-

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	99,000.00			
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 office furniture & 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	910,000.00			
							TOTAL	1,009,000.00			
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 office furniture & 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	40,000.00			
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 office furniture & 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	207,000.00			
							Provision of Serviceable Materials	757,000.00			
							TOTAL	1,004,000.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	186,000.00			
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 office furniture & 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	105,000.00			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	210,000.00			
							Provision of Serviceable Material	80,000.00			
							TOTAL	581,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	2,594,000.00	-	-	-
							TOTAL FOR ALL SECTORS	132,647,670.68	-	-	-

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	136,855,871.00			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	16,135,530.14			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		Pension arrears	19,594,001.52			
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	172,585,402.66			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	172,585,402.66			

Note 6A: Other Operating Activities

OPERATIONAL ACTIVITIES	AMOUNT
EMIRATE COUNCIL OVERHEAD	12,000,000.00
SECURITY	21,880,320.00
OVERHEAD TO AGENCIES	1,980,000.00
LEGAL CONSULTANT & SALARY CONSULTANT	3,600,000.00
PARTY DUES	540,000.00
SECURITY	84,020,000.00
OPERATIONAL	151,631,954.03
INTERVENTION	59,434,000.00
ALLOWANCE TO SA ON SECURITY	1,985,000.00
SERVICES	6,730,000.00
TOTAL	343,801,274.03

Note 6B: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,200,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	9,600,000.00
RESERVE FUND	44,000,000.00
TOTAL	70,000,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	-
CAPITAL	128,288,500.00
TOTAL CONTRIBUTIONS	157,088,500.00

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECON	FUNCTION	PROGRAMME	FUND	GEO.CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2019	2019 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
01	11033001	23010122	70722	010400009616	03005			Secretariat	64,110,721.81			
01	11033001	23010122	70722	010400009616	03005			Culvert Construction	762,698.00			
01	11033001	23010122	70722	010400009616	03005			Ward Development	2,000,000.00			
								TOTAL FOR ADMIN SECTOR	66,873,419.81			
												-
ECONOMIC SECTOR												-
02	20001001				03005			Transformer	70,000.00			
02								Flood and Erosion Control	2,923,453.97			(2,923,453.97)
								Portable Water	1,083,295.00			
								TOTAL FOR ECONOMIC SECTOR	4,076,748.97			
												-
SOCIAL SECTOR												-
05			70422	70900002606	03005			Construction of Basic Health	250,000.00			
								Renovation of Clinic	1,116,546.00			
								Kwakwara Wells	160,000.00			
								Renovation of Primary School	3,930,701.10			
								SOCIAL SECTOR TOTAL	5,457,247.10	-	-	-
								TOTAL FOR ALL SECTORS	76,407,415.88			-

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

ACCOUNT TYPE	AMOUNT
UBA PLC	36,043,161.08
UBA PLC	11.71
UBA PLC	131,001.55
UBA PLC	20.55
MICRO FINANCE BANK	45,844.30
ZENITH BANK	9,556.98
KEYSTONE BANK	6,998.26
TOTAL	36,236,594.43

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
RETENTION		120,000.00
5% VAT DEDUCTION		4,886,184.15
5% TAX		6,151,963.45
1% STAMP DUTY		764,074.16
TOTAL		11,922,221.76

MANAGEMENT REPORT ON AUDITED ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.0 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, 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)**.

3.0 REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Mokwa 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	36,260,999.06	1.52
	Statutory Allocation	2,353,531,560.34	98.49
TOTAL		2,389,792,559.40	100.00
TOTAL EXPENDITURE		AMOUNT	%
		₦	
	Salaries and Wages	1,445,993,793.15	60.29
	Overhead Cost	132,647,670.68	5.53
	Consolidated Revenue Fund Charges	172,585,402.66	7.20
•	Contributions	157,088,500.00	6.55
•	Other Operating Activities	343,801,274.03	14.33
•	Other Transfers	70,000,000.00	2.92
•	Capital Expenditures	76,407,415.88	3.18
TOTAL		2,398,524,056.40	100.00

3.1 REVENUE

The sum of ₦2,389,792,559.40 accrued to Mokwa Local Government Councils as total receipts for the year ended 31st December 2019

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Mokwa Local Government Council amounted to ₦36,260,999.06 only for the year ended 31st December 2019 which represents 1.52 % of the total accrued revenue of ₦2,389,792,559.40. 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 ₦2,353,531,560.34 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 ₦73.28 in respect of Mokwa Local Government Council at the end of the financial year ended 31st December 2019, while the total bank balances stood at ₦533,234.43 in respect of Mokwa Local Government Council as at the end of the financial year ended 31st December 2019

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.

5.0 BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦36,260,999.06 was generated as Internally Generated Revenue which represents 73.97 % when compared with the total budgeted Internally Generated Revenue amounting to ₦49,019,380.00 during the year under review. This is a fair performance, but there is room for improvement.

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.

6.0 PERSONNEL COST

It was observed that the total sum of ₦1,445,993,793.15 and ₦1,360,456,405.89 was spent as total personnel cost for the year 2019 and 2018 respectively with an increase of ₦85,537,387.26 over the previous year which represent 5.92%. This is as a result of salary increment by the state government during the year under review.

7.0 CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No.1 (Cash flow Statement) revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦840,491,061.00 and only the sum of ₦76,407,415.88 representing 9.09% was spent leaving the balance of ₦764,083,645.12 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	250,559,920.00	-	250,559,920.00
02	Economic Sector	170,610,886.00	1,186,546.00	169,424,340.00
05	Social Sector	419,320,255.00	75,220,869.88	344,099,385.12
TOTAL		840,491,061.00	76,407,415.88	764,083,645.12

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.

8.0 PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No.1 revealed that the Total Revenue stood at ₦2,389,792,559.40 with a Total Expenditure of ₦2,398,524,056.40 and close with a deficit balance of (₦8,731,497.00) 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 ₦11,922,221.76 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	4,886,184.15
5% Tax	6,151,963.45
Retention	120,000.00
1% stamp Duty	764,074.16
TOTAL	11,922,221.76

From the above table, the Councils recorded outstanding VAT amounting to ₦4,886,184.15 and WHT of ₦6,151,963.45 as at 31st December, 2019.

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.

10.0 OUTSTANDING AUDIT INSPECTION

AGX/F.O.19/TA/MOK/VOL.1 - 7th March, 2020

• Un-Receipted Payment Vouchers	₦21,020,141.57
• Unapproved Payment	₦332,000.00
• Payment for Work Not Done	₦2,910,000.00
• Payment Made without Payment Vouchers	₦42,905,837.37
• Payment for Capital Projects	₦63,128,090.00
• Direct Labour Project Work	₦2,563,295.00

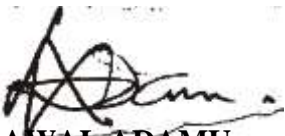
10.1 REQUIRED

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

11.0 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 GOVERNMENT OF NIGERIA
MUNYA LOCAL GOVERNMENT COUNCIL



AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2019

AUDITOR GENERAL FOR LOCAL GOVERNMENT
P.M.B 53, NIGER STATE

PERSONALITY PROFILE

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 - Statement of Financial Responsibility

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- **AUDIT REPORT**

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 - 112.0 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, 2019

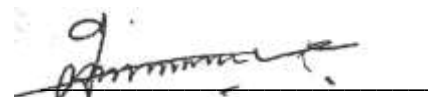
We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended.

In our opinion, these financial statements fairly reflect the financial position of Munya Local Governments as at 31st December, 2019 and its operations for the year ended on the date.



Treasurer

31st December, 2019



Chairman

31st December, 2019

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**

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

ADDRESS

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, 2019 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.

Special opinion on State Local Government Joint Account Allocation Committee

Munya Local Government is eligible to receive revenue comprising Statutory Allocation, Value Added Taxes and Exchange Difference from the Federation Account. The revenues received by Munya Local Government, from the Ministry for Local Government, Community Development and Chieftaincy Affairs are indicated in the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts. In my opinion, the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts present fairly, in all material respects, the revenues received by Munya Local Government during the year ended December 31st, 2019.



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

1: Cash Flow Statement for the Year Ended 31st December, 2019

ANNUAL BUDGET 2019		NOTES	ACTUAL YEAR 2019	PREVIOUS YEAR 2018
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,504,862,546.00	Statutory Allocations: FAAC	1	1,719,594,226.40	1,649,482,139.65
	Value Added Tax Allocation	1		
1,504,862,546.00	Sub-total - Statutory Allocation		1,719,594,226.40	1,649,482,139.65
2,100,000.00	Direct Taxes	2	-	-
7,180,000.00	Licences & FEES	2	3,702,731.00	6,712,751.00
	Mining Rents:	2		
3,000,000.00	RATES	2	-	-
	Fees:	2		
	Fines	2		
	Sales	2		
3,946,966.00	Earnings :	2	3,463,420.00	5,088,870.00
1,000,000.00	Sales/Rent of Government Buildings:	2	-	-
-	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
20,000.00	Interest Earned	2		
	Re-imbusement	2		
1,100,000.00	MISELLANEOUS	2	106,500.00	3,474,831.67
18,346,966.00	Sub-total - Independent Revenue			
	Other Revenue Sources of the -Government	3		
1,523,209,512.00	TOTAL INDEPENDANT REVENUE		7,272,651.00	15,276,452.67
	Commercial Bank Loan		-	-
1,523,209,512.00	TOTAL RECEIPTS		1,726,866,877.40	1,664,758,592.32
	Payments:			
551,018,857.00	Personnel Costs	3	817,640,644.98	727,159,713.92
207,810,000.00	Overhead Charges:	4	172,789,845.55	184,682,567.62
	Consolidated Revenue Fund Charges.	5	53,349,659.30	42,091,606.46
	contributions	7	179,488,000.00	600,156,453.49
	Other Operating Activities	6b	348,396,455.24	-
	Financial Charges		-	-
	Other Transfers	6	76,400,000.00	25,100,000.00
758,828,857.00	Total Payments		1,648,064,605.07	1,579,190,341.49
764,380,655.00	Net Cash Flow from Operating Activities		78,802,272.33	85,568,250.83

	CashFlows from Investment Activities:			
141,000,000.00	Capital Expenditure: Administrative Sector:	8	18,488,000.00	65,200,000.00
159,000,000.00	Capital Expenditure: Economic Sector:	8	58,454,474.74	16,798,000.00
216,000,000.00	capital expenditure: Social Service Sector:	8	2,690,000.00	11,688,100.00
-	Capital Expenditure: Funded from Aid and Grants:		-	-
516,000,000.00	Total Cash Flow from Investment Activities:		79,632,474.74	93,686,100.00
	Net Cash Flow from Investment Activities:		(830,202.41)	(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:		(830,202.41)	(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		(830,202.41)	(8,117,849.17)
	Cash & Its Equivalent as at 1st January, 2018		1,967,595.11	10,085,444.28
	Cash & Its Equivalent as at 31st December, 2018	9	1,137,392.70	1,967,595.11

2: Statement of Assets and Liabilities as at 31st December, 2019

	NOTES	CURRENT YEAR 2019		PREVIOUS YEAR 2018
		₦		₦
CURRENT ASSETS:-				
Liquid Assets:-				
Cash Held by AGNS:				
CASH IN BANK	9	1,136,491.26		1,967,203.67
CASH IN HAND		901.44		391.44
TOTAL LIQUID ASSETS		1,137,392.70		1,967,595.11
NON CURRENT ASSETS:				
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-		-
TOTAL ASSETS		1,137,392.70		1,967,595.11
LIABILITIES OVER ASSETS		21,020,105.12		15,260,532.89
TOTAL		22,157,497.82		17,228,128.00
LIABILITIES:-				
PUBLIC FUNDS				
Consolidated Revenue Fund:	CRF	1,137,392.70		1,967,595.11
Capital Development Fund:		-		-
TOTAL PUBLIC FUNDS		1,137,392.70		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		270,897.97
1% Stamp Duty Charges	12	796,324.75		-
5% VAT (Value Added Tax)	12	10,214,704.91		7,639,969.15
Federal Mortgage Bank	12	70,103.17		70,103.17
Medical and Health Union	12	91,581.70		91,581.70
2.5% Housing Funds	12	203,610.00		203,610.00
5% Withholding Tax	12	9,003,005.49		6,614,493.77
Compensation Funds	12	213,000.00		213,000.00
Comrade Cycle	12	156,877.13		156,877.13
TOTAL LIABILITIES		21,020,105.12		15,260,532.89
TOTAL LIABILITIES AND PUBLIC FUNDS		22,157,497.82		17,228,128.00

3: Statement of Consolidated Revenue for the year ended 31st December, 2019

ACTUAL PREVIOUS YEAR 2018		NOTES	ACTUAL YEAR 2019	FINAL BUDGET 2019	INITIAL/ORIGINAL BUDGET 2019
N			N	N	N
10,085,444.28	Opening Balance:		1,967,595.11		
	ADD: REVENUE				
1,649,482,139.65	Statutory Allocations: FAAC	1	1,719,594,226.40	1,504,862,546.00	
-	Value Added Tax Allocation	1	-		
1,649,482,139.65	Sub-Total - Statutory Allocation		1,719,594,226.40	1,504,862,546.00	
-	Direct Taxes	2	-	2,100,000.00	
6,712,751.00	Licences	2	3,702,731.00	7,180,000.00	
-	RATES	2	-	3,000,000.00	
-	Fees:	2	-		
-	Fines	2	-		
-	Sales	2	-		
5,088,870.00	Earnings :	2	3,463,420.00	3,946,966.00	
-	Sales/Rent of Government Buildings:	2	-		
-	Sale/Rent on Lands and Others:	2	-		
3,474,831.67	MISCELLANEOUS	2	106,500.00	1,100,000.00	
-	Investment Income	2	-		
-	Interest Earned	2	-		
-	Re-Imbursements	2	-		
15,276,452.67	Sub-Total - Independent Revenue		7,272,651.00	17,326,966.00	
-	Other Revenue Sources of the ---Government		-		
1,674,844,036.60	TOTAL REVENUE:		1,728,834,472.51	1,522,189,512.00	
	LESS:EXPENDITURE				
727,159,713.92	Personnel Costs:	3	817,640,644.98	551,018,857.00	
184,682,567.62	Overhead Charges:	4	172,789,845.55	207,810,000.00	
42,091,606.46	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	53,349,659.30		
600,156,453.49	contributions	7	179,488,000.00		
-	Other Operating Activities	6b	348,396,455.24		
-	Financial Charges.		-		
25,100,000.00	Other Transfers	6	76,400,000.00		
1,579,190,341.49	TOTAL EXPENDITURE:		1,648,064,605.07	758,828,857.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
-	Repayments: External Loans: States			-	
-	Repayments: States Bonds.			-	
-	Repayments: Development Loan Stock			-	
-	Repayments: Internal Loans from Other Funds	11		-	
-	TOTAL EXPENDITURE:			-	
95,653,695.11	OPERATING BALANCE:			80,769,867.44	
	APPROPRIATIONS/TRANSFERS:				
93,686,100.00	Transfer to Capital Development Fund:			79,632,474.74	-
1,967,595.11	Closing Balance:			1,137,392.70	

4: Statement of Capital Development Fund for the year ended 31st December, 2019

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2018			EXPENDITURE 2019	BUDGET 2019	BUDGET 2019	BUDGET 2019
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
93,686,100.00	Transfer from Consolidated Revenue Fund:		79,632,474.74	-		
-	Aid and Grants		-			
93,686,100.00	TOTAL REVENUE AVAILIABLE:		79,632,474.74	-		
	LESS: CAPITAL EXPENDITURE					
65,200,000.00	Capital Expenditure: Administrative Sector:	10	18,488,000.00	141,000,000.00		
16,798,000.00	Capital Expenditure: Economic Sector:	10	58,454,474.74	159,000,000.00		
11,688,100.00	Capital Expenditure: Social Service Sector:	10	2,690,000.00	216,000,000.00		
-	Capital Expenditure: Funded from Aid and Grants:		-			
93,686,100.00	TOTAL CAPITAL EXPENDITURE:		79,632,474.74	516,000,000.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
-	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2019

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₦	₦
Net Share of Statutory Allocation from FAAC	A	1,205,376,958.32	
Add :Deduction at source for Loan Repayment	B	514,217,268.08	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			1,719,594,226.40
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	3,702,731.00		
EARNING FROM COMMERCIAL UNDERTAKING	3,463,420.00		
RENT ON LOCAL GOVERNMENT PROPERTY	-		
MISELLANEOUS	106,500.00		
TOTAL I G R	7,272,651.00		

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	389,887.39			
							-			
THE COUNCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	2,334,602.16			
							-			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	212,236.56			
							-			
							-			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	55,528,729.42			
TOTAL ADMIN SECTOR							58,465,455.53			
ECONOMIC SECTOR										
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	32,967,821.83			
							-			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	-			
							-			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	46,892,725.05			
							-			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	45,326,355.34			
TOTAL ECONOMIC SECTOR							125,186,902.22			

SOCIAL SECTOR									
Sector	Admin	Economic	Function	Fund		ACTUAL EXPENDITURE 2019	APPROVED EXPENDITURE 2019	REVISED BUDGET	VARIANCE ON REVISED BUDGET
SOCIAL DEVELOPMENT									
05	17001001	21010101	70960	2101	TOTAL PERSONNEL COST	-			
						-			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	196,028,796.90			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	8,359,557.67			
TOTAL SOCIAL SECTOR						204,388,354.57			
TOTAL FOR ALL SECTORS						388,040,712.32			
ADJUSTMENT :									
PAYEE						14,149,165.91			
PAYEE (POLITICAL OFFICE						1,024,050.00			
UNION DUES						22,853,760.63			
NHF(2,5%)						10,862,111.41			
EMIRATE COUNCIL						52,305,611.84			
PRIMARY EDUCATION						286,924,467.01			
MHWU-ENDWELL						17,130,765.86			
Salary and Salary Related						24,350,000.00			
TOTAL PERSONNEL COST FOR ALL SECTORS						817,640,644.98			

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	17,473,000.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	4,875,000.00			
01	11001001	22020402	70111	2101		6	Maintenance of office	-			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	5,986,000.00			
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	9,588,900.00			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	4,460,000.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	13,054,000.00			
							PROVISION OF SERVICE MATERIALS	-			
							TOTAL	55,436,900.00			
THE COUNCIL											
01	12003001	22020101	70111	2101		2	Travel & Transport	5,800,000.00			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	2,284,000.00			
01	12003001	22020402	70111	2101		6	Maintenance of office furniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles and Capital 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	796,324.78			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	2,230,000.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	1,830,000.00			
							PROVISION FOR SERVICEABLE	-			
							TOTAL	12,940,324.78			

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	1,982,150.83			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	1,420,097.77			
01	11013001	22020402	70111	2101		6	Maintenance of office furniture & equipment	-			
01	11013001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	1,880,000.00			
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	860,000.00			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	1,970,000.00			
							TOTAL	8,112,248.60			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	3,750,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	3,658,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of office furniture & equipment	-			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	12,599,999.75			
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	9,100,000.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	-			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	2,835,000.00			
							TOTAL	31,942,999.75			
							TOTAL ADMIN	108,432,473.13	-	-	-

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	4,440,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	5,665,521.00			
02	20001001	22020402	70112	2101		6	Maintenance of office furniture & equipment	-			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	12,549,999.75			
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	4,750,000.00			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	4,350,000.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	2,250,178.74			
							TOTAL	34,005,699.49			
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	674,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	1,139,000.00			
02	38001001	22020402	70112	2101		6	Maintenance of office furniture & equipment	-			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	351,000.00			
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	-			
							TOTAL	2,164,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	1,795,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	2,670,000.00			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	1,590,000.00			
02	34001001	22020402	70451	2101		6	Maintenance of office furniture & equipment	2,362,000.00			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	5,560,000.00			
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	1,020,000.00			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	-			
							TOTAL	14,997,000.00			
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	1,044,840.00			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	440,000.00			
02	15001001	22020402	70421	2101		6	Maintenance of office furniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	2,300,000.00			
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	-			
							PROVISION OF SERVICEABLE	-			
							TOTAL	3,784,840.00			
							TOTAL ECONOMIC SECTOR MINISTRY	54,951,539.49			

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 office furniture & 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	1,493,000.00			
05	51003001	22020201	70922	2101		3	Utility Services	-			
05	51003001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	51003001	22020301	70922	2101		5	Stationary	1,499,832.93			
05	51003001	22020402	70922	2101		6	Maintenance of office furniture & 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	1,895,000.00			
05	51003001	22021002	70922	2101		12	Miscellaneous expenses	328,000.00			
							TOTAL	5,215,832.93			

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	1,050,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	380,000.00			
05	21001001	22020402	70731	2101		6	Maintenance of office furniture & 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	1,150,000.00			
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	-			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	-			
							PROVISION OF SERVICEABLE	-			
							TOTAL	2,580,000.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	987,000.00			
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 office furniture & 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	623,000.00			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	-			
							TOTAL	1,610,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	9,405,832.93			
							TOTAL FOR ALL SECTORS	172,789,845.55			

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	30,539,103.06			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	3,216,554.72			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	19,594,001.52			
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	53,349,659.30			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	53,349,659.30			

Note 6A: Other Operating Activities

OPERATIONAL ACTIVITIES	AMOUNT
EMIRATE COUNCIL OVERHEAD	13,200,000.00
SECURITY	103,434,827.75
OVERHEAD TO AGENCIES	1,980,000.00
LEGAL CONSULTANCY SERVICES	3,600,000.00
ALLOWANCE TO SA'S ON SECURITY	1,985,000.00
OPERATIONAL	135,561,883.26
INTERVENTION	88,124,744.23
PARTY DUES	510,000.00
DIRECT CREDIT	
TOTAL	348,396,455.24

Note 6B: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,200,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	16,000,000.00
NISEPA	
RESERVE FUND	44,000,000.00
TOTAL	76,400,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	-
Capital	150,688,000.00
TOTAL CONTRIBUTIONS	179,488,000.00

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR	ADMIN	ECON	FUNCTION	PROGRAMME	FUND	GEO.COD E	PROJECT NO	PROJECT TITLE	ACTUAL 2019	2019 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616	03005			Purchase of Chairman Lodge	10,550,000.00			
1	11033001							Purchase of Office Furniture	3,930,000.00			
1	11033001							Renovation of Dispensary	508,000.00			
								Renovation of Local Government Secretariat	3,500,000.00			
								TOTAL FOR ADMIN SECTOR	18,488,000.00			
ECONOMIC SECTOR												-
2	20001001				03005			Rural Electrification	5,800,000.00			
2								Construction of Drainage and Culvert	15,404,474.74			
2								Drilling of Boreholes	2,250,000.00			
2								Construction of Multipurpose Hall (ICT/View Center)	15,000,000.00			
2								Construction of Doctor Lodge	15,000,000.00			
2								Construction of District Head Palace	5,000,000.00			(5,000,000.00)
2								ECONOMIC SECTOR TOTAL	58,454,474.74	-	-	(5,000,000.00)
SOCIAL SECTOR												-
5			70422	70900002606	03005			Assistance of Community Project	2,690,000.00			
									-			
								SOCIAL SECTOR TOTAL	2,690,000.00	-	-	-
								TOTAL FOR ALL SECTORS	79,632,474.74			

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

ACCOUNT TYPE		AMOUNT
UBA		695,969.70
ZENITH BANK		440,521.56
TOTAL		1,136,491.26

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
1% STAMP DUTY CHARGES		796,324.75
5% VAT (VALUE ADDED TAX)		10,214,704.91
FEDERAL MORTGAGE BANK		70,103.17
MEDICAL AND HEALTH UNION		91,581.70
2.5% HOUSING FUNDS		203,610.00
5% WITHHOLDING TAX		9,003,005.49
COMPENSATION FUNDS		213,000.00
COMRADE CYCLE		156,877.13
TOTAL		21,020,105.12

MANAGEMENT REPORT ON AUDITED ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.0 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, 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)**.

3.0 REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Munya 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	7,272,651.00	0.42
	Statutory Allocation	1,719,594,226.40	99.58
TOTAL		1,726,866,877.40	100.00
TOTAL EXPENDITURE		AMOUNT	%
		₦	
	Salaries and Wages	817,640,644.98	47.33
	Overhead Cost	172,789,845.55	10.00
	Consolidated Revenue Fund Charges	53,349,659.30	3.09
•	Contributions	179,488,000.00	10.41
•	Other Operating Activities	348,396,455.24	20.14
•	Other Transfers	76,400,000.00	4.42
•	Capital Expenditures	79,632,474.74	4.61
TOTAL		1,727,697,079.81	100.00

3.1 REVENUE

The sum of ₦1,726,866,877.40 accrued to Munya Local Government Councils as total receipts for the year ended 31st December 2019

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Munya Local Government Council amounted to ₦36,260,999.06 only for the year ended 31st December 2019 which represents 1.52 % of the total accrued revenue of ₦1,726,866,877.40. 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 ₦1,719,594,226.40 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 ₦901.44 in respect of Munya Local Government Council at the end of the financial year ended 31st December 2019, while the total bank balances stood at ₦1,136,491.26 in respect of Munya Local Government Council as at the end of the financial year ended 31st December 2019

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.

5.0 BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦7,272,651.00 was generated as Internally Generated Revenue which represents 39.64% when compared with the total budgeted Internally Generated Revenue amounting to ₦18,346,966.00 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.

6.0 PERSONNEL COST

It was observed that the total sum of ₦817,640,644.98 and ₦727,159,713.92 was spent as total personnel cost for the year 2019 and 2018 respectively with an increase of ₦90,480,913.06 over the previous year which represent 11.06%. This is as a result of salary increment by the state government during the year under review.

7.0 CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No.1 (Cash Flow Statement) revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦719,036,409.00 and only the sum of ₦79,632,474.74 representing 11.07% was spent leaving the balance of ₦639,403,934.26 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	141,000,000.00	28,113,000.00	112,887,000.00
02	Economic Sector	159,000,000.00	13,349,236.87	145,650,763.13
05	Social Sector	419,036,409.00	38,170,237.87	380,866,171.13
TOTAL		719,036,409.00	79,632,474.74	639,403,934.26

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.

8.0 PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No.1 revealed that the Total Revenue stood at ₦1,726,866,877.40 with a Total Expenditure of ₦1,727,697,079.81 and close with a deficit balance of (₦830,202.41). 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 ₦21,020,105.12 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	10,214,704.91
5% Withholding Tax	9,003,005.49
PAYE	270,897.97
1% Stamp Duty Charges	796,324.75
Federal Mortgage Bank	70,103.17
Medical and Health Union	91,581.70
2.5% Housing Funds	203,610.00
Compensation Funds	213,000.00
Comrade Cycle	156,877.13
TOTAL	21,020,105.12

From the above table, the Councils recorded outstanding VAT amounting to ₦10,214,704.91 and WHT of ₦9,003,005.49 as at 31st December, 2019.

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.

10.0 OUTSTANDING AUDIT INSPECTION

AGX/F.O.19/TA/MUN/VOL.1 - 14th July, 2020

• Cash Interception (Internally Generated Revenue)	₦2,828,390.00
• Payment without Approval	₦470,000.00
• Supply not Taken on Charge to Store	₦500,000.00
• Fictitious Payment	₦560,000.00

10.1 REQUIRED

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

11.0 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 GOVERNMENT OF NIGERIA
PAIKORO LOCAL GOVERNMENT COUNCIL



AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2019

AUDITOR GENERAL FOR LOCAL GOVERNMENT
P.M.B 53, NIGER STATE

PERSONALITY PROFILE

- **FINANCIAL STATEMENT**

 - Statement of Financial Responsibility

 - Council Officials

 - Auditor General's Opinion

- **AUDIT REPORT**

 - 113.0 Cash Flow Statements

 - 114.0 Statement of Assets & Liabilities

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 - 120.0 Review of Financial Statement

 - 121.0 Internal Control

 - 122.0 Budgetary Control

 - 123.0 Personnel Cost

 - 124.0 Capital Expenditure

 - 125.0 Performance of Operation Activities

 - 126.0 Deposits

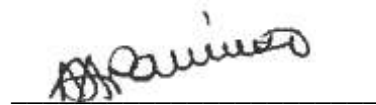
 - 127.0 Outstanding Audit Inspection

 - 128.0 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.

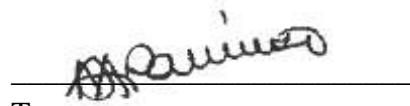


Treasurer

31st December, 2019

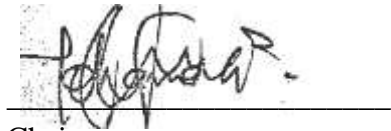
We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended.

In our opinion, these financial statements fairly reflect the financial position of Paikoro Local Governments as at 31st December, 2019 and its operations for the year ended on the date.



Treasurer

31st December, 2019



Chairman

31st December, 2019

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, 2019 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.

Special opinion on State Local Government Joint Account Allocation Committee

Paikoro Local Government is eligible to receive revenue comprising Statutory Allocation, Value Added Taxes and Exchange Difference from the Federation Account. The revenues received by Paikoro Local Government, from the Ministry for Local Government, Community Development and Chieftaincy Affairs are indicated in the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts. In my opinion, the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts present fairly, in all material respects, the revenues received by Paikoro Local Government during the year ended December 31st, 2019.



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

1: Cash Flow Statement for the Year Ended 31st December, 2019

ANNUAL BUDGET 2019		NOTES	ACTUAL YEAR 2019	PREVIOUS YEAR 2018
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
2,356,837,093.00	Statutory Allocations: FAAC	1	2,459,854,214.20	2,342,328,265.61
	Value Added Tax Allocation	1		
2,356,837,093.00	Sub-total - Statutory Allocation		2,459,854,214.20	2,342,328,265.61
200,000.00	Direct Taxes	2	-	29,600.00
20,600,000.00	Licences & FEES	2	6,344,280.00	10,695,310.00
	Mining Rents:	2		
5,000,000.00	RATES	2	2,348,650.00	3,171,102.64
	Fees:	2		
	Fines	2		
	Sales	2		
24,660,000.00	Earnings :	2	14,519,800.00	16,737,280.00
4,500,000.00	Sales/Rent of Government Buildings:	2	1,905,930.00	1,581,900.00
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
20,000.00	Interest Earned	2	2,135.27	18,812.56
	Re-imbusement	2		
400,000.00	MISELLANEOUS	2	1,755,735.00	475,000.00
55,380,000.00	Sub-total - Independent Revenue		26,876,530.27	
-	Other Revenue Sources of the -Government			
55,380,000.00	TOTAL INDEPENDANT REVENUE		26,876,530.27	32,709,005.20
-	Commercial Bank Loan		-	-
2,412,217,093.00	TOTAL RECEIPTS		2,486,730,744.47	2,375,037,270.81
	Payments:			
652,233,693.00	Personnel Costs	3	1,604,360,693.38	1,500,195,693.18
228,500,000.00	Overhead Charges:	4	101,704,517.10	182,365,276.41
914,896,953.00	Consolidated Revenue Fund Charges.	5	152,861,037.53	95,584,380.36
	contributions	7	134,488,000.00	530,575,174.31
	Other Operating Activities	6	328,029,790.99	-
	Financial Charges		-	-
	Other Transfers	6B	76,820,000.00	25,100,000.00
1,795,630,646.00	Total Payments		2,398,264,039.00	2,333,820,524.26
616,586,447.00	Net Cash Flow from Operating Activities		88,466,705.47	41,216,746.55

	CashFlows from Investment Activities:			
	Capital Expenditure: Administrative Sector:	8	7,344,965.56	11,336,250.00
	Capital Expenditure: Economic Sector:	8	44,538,996.70	1,250,000.00
	capital expenditure: Social Service Sector:	8	7,601,880.97	24,091,000.00
	Capital Expenditure: Funded from Aid and Grants:		-	-
619,536,482.00	Total Cash Flow from Investment Activities:		59,485,843.23	36,677,250.00
(2,950,035.00)	Net Cash Flow from Investment Activities:		28,980,862.24	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:		-	-
(2,950,035.00)	Net Cash Flow from Financing Activities:		28,980,862.24	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		28,980,862.24	4,539,496.55
	Cash & Its Equivalent as at 1st January, 2019		8,655,484.01	4,115,987.46
	Cash & Its Equivalent as at 31st December, 2019	9	37,636,346.25	8,655,484.01

2: Statement of Assets and Liabilities as at 31st December, 2019

	NOTES	CURRENT YEAR 2019	PREVIOUS YEAR 2018
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:			
CASH AT HAND		80	80.05
CASH AT BANK	9	37,636,266.25	8,655,484.01
TOTAL LIQUID ASSETS		37,636,346.25	8,655,564.06
NON CURRENT ASSETS:			
	10	-	-
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	-
TOTAL ASSETS		37,636,346.25	8,655,564.06
ASSETS OVER LIABILITIES		11,265,821.10	
TOTAL		48,902,167.35	
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	37,636,346.25	36,677,250.00
Capital Development Fund:		-	-
TOTAL PUBLIC FUNDS		37,636,346.25	36,677,250.00
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	-	-
		-	-
TOTAL EXTERNAL AND INTERNAL LOANS		-	-
OTHER LIABILITIES			36,677,250.00
UNREMITTED DEDUCTIOS:			
5% Withholding Tax		6,131,277.59	3,853,831.72
5% Value Added Tax		4,356,029.39	2,966,207.62
Refund of LEA		49,655.69	49,655.69
1% Stamp Duty Charges		594,858.43	134,000.00
RETENTION		134,000.00	-
TOTAL LIABILITIES		11,265,821.10	7,003,695.03
TOTAL LIABILITIES AND PUBLIC FOUNDS		48,902,167.35	43,680,945.03

3: Statement of Consolidated Revenue for the year ended 31st December, 2019

ACTUAL PREVIOUS YEAR 2018		NOTES	ACTUAL YEAR 2019	FINAL BUDGET 2019	INITIAL/ORIGINAL BUDGET 2019
N			N	N	N
4,115,987.46	Opening Balance:		8,655,484.01		
	ADD: REVENUE				
2,342,328,265.61	Statutory Allocations: FAAC	1	2,459,854,214.20	2,356,837,093.00	
-	Value Added Tax Allocation	1	-		
2,342,328,265.61	Sub-Total - Statutory Allocation		2,459,854,214.20	2,356,837,093.00	
29,600.00	Direct Taxes	2	-	200,000.00	
10,695,310.00	Licences	2	6,344,280.00	20,600,000.00	
3,171,102.64	RATES	2	2,348,650.00	5,000,000.00	
-	Fees:	2	-		
-	Fines	2	-		
-	Sales	2	-		
16,737,280.00	Earnings :	2	14,519,800.00	24,660,000.00	
1,581,900.00	Sales/Rent of Government Buildings:	2	1,905,930.00	4,500,000.00	
-	Sale/Rent on Lands and Others:	2	-		
475,000.00	MISCELLANEOUS	2	1,755,735.00	400,000.00	
-	Investment Income	2	-		
18,812.56	Interest Earned	2	2,135.27	20,000.00	
-	Re-Imbursements	2	-		
32,709,005.20	Sub-Total - Independent Revenue		26,876,530.27	55,380,000.00	
-	Other Revenue Sources of the ---Government		-	-	
2,379,153,258.27	TOTAL REVENUE:		2,495,386,228.48	2,412,217,093.00	
	LESS:EXPENDITURE				
1,500,195,693.18	Personnel Costs:	3	1,604,360,693.38	652,233,693.00	
182,365,276.41	Overhead Charges:	4	101,704,517.10	228,500,000.00	
95,584,380.36	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	152,861,037.53	914,896,953.00	
530,575,174.31	contributions	7	134,488,000.00		
-	Other Operating Activities		328,029,790.99		
-	Financial Charges.		-		
25,100,000.00	Other Transfers	6	76,820,000.00		
2,333,820,524.26	TOTAL EXPENDITURE:		2,398,264,039.00	1,795,630,646.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
-	Repayments: External Loans: States			-	
-	Repayments: States Bonds.			-	
-	Repayments: Development Loan Stock			-	
-	Repayments: Internal Loans from Other Funds	11		-	
-	TOTAL EXPENDITURE:			-	
45,332,734.01	OPERATING BALANCE:			97,122,189.48	
	APPROPRIATIONS/TRANSFERS:				
36,677,250.00	Transfer to Capital Development Fund:			59,485,843.23	
8,655,484.01	Closing Balance:			37,636,346.25	

4: Statement of Capital Development Fund for the year ended 31st December, 2019

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2018			EXPENDITURE 2019	BUDGET 2019	BUDGET 2019	BUDGET 2019
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
36,677,250.00	Transfer from Consolidated Revenue Fund:		59,485,843.23			
-	Aid and Grants		-			
36,677,250.00	TOTAL REVENUE AVAILIABLE:		59,485,843.23			
	LESS: CAPITAL EXPENDITURE					
11,336,250.00	Capital Expenditure: Administrative Sector:	10	7,344,965.56			
1,250,000.00	Capital Expenditure: Economic Sector:	10	44,538,996.70			
24,091,000.00	Capital Expenditure: Social Service Sector:	10	7,601,880.97			
-	Capital Expenditure: Funded from Aid and Grants:		-			
36,677,250.00	TOTAL CAPITAL EXPENDITURE:		59,485,843.23	619,536,482.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
-	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2019

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₦	₦
Net Share of Statutory Allocation from FAAC	A	1,617,106,744.59	
Add :Deduction at source for Loan Repayment	B	842,747,469.61	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			2,459,854,214.20
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₦	₦	₦
TAXES	-	200,000.00	200,000.00
RATES	2,348,650.00	5,000,000.00	2,651,350.00
LINCENCES & FEES	6,344,280.00	20,600,000.00	14,255,720.00
EARNING FROM COMMERCIAL UNDERTAKING	14,519,800.00	24,660,000.00	10,140,200.00
RENT ON LOCAL GOVERNMENT PROPERTY	1,905,930.00	4,500,000.00	2,594,070.00
INTREST AND DIVIDEND	2,135.27	20,000.00	17864.73
MISELLANEOUS	1,755,735.00	400,000.00	(1,355,735.00)
TOTAL I G R	26,876,530.27	55,380,000.00	28,503,469.73

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	2,695,110.23			
THE COUNCCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	6,747,645.78			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	529,785.98			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	49,969,793.65			
TOTAL ADMIN SECTOR							59,942,335.64			
ECONOMIC SECTOR										
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	63,685,686.77			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	4,041,536.53			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	52,715,057.45			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	72,719,206.97			
TOTAL ECONOMIC SECTOR							193,161,487.72			

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	46,784,872.95			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	218,412,637.56			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	22,687,970.00			
TOTAL SOCIAL SECTOR						287,885,480.51			
TOTAL FOR ALL SECTORS						540,989,303.87			
ADJUSTMENT :									
PAYEE						24,078,299.41			
PAYEE (POLITICAL OFFICE						1,024,050.00			
UNION DUES						42,532,344.38			
NHF(2,5%)						14,478,617.89			
MHWU-EDWELL						23,251,823.77			
EMIRATE COUNCIL						52,305,611.84			
PRIMARY EDUCATION						881,350,642.22			
Salary and Salary Related						24,350,000.00			
TOTAL PERSONNEL COST FOR ALL SECTORS						1,604,360,693.38			

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	4,110,000.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	424,000.00			
01	11001001	22020402	70111	2101		6	Maintenance of office	235,000.00			
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	40,705,437.22			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	795,000.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	25,755,000.00			
							TOTAL	72,024,437.22			
THE COUNCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	190,000.00			
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	1,340,000.00			
							TOTAL	1,530,000.00			

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	60,000.00			
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 office furniture & 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	15,000.00			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	100,000.00			
							TOTAL	175,000.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	1,924,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	625,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of office furniture & equipment	-			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	25,000.00			
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	1,240,000.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	667,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	1,790,000.00			
							TOTAL	6,271,000.00			
							TOTAL ADMIN SECTOR	80,000,437.22	-	-	-

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	2,192,876.64			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	903,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of office furniture & equipment	210,000.00			
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	1,856,333.37			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	970,000.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	4,668,869.87			
							TOTAL	10,801,079.88			
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	50,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	10,000.00			
02	38001001	22020402	70112	2101		6	Maintenance of office furniture & 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	115,000.00			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	550,000.00			
							TOTAL	725,000.00			

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 office furniture & 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	30,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	680,000.00			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services				
02	15001001	22020301	70421	2101		5	Stationary	10,000.00			
02	15001001	22020402	70421	2101		6	Maintenance of office furniture & equipment	308,000.00			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	820,000.00			
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	140,000.00			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	500,000.00			
							Provision of Serviceable Materials	-			
							TOTAL	2,488,000.00			
							TOTAL ECONOMIC SECTOR MINISTRY	18,774,079.88	-	-	-

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	680,000.00			
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 office furniture & 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	230,000.00			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	620,000.00			
							TOTAL	1,530,000.00			
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 office furniture & 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	225,000.00			
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 office furniture & equipment	-			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	5,000.00			
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)	130,000.00			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	520,000.00			
							TOTAL	880,000.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	20,000.00			
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 office furniture & 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	500,000.00			
							TOTAL	520,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	2,930,000.00	-	-	-
							TOTAL FOR ALL SECTORS	101,704,517.10	-	-	-

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	132,576,961.83		7,354,366.12	
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	690,074.18			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		Pension arrears	19,594,001.52			
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	152,861,037.53			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	152,861,037.53			

Note 6A: Other Operating Activities

OPERATIONAL ACTIVITIES	AMOUNT
EMIRATE COUNCIL OVERHEAD	13,200,000.00
SECURITY	21,880,320.00
OVERHEAD TO AGENCIES	1,980,000.00
LEGAL CONSULTANT AND SALARY CONSULTANT	3,600,000.00
PARTY DUES	540,000.00
SECURITY	86,020,000.00
OPERATIONAL	138,390,470.99
INTERVENTION	60,434,000.00
ALLOWANCE TO SA ON SECURITY	1,985,000.00
TOTAL	328,029,790.99

Note 6B: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,200,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	16,420,000.00
RESERVE FUND	44,000,000.00
TOTAL	76,820,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	-
CAPITAL	105,688,000.00
TOTAL CONTRIBUTIONS	134,488,000.00

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECON	FUNCTION	PROGRAMME	FUND	GEO.CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2019	2019 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
01	11033001	23010122	70722	010400009616	03005	12620500		Contribution to CSDP	500,000.00			
01	11033001	23010122	70722	010400009616	03005	12620500		Office Furniture	5,067,028.74			
01	11033001	23010122	70722	010400009616	03005	12620500		District Head House/Office	1,777,936.82			
								TOTAL FOR ADMIN SECTOR	7,344,965.56			
												-
ECONOMIC SECTOR												-
02	20001001				03005	12620500		Construction of Fence	12,863,996.70			
02								Bridge and Culvert	7,000,000.00			(7,000,000.00)
02								Construction of Drainage and Culverts	10,500,000.00			
02								Compensation for Land	14,175,000.00			
02								ECONOMIC SECTOR TOTAL	44,538,996.70	-	-	(7,000,000.00)
												-
SOCIAL SECTOR												-
05			70422	70900002606	03005	12620500		Renovation of Dispensaries	200,000.00			
								Procurement of Waste Disposal Bins/Receptacles	3,290,775.00			
								Women and Youth Empowerment/Youth Development	591,600.00			
								Bore Holes	2,292,254.97			
								Repairs of Bore Holes	1,227,251.00			
								SOCIAL SECTOR TOTAL	7,601,880.97	-	-	-
								TOTAL FOR ALL SECTORS	59,485,843.23			-

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

ACCOUNT TYPE		AMOUNT
PANA MICRO FINANCE BANK (REVENUE ACCT)		299,764.84
PANA MICRO FINANCE BANK(TRACTOR HIRING)		390.25
PANA MICRO FINANCE BANK (HEAVY DUTY)		6,469.12
UBA SALARY		36,993,825.90
UNION BANK (REVENUE ACCOUNT)		200,292.22
UNION BANK (DEPOSIT ACCOUNT)		102,898.68
UNION BANK (OVERHEAD ACCOUNT)		14,163.55
UNION BANK (OLD SALARY ACCOUNT)		18,461.69
UNION BANK (PROJECT ACCOUNT)		-
TOTAL		37,636,266.25

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		6,131,277.59
5% Value Added Tax		4,356,029.39
Refund of LEA		49,655.69
1% Stamp Duty Charges		594,858.43
RETENTION		134,000.00
TOTAL LIABILITIES		11,265,821.10

MANAGEMENT REPORT ON AUDITED ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.0 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, 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)**.

3.0 REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Paikoro 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	26,876,530.27	1.08
	Statutory Allocation	2,459,854,214.20	98.92
TOTAL		2,486,730,744.47	<u>100.00</u>
TOTAL EXPENDITURE		AMOUNT	%
		₦	
	Salaries and Wages	1,604,360,693.38	65.28
	Overhead Cost	101,704,517.10	4.14
	Consolidated Revenue Fund Charges	152,861,037.53	6.22
•	Contributions	134,488,000.00	5.47
•	Other Operating Activities	328,029,790.99	13.34
•	Other Transfers	76,820,000.00	3.13
•	Capital Expenditures	59,485,843.23	2.42
TOTAL		2,457,749,882.23	100.00

3.1 REVENUE

The sum of ₦2,486,730,744.47 accrued to Paikoro Local Government Councils as total receipts for the year ended 31st December 2019

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Paikoro Local Government Council amounted to ₦26,876,530.27 only for the year ended 31st December 2019 which represents 1.08 % of the total accrued revenue of ₦2,486,730,744.47. 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 ₦2,459,854,214.20 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 ₦0.00 in respect of Paikoro Local Government Council at the end of the financial year ended 31st December 2019, while the total bank balances stood at ₦37,636,346.25 in respect of Paikoro Local Government Council as at the end of the financial year ended 31st December 2019.

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.

5.0 BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦26,876,530.27 was generated as Internally Generated Revenue which represents 48.53% when compared with the total budgeted Internally Generated Revenue amounting to ₦55,380,000.00 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.

6.0 PERSONNEL COST

It was observed that the total sum of ₦1,604,360,693.38 and ₦1,500,195,693.18 was spent as total personnel cost for the year 2019 and 2018 respectively with an increase of ₦104,165,000.20 over the previous year which represent 6.49%. This is as a result of salary increment by the state government during the year under review.

7.0 CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No.1 (Cash Flow Statement) revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦619,536,482.00 and only the sum of ₦59,485,843.23 representing % was spent leaving the balance of ₦560,050,638.77 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	118,502,091.00	7,344,965.56	111,157,125.44
02	Economic Sector	270,834,649.00	34,038,996.70	236,795,652.30
05	Social Sector	230,199,742.00	18,101,880.97	212,097,861.03
TOTAL		619,536,482.00	59,485,843.23	560,050,638.77

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.

8.0 PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No.1 revealed that the Total Revenue stood at ₦2,486,730,744.47 with a Total Expenditure of ₦2,457,749,882.23 close with a surplus balance of ₦28,980,862.24. 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 ₦11,265,821.10 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 2019.

Outstanding deductions as at 31 December 2019.

DETAILS	AMOUNT ₦
5% VAT	4,356,029.39
5% Withholding Tax	6,131,277.59
Retention Fees	134,000.00
Refund of Pana Loan LEA	49,655.69
1% Stamp Duty Charges	594,858.43
TOTAL	11,265,821.10

From the above table, the Councils recorded outstanding VAT amounting to ₦4,356,029.39 and WHT of ₦6,131,277.59 as at 31st December, 2019.

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.

10.0 OUTSTANDING AUDIT INSPECTION

AGX/F.O.19/TA/PAK/VOL.1 - 30th June, 2020

- Un-Receipted Payment Vouchers ₦150,000.00

10.1 REQUIRED

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

11.0 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 GOVERNMENT OF NIGERIA
RAFI LOCAL GOVERNMENT COUNCIL



AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2019

AUDITOR GENERAL FOR LOCAL GOVERNMENT
P.M.B 53, NIGER STATE

PERSONALITY PROFILE

- **FINANCIAL STATEMENT**
 - Statement of Financial Responsibility
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- **AUDIT REPORT**
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 - 144.0 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, 2019

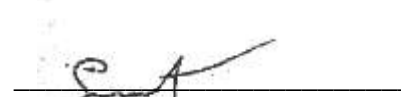
We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended.

In our opinion, these financial statements fairly reflect the financial position of Rafi Local Governments as at 31st December, 2019 and its operations for the year ended on the date.



Treasurer

31st December, 2019



Chairman

31st December, 2019

COUNCIL OFFICIALS

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Ismaila Musa MAdibo Executive Chairman
Honourable Mohammed Bala Madaki Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:	DEPARTMENTS	DESIGNATION
Mallam Bala Bawa	Personnel Management	H. O. D
Mallam Yakubu Musa Uregi	Finance and Supply	H. O. D
Mallam M. Danteni Musa	Primary Health Care	H. O. D
Mallam Tanko B. Waziri	Agriculture and Natural Resources	H. O. D
Mallam Adamu Musa Fuka	Works and Housing	H. O. D
Mallama Maryam Abubakar Augi	Budget and Planning	H. O. D
Mallam Ibrahim Yahaya Imam	Social Development	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, 2019 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.

Special opinion on State Local Government Joint Account Allocation Committee

Rafi Local Government is eligible to receive revenue comprising Statutory Allocation, Value Added Taxes and Exchange Difference from the Federation Account. The revenues received by Rafi Local Government, from the Ministry for Local Government, Community Development and Chieftaincy Affairs are indicated in the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts. In my opinion, the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts present fairly, in all material respects, the revenues received by Rafi Local Government during the year ended December 31st, 2019.



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

1: Cash Flow Statement for the Year Ended 31st December, 2019

ANNUAL BUDGET 2019		NOTES	ACTUAL YEAR 2019	PREVIOUS YEAR 2018
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,730,976,302.00	Statutory Allocations: FAAC	1	2,035,707,580.32	2,068,688,139.12
	Value Added Tax Allocation	1		
1,730,976,302.00	Sub-total - Statutory Allocation		2,035,707,580.32	2,068,688,139.12
800,000.00	Direct Taxes	2	-	10,000.00
4,850,000.00	Licences & FEES	2	1,224,010.00	1,413,160.00
	Mining Rents:	2		
3,000,000.00	RATES	2	1,818,260.00	3,290,062.50
	Fees:	2		
	Fines	2		
	Sales	2		
5,095,000.00	Earnings :	2	-	4,614,525.00
-	Sales/Rent of Government Buildings:	2	4,297,380.00	-
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
-	Interest Earned	2	1,890.16	
	Re-imbusement	2		
200,000.00	MISELLANEOUS	2	-	1.63
13,945,000.00	Sub-total - Independent Revenue		7,341,540.16	
	Other Revenue Sources of the -Government			
13,945,000.00	TOTAL INDEPENDANT REVENUE		7,341,540.16	9,327,749.13
	Commercial Bank Loan		-	-
1,744,921,302.00	TOTAL RECEIPTS		2,043,049,120.48	2,078,015,888.25
	Payments:			
617,766,072.00	Personnel Costs	3	1,010,157,886.58	953,640,519.95
303,280,000.00	Overhead Charges:	4	114,534,848.15	237,614,829.79
640,498,699.00	Consolidated Revenue Fund Charges.	5	104,907,630.14	71,579,813.63
	contributions	7	265,408,000.00	734,603,090.53
	Other Operating Activities	6	389,772,585.94	-
	Financial Charges		-	-
-	Other Transfers	6B	76,080,000.00	25,100,000.00
1,561,544,771.00	Total Payments		1,960,860,950.81	2,022,538,253.90
183,376,531.00	Net Cash Flow from Operating Activities		82,188,169.67	55,477,634.35

	CashFlows from Investment Activities:			
	Capital Expenditure: Administrative Sector:	8	27,191,500.00	16,710,000.00
	Capital Expenditure: Economic Sector:	8	13,100,000.00	37,543,000.00
	capital expenditure: Social Service Sector:	8	11,300,000.00	6,200,000.00
	Capital Expenditure: Funded from Aid and Grants:		-	-
578,954,710.00	Total Cash Flow from Investment Activities:		51,591,500.00	60,453,000.00
(395,578,179.00)	Net Cash Flow from Investment Activities:		30,596,669.67	(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:		-	-
(395,578,179.00)	Net Cash Flow from Financing Activities:		30,596,669.67	(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		30,596,669.67	(4,975,365.65)
	Cash & Its Equivalent as at 1st January, 2019		6,790,165.10	11,765,530.75
	Cash & Its Equivalent as at 31st December, 2019	9	37,386,834.77	6,790,165.10

2: Statement of Assets and Liabilities as at 31st December, 2019

	NOTES	CURRENT YEAR 2019	PREVIOUS YEAR 2018
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:			
CASH AT BANK	9	37,386,834.77	501,016.53
TOTAL LIQUID ASSETS		37,386,834.77	501,016.53
NON CURRENT ASSETS:			
Cooperatives		2,977,405.90	-
TOTAL INVESTMENTS AND OTHER CASH ASSETS		2,977,405.90	-
TOTAL ASSETS		40,364,240.67	4,919,915.67
LIABILITIES OVER ASSETS		16,974,974.74	12,759,988.16
TOTAL		57,339,215.41	17,679,903.83
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	37,386,834.77	6,379,994.07
Capital Development Fund:		-	-
TOTAL PUBLIC FUNDS		37,386,834.77	6,379,994.07
EXTERNAL AND INTERNAL LOANS			
BANK LOANS OVERDRAFT	11	520,851.43	520,851.45
		-	-
TOTAL EXTERNAL AND INTERNAL LOANS		520,851.43	520,851.45
OTHER LIABILITIES			
UNREMITTED DEDUCTIOS:			
1% Stamp Duty Charges	12	515,915.00	
5% Tax Deduction	12	7,859,478.54	5,279,903.54
	12	-	(2,977,405.90)
5% VAT	12	11,056,135.67	8,476,560.67
TOTAL LIABILITIES		19,431,529.21	10,779,058.31
TOTAL LIABILITIES AND PUBLIC FOUNDS		57,339,215.41	17,679,903.83

3: Statement of Consolidated Revenue for the year ended 31st December, 2019

ACTUAL PREVIOUS YEAR 2018		NOTES	ACTUAL YEAR 2019	FINAL BUDGET 2019	INITIAL/ORIGINAL BUDGET 2019
₦			₦	₦	₦
11,765,530.75	Opening Balance:		6,790,165.10		
	ADD: REVENUE				
2,068,688,139.12	Statutory Allocations: FAAC	1	2,035,707,580.32	1,730,976,302.00	
	Value Added Tax Allocation	1			
2,068,688,139.12	Sub-Total - Statutory Allocation		2,035,707,580.32	1,730,976,302.00	
10,000.00	Direct Taxes	2	-	800,000.00	
1,413,160.00	Licences	2	1,224,010.00	4,850,000.00	
3,290,062.50	RATES	2	1,818,260.00	3,000,000.00	
-	Fees:	2	-		
-	Fines	2	-		
-	Sales	2	-		
4,614,525.00	Earnings :	2	-	5,095,000.00	
-	Sales/Rent of Government Buildings:	2	4,297,380.00		
-	Sale/Rent on Lands and Others:	2	-		
1.63	MISCELLANEOUS	2	-	200,000.00	
-	Investment Income	2	-		
-	Interest Earned	2	1,890.16	-	
-	Re-Imbursements	2	-		
9,327,749.13	Sub-Total - Independent Revenue		7,341,540.16	13,945,000.00	
-	Other Revenue Sources of the ---Government		-		
2,089,781,419.00	TOTAL REVENUE:		2,049,839,285.58	1,744,921,302.00	
	LESS:EXPENDITURE				
953,640,519.95	Personnel Costs:	3	1,010,157,886.58	617,766,072.00	
237,614,829.79	Overhead Charges:	4	114,534,848.15	303,280,000.00	
71,579,813.63	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	104,907,630.14		
734,603,090.53	contributions	7	265,408,000.00		
-	Other Operating Activities		389,772,585.94		
-	Financial Charges.		-		
25,100,000.00	Other Transfers	6	76,080,000.00	-	
2,022,538,253.90	TOTAL EXPENDITURE:		1,960,860,950.81	921,046,072.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
-	Repayments: External Loans: States			-	
-	Repayments: States Bonds.			-	
-	Repayments: Development Loan Stock			-	
-	Repayments: Internal Loans from Other Funds	11		-	
-	TOTAL EXPENDITURE:			-	
67,243,165.10	OPERATING BALANCE:			88,978,334.77	
	APPROPRIATIONS/TRANSFERS:				
60,453,000.00	Transfer to Capital Development Fund:			51,591,500.00	
6,790,165.10	Closing Balance:			37,386,834.77	

4: Statement of Capital Development Fund for the year ended 31st December, 2019

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2018			EXPENDITURE 2019	BUDGET 2019	BUDGET 2019	BUDGET 2019
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
60,453,000.00	Transfer from Consolidated Revenue Fund:		51,591,500.00			
-	Aid and Grants		-			
60,453,000.00	TOTAL REVENUE AVAILABLE:		51,591,500.00			
	LESS: CAPITAL EXPENDITURE					
16,710,000.00	Capital Expenditure: Administrative Sector:	10	27,191,500.00			
37,543,000.00	Capital Expenditure: Economic Sector:	10	13,100,000.00			
6,200,000.00	Capital Expenditure: Social Service Sector:	10	11,300,000.00			
-	Capital Expenditure: Funded from Aid and Grants:		-			
60,453,000.00	TOTAL CAPITAL EXPENDITURE:		51,591,500.00	578,954,710.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
-	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2019

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₦	₦
Net Share of Statutory Allocation from FAAC	A	1,349,344,407.21	
Add :Deduction at source for Loan Repayment	B	686,363,173.11	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			2,035,707,580.32
B. Value Added Tax			
Share of Value Added Tax (VAT)	E	-	

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₦	₦	₦
TAXES	-	800,000.00	800,000.00
RATES	1,818,260.00	3,000,000.00	1,181,740.00
LINCENCES & FEES	1,224,010.00	4,850,000.00	3,625,990.00
EARNING FROM COMMERCIAL UNDERTAKING	-	5,095,000.00	5,095,000.00
RENT ON LOCAL GOVERNMENT PROPERTY	4,297,380.00	-	(4,297,380.00)
DIVIDEND	1,890.16	-	(1,890.16)
MISCELLANEOUS	-	200,000.00	200,000.00
TOTAL I G R	7,341,540.16	13,945,000.00	6,603,459.84

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	5,873,972.22			
THE COUNCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	8,412,773.04			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	636,709.74			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	53,428,243.93			
TOTAL ADMIN SECTOR							68,351,698.93			
ECONOMIC SECTOR										
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	37,971,674.46			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	-			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	69,874,529.25			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	55,147,603.46			
TOTAL ECONOMIC SECTOR							162,993,807.17			

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	177,283,246.96			
SOCIAL DEVELOPMENT									
05	14001001	21010101	70131	2101	TOTAL PERSONNELCOST	43,743,505.40			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	27,389,449.46			
TOTAL SOCIAL SECTOR						248,416,201.82			
TOTAL FOR ALL SECTORS						479,761,707.92			
ADJUSTMENT :									
PAYEE						15,492,390.71			
PAYEE (POLITICAL OFFICE						1,024,050.00			
UNION DUES						24,830,657.65			
NHF(2,5%)						12,123,758.82			
MHWU-EDWELL						18,987,545.54			
EMIRATE COUNCIL						93,702,291.00			
PRIMARY EDUCATION						339,885,484.94			
Salary and Salary Related						24,350,000.00			
TOTAL PERSONNEL COST FOR ALL SECTORS						1,010,157,886.58			

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	1,493,000.00			
01	11001001	22020201	70111	2101		3	Utility Services				
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	10,000.00			
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	41,908,416.57			
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	8,283,000.00			
							TOTAL	51,694,416.57			
THE COUNCCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	1,822,000.00			
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 office furniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	-			
01	12003001	22020701	70111	2101		8	Consultancy Services	-			
01	12003001	22040109	70111	2101		9	Grants, Contributions & Subventions	3,157,655.00			
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	-			
							TOTAL	5,129,655.00			

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	100,000.00			
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 office furniture & 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				
							TOTAL	100,000.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	6,636,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	160,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of office furniture & 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	7,387,000.00			
01	25001001	22020501	70131	2101		10	Training and staff Development	-			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	110,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	1,635,000.00			
							TOTAL	15,928,000.00			
							TOTAL ADMIN. SECTOR	72,852,071.57	-	-	-

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	6,296,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	560,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of office furniture & equipment	60,000.00			
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	12,429,436.58			
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	4,050,000.00			
							TOTAL	23,395,436.58			
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	250,000.00			
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 office furniture & 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	245,000.00			
							TOTAL	495,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	660,000.00			
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 office furniture & equipment	536,000.00			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	8,600,000.00			
02	34001001	22020701	70451	2101		8	Consultancy Services	-			
02	34001001	22040109	70451	2101		9	Grants, Contributions & Subventions	50,000.00			
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	1,856,500.00			
							TOTAL	11,702,500.00			
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	945,000.00			
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 office furniture & 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	266,000.00			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	654,840.00			
							TOTAL	1,865,840.00			
							TOTAL ECONOMIC SECTOR MINISTRY	37,458,776.58	-	-	-

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	1,020,000.00			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	20,000.00			
05	17001001	22020402	70922	2101		6	Maintenance of office furniture & 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	20,000.00			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	677,000.00			
							TOTAL	1,737,000.00			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport	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 office furniture & 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	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 office furniture & equipment	-			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	150,000.00			
05	21001001	22020701	70731	2101		8	Consultancy Services	-			
						9	Grant, Contribution, and Subvention	50,000.00			
05	21001001	22020501	70731	2101		10	Training and staff Development	-			
05	21001001	22021001	70731	2101		11	Entertainment & Hospital(Medical Assistance)	50,000.00			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	215,000.00			
							Provision of Serviceable Materials	100,000.00			
							TOTAL	1,185,000.00			
TRADITIONAL OFFICE											
05	51002002	22020101	70180	2101		2	Travel & Transport	90,000.00			
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 office furniture & 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	100,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	4,224,000.00	-	-	-
							TOTAL FOR ALL SECTORS	114,534,848.15	-	-	-

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	77,596,141.09			
01	25001001	22010101	70131	02101		Gratuity Statutory				
01	25001001	22010103	70131	02101		Additional Pension	7,608,287.55			
01	25001001	22010104	70131	02101		Gratuity to contract officers				
01	25001001	22010105	70131	02101		142% Pension arrears	19,703,201.50			
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	104,907,630.14			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	104,907,630.14			

Note 6A: Other Operating Activities

OPERATIONAL ACTIVITIES	AMOUNT
EMIRATE COUNCIL OVERHEAD	48,000,000.00
SECURITY	21,880,320.00
OVERHEAD TO AGENCIES	1,980,000.00
LEGAL CONSULTANCY AND SALARY CONSULTANCY	3,600,000.00
PARTY DUES	540,000.00
SECURITY	39,800,000.00
OPERATIONAL	148,430,470.99
INTERVENTION	123,556,794.95
ALLOWANCE TO SA ON SECURITY	1,985,000.00
TOTAL	389,772,585.94

Note 6B: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,200,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	15,680,000.00
RESERVE	44,000,000.00
TOTAL	76,080,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	-
CAPITAL	236,608,000.00
TOTAL CONTRIBUTIONS	265,408,000.00

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECON	FUNCTION	PROGRAMME	FUND	GEO.CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2019	2019 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616	03005			General Administration	27,191,500.00			
1	11033001											
1	11033001											
								TOTAL FOR ADMIN SECTOR	27,191,500.00			
												-
ECONOMIC SECTOR												-
								Electrification	300,000.00			
								Transport, Roads, and Bridge	12,800,000.00			
2								ECONOMIC SECTOR TOTAL	13,100,000.00	-	-	-
												-
SOCIAL SECTOR												-
5			70422	70900002606	03005			Market Construction	3,700,000.00			
								Consultancy of Primary School	900,000.00			
								Social Development	6,700,000.00			
								SOCIAL SECTOR TOTAL	11,300,000.00	-	-	-
								TOTAL FOR ALL SECTORS	51,591,500.00			-

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

ACCOUNT TYPE		AMOUNT
FIRST BANK PLC.		101,333.42
FIRST BANK PLC.		1,572,808.99
FIRST BANK PLC.		2,147.48
FIRST BANK PLC.		696.66
FIRST BANK PLC.		1064.75
MASOYI MICROFINANCE BANK		20,374.00
UNITY BANK		2,868.06
UBA PLC.		35,685,541.41
TOTAL		37,386,834.77
OVERDRAWN ACCOUNTS:		
FIRST BANK PLC.		(195,357.21)
MASOYI MICROFINANCE BANK		(325,494.22)
TOTAL		(520,851.43)

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	520,851.43	-	-	-	-	520,851.43
TOTAL						520,851.43

Note 12: Unremitted Deductions

UNREMITTED DEDUCTIONS	AMOUNT
1% Stamp Duty Charges	515,915.00
5% Tax Deduction	7,859,478.54
Cooperatives	2,977,405.90
5% VAT	11,056,135.67
TOTAL	22,408,935.11

MANAGEMENT REPORT ON AUDITED ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.0 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, 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)**.

3.0 REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Rafi 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	7,341,540.16	0.36
	Statutory Allocation	2,035,707,580.32	99.64
TOTAL		2,043,049,120.48	100.00
TOTAL EXPENDITURE		AMOUNT	%
		₦	
	Salaries and Wages	1,010,157,886.58	50.20
	Overhead Cost	114,534,848.15	5.69
	Consolidated Revenue Fund Charges	104,907,630.14	5.21
	• Contributions	265,408,000.00	13.19
	• Other Operating Activities	389,772,585.94	<u>19.37</u>
	• Other Transfers	76,080,000.00	<u>3.78</u>
	• Capital Expenditures	51,591,500.00	<u>2.56</u>
TOTAL		2,012,452,450.81	<u>100.00</u>

3.1 REVENUE

The sum of ₦2,043,049,120.48 accrued to Rafi Local Government Councils as total receipts for the year ended 31st December 2019.

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Rafi Local Government Council amounted to ₦7,341,540.16 only for the year ended 31st December 2019 which represents 0.36 % of the total accrued revenue of ₦2,043,049,120.48. 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 ₦2,035,707,580.32 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 2019, While the total bank balances stood at ₦37,386,834.77 in respect of Rafi Local Government Council as at the end of the financial year ended 31st December 2019

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.

5.0 BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦7,341,540.16 was generated as Internally Generated Revenue which represents 52.64% when compared with the total budgeted Internally Generated Revenue amounting to ₦13,945,000.00 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.

6.0 PERSONNEL COST

It was observed that the total sum of ₦1,010,157,886.58 and ₦953,640,519.95 was spent as total personnel cost for the year 2019 and 2018 respectively with an increase of ₦56,517,366.63 over the previous year which represent 5.59%. This is as a result of salary increment by the state government during the year under review.

7.0 CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No.1 (Cash Flow Statement) revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦578,954,710.00 and only the sum of ₦51,591,500.00 representing 8.91% was spent leaving the balance of ₦527,363,210.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	111,619,526.00	23,891,500.00	87,728,026.00
02	Economic Sector	189,638,184.00	4,700,000.00	184,938,184.00
05	Social Sector	277,697,000.00	23,000,000.00	254,697,000.00
TOTAL		578,954,710.00	51,591,500.00	527,363,210.00

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.

8.0 PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No.1 revealed that the Total Revenue stood at ₦2,043,049,120.48 with a Total Expenditure of ₦2,012,452,450.81 and close with a surplus balance of ₦30,596,669.67. 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 ₦16,454,123.31 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	11,056,135.67
5% Withholding Tax	7,859,478.54
Cooperatives	(2,977,405.90)
1% Stamp Duty Charges	515,915.00
TOTAL	16,454,123.31

From the above table, the Councils recorded outstanding VAT amounting to ₦11,056,135.67 and WHT of ₦7,859,478.54 as at 31st December, 2019.

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.

10.0 OUTSTANDING AUDIT INSPECTION

AGX/F.O.19/TA/RAF/VOL.1 - 4th August, 2020

• Un-Receipted Payment Vouchers	₦14,067,507.00
• Unapproved Payment	₦1,920,000.00
• Items Purchase but not Taken Charge into Store	₦7,057,000.00
• Payments with Vouchers	₦946,000.00
• VAT and TAX not Remitted	₦4,610,000.00
• Payment without Prepayment Audit	₦60,111,154.72
• Transfer of ₦2,000,000.00 to NISEPA or NISEMA	₦2,000,000.00
• Outstanding Revenue Receipts Booklets	₦310,000.00

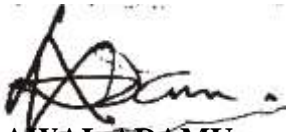
10.1 REQUIRED

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

11.0 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 GOVERNMENT OF NIGERIA
RIJAU LOCAL GOVERNMENT COUNCIL



AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2019

AUDITOR GENERAL FOR LOCAL GOVERNMENT
P.M.B 53, NIGER STATE

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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.

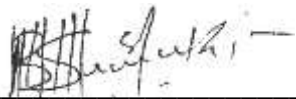


Treasurer

31st December, 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 Rijau Local Governments as at 31st December, 2019 and its operations for the year ended on the date.



Treasurer

31st December, 2019



Chairman

31st December, 2019

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, 2019 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.

Special opinion on State Local Government Joint Account Allocation Committee

Rijau Local Government is eligible to receive revenue comprising Statutory Allocation, Value Added Taxes and Exchange Difference from the Federation Account. The revenues received by Rijau Local Government, from the Ministry for Local Government, Community Development and Chieftaincy Affairs are indicated in the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts. In my opinion, the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts present fairly, in all material respects, the revenues received by Rijau Local Government during the year ended December 31st, 2019.



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

1: Cash Flow Statement for the Year Ended 31st December, 2019

ANNUAL BUDGET 2019		NOTES	ACTUAL YEAR 2019	PREVIOUS YEAR 2018
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,757,835,031.00	Statutory Allocations: FAAC	1	1,753,806,191.52	1,688,867,237.60
	Value Added Tax Allocation	1		
1,757,835,031.00	Sub-total - Statutory Allocation		1,753,806,191.52	1,688,867,237.60
650,000.00	Direct Taxes	2	154,400.00	180,000.00
1,200,000.00	Licences & FEES	2	1,414,810.00	1,206,680.00
-	Mining Rents:	2		
300,000.00	RATES	2	215,000.00	40,000.00
	Fees:	2		
	Fines	2		
	Sales	2		
3,369,841.00	Earnings :	2	2,685,970.00	2,936,440.00
1,150,000.00	Sales/Rent of Government Buildings:	2	542,470.00	626,850.00
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
-	Interest Earned	2		
	Re-imbusement	2		
125,000.00	MISELLANEOUS	2	433,678.10	-
6,794,841.00	Sub-total - Independent Revenue			
	Other Revenue Sources of the -Government	3		
1,764,629,872.00	TOTAL INDEPENDANT REVENUE		5,446,328.10	4,989,970.00
	Commercial Bank Loan		-	-
	TOTAL RECEIPTS		1,759,252,519.62	1,693,857,207.60
	Payments:			
630,301,820.00	Personnel Costs	3	982,368,162.73	888,156,483.03
176,460,000.00	Overhead Charges:	4	64,727,219.19	155,456,763.62
	Consolidated Revenue Fund Charges.	5	96,373,356.99	62,412,734.65
	contributions	7	175,908,000.00	560,250,854.22
	Other Operating Activities	6b	273,613,500.99	-
	Financial Charges		-	-
	Other Transfers	6	76,100,000.00	25,100,000.00
806,761,820.00	Total Payments		1,669,090,239.89	1,691,376,835.52
957,868,052.00	Net Cash Flow from Operating Activities		90,162,279.73	2,480,372.08

	CashFlows from Investment Activities:			
269,000,000.00	Capital Expenditure: Administrative Sector:	8	30,778,000.00	1,500,000.00
352,995,567.00	Capital Expenditure: Economic Sector:	8	3,700,000.00	3,000,000.00
397,569,189.00	capital expenditure: Social Service Sector:	8	20,000,000.00	14,050,000.00
-	Capital Expenditure: Funded from Aid and Grants:		-	-
1,019,564,756.00	Total Cash Flow from Investment Activities:		54,478,000.00	18,550,000.00
	Net Cash Flow from Investment Activities:		35,684,279.73	(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:		35,684,279.73	(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		35,684,279.73	(16,069,627.92)
	Cash & Its Equivalent as at 1st January, 2018		74,645.52	16,144,273.44
	Cash & Its Equivalent as at 31st December, 2018	9	35,758,925.25	74,645.52

2: Statement of Assets and Liabilities as at 31st December, 2019

	NOTES	CURRENT YEAR 2019	PREVIOUS YEAR 2018
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:			
CASH AT BANK	9	35,757,975.25	73,695.52
CASH IN HAND		950.00	950.00
TOTAL LIQUID ASSETS		35,758,925.25	74,645.52
NON CURRENT ASSETS:			
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	-
TOTAL ASSETS		35,758,925.25	74,645.52
LIABILITIES OVER ASSETS		11,259,903.64	6,564,682.53
TOTAL		47,018,828.89	6,639,328.05
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	35,758,925.25	74,645.52
Capital Development Fund:		-	-
TOTAL PUBLIC FUNDS		35,758,925.25	74,645.52
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	-	-
		-	-
TOTAL EXTERNAL AND INTERNAL LOANS		-	-
OTHER LIABILITIES			
UNREMITTED DEDUCTIONS		-	-
PAYE	12	1,306.83	1,306.83
NULGE Dues	12	63,575.78	63,575.78
Withholding Tax	12	4,860,724.21	2,136,824.21
Pension Allowance	12	220,667.42	220,667.42
VAT	12	5,564,824.21	2,840,924.21
7.5% Pension Contribution	12	4,025.19	4,025.19
1% Stamp Duty Charges	12	544,780.00	-
TOTAL LIABILITIES		11,259,903.64	5,267,323.64
TOTAL LIABILITIES AND PUBLIC FUNDS		47,018,828.89	5,341,969.16

3: Statement of Consolidated Revenue for the year ended 31st December, 2019

ACTUAL PREVIOUS YEAR 2018		NOTES	ACTUAL YEAR 2019	FINAL BUDGET 2019	INITIAL/ORIGINAL BUDGET 2019
₦			₦	₦	₦
16,144,273.44	Opening Balance:		74,645.52		
	ADD: REVENUE				
1,688,867,237.60	Statutory Allocations: FAAC	1	1,753,806,191.52	1,757,835,031.00	
-	Value Added Tax Allocation	1	-		
1,688,867,237.60	Sub-Total - Statutory Allocation		1,753,806,191.52	1,757,835,031.00	
180,000.00	Direct Taxes	2	154,400.00	650,000.00	
1,206,680.00	Licences	2	1,414,810.00	1,200,000.00	
40,000.00	RATES	2	215,000.00	300,000.00	
-	Fees:	2	-		
-	Fines	2	-		
-	Sales	2	-		
2,936,440.00	Earnings :	2	2,685,970.00	3,369,841.00	
626,850.00	Sales/Rent of Government Buildings:	2	542,470.00	1,150,000.00	
-	Sale/Rent on Lands and Others:	2	-		
-	MISCELLANEOUS	2	433,678.10		
-	Investment Income	2	-		
-	Interest Earned	2	-	-	
-	Re-Imbursements	2	-		
4,989,970.00	Sub-Total - Independent Revenue		5,446,328.10	6,669,841.00	
-	Other Revenue Sources of the ---Government		-		
1,710,001,481.04	TOTAL REVENUE:		1,759,327,165.14	1,764,504,872.00	
	LESS:EXPENDITURE				
888,156,483.03	Personnel Costs:	3	982,368,162.73	630,301,820.00	
155,456,763.62	Overhead Charges:	4	64,727,219.19	176,460,000.00	
62,412,734.65	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	96,373,356.99		
560,250,854.22	contributions	7	175,908,000.00		
-	Other Operating Activities	6b	273,613,500.99		
-	Financial Charges.		-		
25,100,000.00	Other Transfers	6	76,100,000.00		
1,691,376,835.52	TOTAL EXPENDITURE:		1,669,090,239.89	806,761,820.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
-	Repayments: External Loans: States			-	
-	Repayments: States Bonds.			-	
-	Repayments: Development Loan Stock			-	
-	Repayments: Internal Loans from Other Funds	11		-	
-	TOTAL EXPENDITURE:			-	
18,624,645.52	OPERATING BALANCE:			90,236,925.25	
	APPROPRIATIONS/TRANSFERS:				
18,550,000.00	Transfer to Capital Development Fund:			54,478,000.00	-
74,645.52	Closing Balance:			35,758,925.25	

4: Statement of Capital Development Fund for the year ended 31st December, 2019

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2018			EXPENDITURE 2019	BUDGET 2019	BUDGET 2019	BUDGET 2019
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
18,550,000.00	Transfer from Consolidated Revenue Fund:		54,478,000.00	-		
-	Aid and Grants		-			
18,550,000.00	TOTAL REVENUE AVAILIABLE:		54,478,000.00	-		
	LESS: CAPITAL EXPENDITURE					
1,500,000.00	Capital Expenditure: Administrative Sector:	10	30,778,000.00	269,000,000.00		
3,000,000.00	Capital Expenditure: Economic Sector:	10	3,700,000.00	352,995,567.00		
14,050,000.00	Capital Expenditure: Social Service Sector:	10	20,000,000.00	397,569,189.00		
-	Capital Expenditure: Funded from Aid and Grants:		-			
18,550,000.00	TOTAL CAPITAL EXPENDITURE:		54,478,000.00	1,019,564,756.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
-	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2019

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₦	₦
Net Share of Statutory Allocation from FAAC	A	1,240,802,782.84	
Add :Deduction at source for Loan Repayment	B	513,003,408.68	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			1,753,806,191.52
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₦	₦	₦
TAXES	154,400.00		
RATES	215,000.00		
LINCENCES & FEES	1,414,810.00		
EARNING FROM COMMERCIAL UNDERTAKING	2,685,970.00		
RENT ON LOCAL GOVERNMENT PROPERTY	542,470.00		
MISELLANEOUS	433,678.10		
TOTAL I G R	5,446,328.10		

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	56,904,281.35			
THE COUNCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	9,216,369.40			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	848,946.32			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	34,715,329.58			
TOTAL ADMIN SECTOR							101,684,926.65			
ECONOMIC SECTOR										
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	43,870,809.07			
							-			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	-			
							-			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	51,473,960.84			
							-			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	32,873,033.50			
TOTAL ECONOMIC SECTOR							128,217,803.41			

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	27,744,194.74			
						-			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	249,067,028.41			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	16,721,948.72			
TOTAL SOCIAL SECTOR						293,533,171.87			
TOTAL FOR ALL SECTORS						523,435,901.93			
ADJUSTMENT :									
PAYEE						18,876,270.73			
PAYEE (POLITICAL OFFICE						1,024,050.00			
UNION DUES						27,052,360.54			
NHF(2,5%)						13,477,652.52			
EMIRATE COUNCIL						50,340,486.71			
PRIMARY EDUCATION						301,702,773.51			
MHWU-ENDWELL						22,008,666.79			
Salary and Salary Related						24,450,000.00			
TOTAL PERSONNEL COST FOR ALL SECTORS						982,368,162.73			

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	7,955,638.34			
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	5,600,000.00			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	5,315,756.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	24,419,593.27			
							TOTAL	43,290,987.61			
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 office furniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles and Capital 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	1,200,000.00			
01	12003001	22021001	70111	2101		11	Entertainment & Hospitality	-			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	-			
							TOTAL	1,200,000.00			

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	200,000.00			
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 office furniture & 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	-			
							TOTAL	200,000.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	2,846,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	175,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of office furniture & 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	472,000.00			
							TOTAL	3,493,000.00			
							TOTAL ADMIN. SECTOR	48,183,987.61	-	-	-

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	2,754,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	1,702,104.00			
02	20001001	22020402	70112	2101		6	Maintenance of office furniture & 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	1,860,000.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	1,702,127.58			
							TOTAL	8,018,231.58			
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 office furniture & 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	600,000.00			
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 office furniture & equipment	-			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	380,000.00			
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	90,000.00			
							TOTAL	1,070,000.00			
AGRICULTURE AND NATURAL RESOURCES											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	15001001	22020101	70421	2101		2	Travel & Transport	750,000.00			
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 office furniture & 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	1,380,000.00			
							TOTAL	2,130,000.00			
							TOTAL ECONOMIC SECTOR MINISTRY	11,218,231.58	-	-	-

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	1,340,000.00			
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 office furniture & 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	900,000.00			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	500,000.00			
							TOTAL	2,740,000.00			
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 office furniture & 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	945,000.00			
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 office furniture & 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)	200,000.00			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	220,000.00			
							TOTAL	1,365,000.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	1,040,000.00			
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 office furniture & 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	180,000.00			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	-			
							TOTAL	1,220,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	5,325,000.00	-	-	-
							TOTAL FOR ALL SECTORS	64,727,219.19	-	-	-

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	41,881,601.63			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	13,062,723.97			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	41,429,031.39			
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	96,373,356.99			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	96,373,356.99			

Note 6A: Other Operating Activities

OPERATIONAL ACTIVITIES	AMOUNT
EMIRATE COUNCIL OVERHEAD	12,000,000.00
SECURITY	58,681,556.67
OVERHEAD TO AGENCIES	1,980,000.00
LEGAL CONSULTANCY SERVICES	3,600,000.00
ALLOWANCE TO SA'S ON SECURITY	1,985,000.00
OPERATIONAL	142,231,707.66
INTERVENTION	52,595,236.67
PARTY DUES	540,000.00
DIRECT CREDIT	
TOTAL	273,613,500.99

Note 6B: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,200,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	15,700,000.00
NISEPA	
RESERVE FUND	44,000,000.00
TOTAL	76,100,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	-
CAPITAL	147,108,000.00
TOTAL CONTRIBUTIONS	175,908,000.00

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECON	FUNCTION	PROGRAMME	FUND	GEO.CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2019	2019 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616	03005			Renovation of IBB Hall	24,650,000.00			
1	11033001							Renovation of Secretariat	1,789,000.00			
1	11033001							Renovation and Construction of Staff Toilet	4,339,000.00			
								TOTAL FOR ADMIN SECTOR	30,778,000.00			
												-
ECONOMIC SECTOR												-
2	20001001				03005			Repair of Borehole and INEC Office	3,700,000.00			
2									-			-
2								ECONOMIC SECTOR TOTAL	3,700,000.00	-	-	-
												-
SOCIAL SECTOR												-
5			70422	70900002606	03005			Evacuation and Disposal of Blocked Drainage	10,000,000.00			
								Construction of Single Cell Block Culvert	10,000,000.00			
									-			
									-			
								SOCIAL SECTOR TOTAL	20,000,000.00	-	-	-
								TOTAL FOR ALL SECTORS	54,478,000.00			

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

ACCOUNT TYPE		AMOUNT
FIRST BANK PLC., RIJAU		3,684.91
FIRST BANK PLC., RIJAU-REVENUE		7,021.96
GULFARE MICRO FINANCE BANK, RIJAU		13,703.00
UBA PLC., KONTAGORA		35,733,565.38
TOTAL		35,757,975.25

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		4,860,724.21
Pension Allowance		220,667.42
VAT		5,564,824.21
7.5% Pension Contribution		4,025.19
1% Stamp Duty Charges		544,780.00
TOTAL		11,259,903.64

MANAGEMENT REPORT ON AUDITED ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.0 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, 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)**.

3.0 REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Rijau 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	5,446,328.10	0.31
	Statutory Allocation	1,753,806,191.52	99.69
TOTAL		1,759,252,519.62	<u>100.00</u>
TOTAL EXPENDITURE		AMOUNT	%
		₦	
	Salaries and Wages	982,368,162.73	56.99
	Overhead Cost	64,727,219.19	3.76
	Consolidated Revenue Fund Charges	96,373,356.99	5.59
•	Contributions	175,908,000.00	10.21
•	Other Operating Activities	273,613,500.99	<u>15.87</u>
•	Other Transfers	76,100,000.00	<u>4.42</u>
•	Capital Expenditures	54,478,000.00	<u>3.16</u>
TOTAL		1,723,568,239.89	<u>100.00</u>

3.1 REVENUE

The sum of ₦1,759,252,519.62 accrued to Rijau Local Government Councils as total receipts for the year ended 31st December 2019.

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Rijau Local Government Council amounted to ₦5,446,328.10 only for the year ended 31st December 2019 which represents 0.31 % of the total accrued revenue of ₦1,759,252,519.62. 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 ₦1,753,806,191.52 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 ₦0.00 in respect of Rijau Local Government Council at the end of the financial year ended 31st December 2019. While the total bank balances stood at ₦37,386,834.77 in respect of Rijau Local Government Council as at the end of the financial year ended 31st December 2019.

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.

5.0 BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦5,446,328.10 was generated as Internally Generated Revenue which represents 80.15% when compared with the total budgeted Internally Generated Revenue amounting to ₦6,794,841.00 during the year under review. This is a Fair performance, but there need for improvement.

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.

6.0 PERSONNEL COST

It was observed that the total sum of ₦982,368,162.73 and ₦888,156,483.03 was spent as total personnel cost for the year 2019 and 2018 respectively with an increase of ₦94,211,579.70 over the previous year which represent 9.59%. This is as a result of salary increment by the state government during the year under review.

7.0 CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No.1 (Cash Flow Statement) revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦1,019,564,756.00 and only the sum of ₦54,478,000.00 representing 5.34% was spent leaving the balance of ₦965,086,756.00 as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	269,000,000.00	4,378,000.00	264,622,000.00
02	Economic Sector	352,995,567.00	47,400,000.00	305,595,567.00
05	Social Sector	397,569,189.00	2,700,000.00	394,869,189.00
TOTAL		1,019,564,756.00	54,478,000.00	965,086,756.00

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.

8.0 PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No.1 revealed that the Total Revenue stood at ₦1,759,252,519.62 with a Total Expenditure of ₦1,723,568,239.89 and close with a surplus balance of ₦35,683,279.73. 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 ₦11,259,903.64 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 2019.

Outstanding deductions as at 31 December 2019.

DETAILS	AMOUNT ₦
5% VAT	5,564,824.21
5% Withholding Tax	4,860,724.21
PAYE	1,306.83
NULGE Dues	63,575.78
Pension Allowance	220,667.42
7.5% Pension Contribution	4,025.19
1% Stamp Duty Charges	544,780.00
TOTAL	11,259,903.64

From the above table, the Councils recorded outstanding VAT amounting to ₦5,564,824.21 and WHT of ₦4,860,724.21 as at 31st December, 2019.

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.

10.0 OUTSTANDING AUDIT INSPECTION

AGX/F.O.19/TA/RIJ/VOL.1 – 31st August, 2020

• Monetization of Vehicles (Cars and Motorcycles)	₦4,876,000.00
• Un-Receipted Payment Vouchers	₦6,927,000.00
• Doubtful Payment	₦600,000.00
• Suspicious Payment	₦1,350,000.00
• Interception of Internal Generated Revenue	₦435,000.00
• Misappropriation of Public Fund	₦1,145,000.00
• Overpayment on Capital Projects	₦8,178,000.00
• Non-Remittance of 5% VAT, 5% WHT, and 1% Stamp Duty	₦5,093,000.00

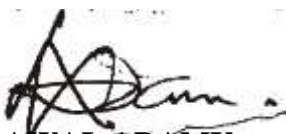
10.1 REQUIRED

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

11.0 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 GOVERNMENT OF NIGERIA
SHIRORO LOCAL GOVERNMENT COUNCIL



AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2019

AUDITOR GENERAL FOR LOCAL GOVERNMENT
P.M.B 53, NIGER STATE

PERSONALITY PROFILE

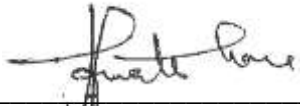
- **FINANCIAL STATEMENT**
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 - 173.0 Performance of Operation Activities
 - 174.0 Deposits
 - 175.0 Outstanding Audit Inspection
 - 176.0 Conclusion

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, 2019

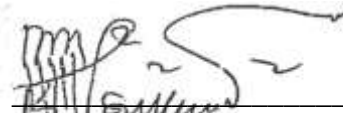
We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended.

In our opinion, these financial statements fairly reflect the financial position of Shiroro Local Governments as at 31st December, 2019 and its operations for the year ended on the date.



Treasurer

31st December, 2019



Chairman

31st December, 2019

COUNCIL OFFICIALS

- **COUNCIL MEMBERS DESIGNATION:**

Honourable Alhaji Sulaiman Chukuba Executive Chairman
Mr. Jame Kefars Secretary

- **HEAD OF DEPARTMENTS:**

NAMES:	DEPARTMENTS	DESIGNATION
Zakari Umar	Personnel Management	H. O. D
Haruna Musa Manta	Finance and Supply	H. O. D
Shuaibu Bawa Galkoko	Primary Health Care	H. O. D
Mahmuda Ali	Agriculture and Natural Resources	H. O. D
Albert Kaura	Works and Housing	H. O. D
G. Aminu Sale	Budget and Planning	H. O. D
Musa K. Abdullahi	Social Development	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 subjects 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, 2019 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.

Special opinion on State Local Government Joint Account Allocation Committee

Shiroro Local Government is eligible to receive revenue comprising Statutory Allocation, Value Added Taxes and Exchange Difference from the Federation Account. The revenues received by Shiroro Local Government, from the Ministry for Local Government, Community Development and Chieftaincy Affairs are indicated in the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts. In my opinion, the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts present fairly, in all material respects, the revenues received by Shiroro Local Government during the year ended December 31st, 2019.



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

1: Cash Flow Statement for the Year Ended 31st December, 2019

ANNUAL BUDGET 2019		NOTES	ACTUAL YEAR 2019	PREVIOUS YEAR 2018
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
2,246,608,470.00	Statutory Allocations: FAAC	1	3,650,470,498.86	2,888,905,592.75
	Value Added Tax Allocation	1		
2,246,608,470.00	Sub-total - Statutory Allocation		3,650,470,498.86	2,888,905,592.75
2,000,000.00	Direct Taxes	2	42,700.00	12,500.00
13,000,000.00	Licences & FEES	2	6,913,485.38	8,401,069.00
-	Mining Rents:	2	-	-
25,000,000.00	RATES	2	840,000.00	1,256,600.00
-	Fees:	2	-	-
-	Fines	2	-	-
-	Sales	2	-	-
12,000,000.00	Earnings :	2	3,595,500.00	5,656,500.00
1,000,000.00	Sales/Rent of Government Buildings:	2	340,050.00	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	MISCELLANEOUS	2	272,000.00	430,000.00
54,500,000.00	Sub-total - Independent Revenue		-	-
-	Other Revenue Sources of the -Government	3	-	-
	TOTAL INDEPENDANT REVENUE		12,003,735.38	15,799,726.00
	Commercial Bank Loan		-	-
2,301,108,470.00	TOTAL RECEIPTS		3,662,474,234.24	2,904,705,318.75
-	Payments:			
956,295,179.00	Personnel Costs	3	2,226,985,382.22	1,863,934,084.48
198,800,000.00	Overhead Charges:	4	169,960,781.53	293,699,954.22
-	Consolidated Revenue Fund Charges.	5	214,377,189.57	130,784,074.01
-	contributions	7	481,708,000.00	574,175,727.44
-	Other Operating Activities	6b	296,533,190.99	-
-	Financial Charges		-	-
	Other Transfers	6	79,150,000.00	25,100,000.00
-	Total Payments		3,468,714,544.31	2,887,693,840.15
	Net Cash Flow from Operating Activities		193,759,689.93	17,011,478.60

	CashFlows from Investment Activities:			
128,409,612.00	Capital Expenditure: Administrative Sector:	8	10,750,000.00	6,784,750.00
187,102,562.00	Capital Expenditure: Economic Sector:	8	-	4,790,907.50
163,035,663.00	capital expenditure: Social Service Sector:	8	96,340,059.35	7,285,250.00
-	Capital Expenditure: Funded from Aid and Grants:		-	-
478,547,837.00	Total Cash Flow from Investment Activities:		107,090,059.35	18,860,907.50
	Net Cash Flow from Investment Activities:		86,669,630.58	(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:		86,669,630.58	(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		86,669,630.58	(1,849,428.90)
	Cash & Its Equivalent as at 1st January, 2018		5,895,938.77	7,619,625.27
	Cash & Its Equivalent as at 31st December, 2018	9	92,565,569.35	5,770,196.37

2: Statement of Assets and Liabilities as at 31st December, 2019

	NOTES	CURRENT YEAR 2019	PREVIOUS YEAR 2018
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:			
CASH AT BANK	9	92,526,117.92	5,769,706.37
CASH AT HAND		39,451.43	490.00
TOTAL LIQUID ASSETS		92,565,569.35	5,770,196.37
NON CURRENT ASSETS:			
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	-
TOTAL ASSETS		92,565,569.35	5,770,196.37
LIABILITIES OVER ASSETS		15,701,259.75	3,044,233.25
TOTAL		108,266,829.10	8,814,429.62
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	92,565,569.35	5,770,196.37
Capital Development Fund:		-	-
TOTAL PUBLIC FUNDS		92,565,569.35	5,770,196.37
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	-	-
		-	-
TOTAL EXTERNAL AND INTERNAL LOANS		-	-
OTHER LIABILITIES			
OVER DRAWN :			
Bawyi Microfinance Bank, Gwada	12	125,742.40	0.31
Unity Bank	12	-	71.24
UNREMITTED DEDUCTIONS	12	-	-
Union Dues (MHWU)	12	43,200.00	43,200.00
5% VAT	12	7,139,196.10	1,443,085.35
5% Tax Deduction	12	7,139,196.10	1,443,085.35
Motorcycle Loan	12	114,711.00	114,791.00
1% Stamp Duty Charges	12	1,139,214.15	-
TOTAL LIABILITIES		15,701,259.75	3,044,233.25
TOTAL LIABILITIES AND PUBLIC FOUNDS		108,266,829.10	8,814,429.62

3: Statement of Consolidated Revenue for the year ended 31st December, 2019

ACTUAL PREVIOUS YEAR 2018		NOTES	ACTUAL YEAR 2019	FINAL BUDGET 2019	INITIAL/ORIGINAL BUDGET 2019
₦			₦	₦	₦
7,619,625.27	Opening Balance:		5,895,938.77		
	ADD: REVENUE				
2,888,905,592.75	Statutory Allocations: FAAC	1	3,650,470,498.86	2,246,608,470.00	
-	Value Added Tax Allocation	1	-		
2,888,905,592.75	Sub-Total - Statutory Allocation		3,650,470,498.86	2,246,608,470.00	3,650,470,498.86
12,500.00	Direct Taxes	2	42,700.00	2,000,000.00	
8,401,069.00	Licences	2	6,913,485.38	13,000,000.00	
1,256,600.00	RATES	2	840,000.00	25,000,000.00	
-	Fees:	2	-		
-	Fines	2	-		
-	Sales	2	-		
5,656,500.00	Earnings :	2	3,595,500.00	12,000,000.00	
40,000.00	Sales/Rent of Government Buildings:	2	340,050.00	1,000,000.00	
-	Sale/Rent on Lands and Others:	2	-		
430,000.00	MISCELLANEOUS	2	272,000.00	1,200,000.00	
-	Investment Income	2	-		
3,057.00	Interest Earned	2	-	300,000.00	
-	Re-Imbursements	2	-		
15,799,726.00	Sub-Total - Independent Revenue		12,003,735.38	54,500,000.00	12,003,735.38
-	Other Revenue Sources of the ---Government		-		
2,912,324,944.02	TOTAL REVENUE:		3,668,370,173.01	2,301,108,470.00	3,662,474,234.24
	LESS:EXPENDITURE				
1,863,934,084.48	Personnel Costs:	3	2,226,985,382.22	956,295,179.00	
293,699,954.22	Overhead Charges:	4	169,960,781.53	198,800,000.00	
130,784,074.01	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	214,377,189.57		
574,175,727.44	contributions	7	481,708,000.00		
-	Other Operating Activities	6b	296,533,190.99		
-	Financial Charges.		-		
25,100,000.00	Other Transfers	6	79,150,000.00		
2,887,693,840.15	TOTAL EXPENDITURE:		3,468,714,544.31	1,155,095,179.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
-	Repayments: External Loans: States			-	
-	Repayments: States Bonds.			-	
-	Repayments: Development Loan Stock			-	
-	Repayments: Internal Loans from Other Funds	11		-	
-	TOTAL EXPENDITURE:			-	
24,631,103.87	OPERATING BALANCE:			199,655,628.70	
	APPROPRIATIONS/TRANSFERS:				
18,860,907.50	Transfer to Capital Development Fund:			107,090,059.35	-
5,770,196.37	Closing Balance:			92,565,569.35	

4: Statement of Capital Development Fund for the year ended 31st December, 2019

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2018			EXPENDITURE 2019	BUDGET 2019	BUDGET 2019	BUDGET 2019
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
18,860,907.50	Transfer from Consolidated Revenue Fund:		107,090,059.35	-		
-	Aid and Grants		-			
18,860,907.50	TOTAL REVENUE AVAILABLE:		107,090,059.35	-		
	LESS: CAPITAL EXPENDITURE					
6,784,750.00	Capital Expenditure: Administrative Sector:	10	10,750,000.00	128,409,612.00		
4,790,907.50	Capital Expenditure: Economic Sector:	10	-	187,102,562.00		
7,285,250.00	Capital Expenditure: Social Service Sector:	10	96,340,059.35	163,035,663.00		
-	Capital Expenditure: Funded from Aid and Grants:		-			
18,860,907.50	TOTAL CAPITAL EXPENDITURE:		107,090,059.35	478,547,837.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
-	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2019

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₦	₦
Net Share of Statutory Allocation from FAAC	A	2,659,332,886.93	
Add :Deduction at source for Loan Repayment	B	991,137,611.93	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			3,650,470,498.86
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₦	₦	₦
TAXES	42,700.00		
RATES	840,000.00		
LINCENCES & FEES	6,913,485.38		
EARNING FROM COMMERCIAL UNDERTAKING	3,595,500.00		
RENT ON LOCAL GOVERNMENT PROPERTY	340,050.00		
INTEREST AND DIVIDEND	-		
MISELLANEOUS	272,000.00		
TOTAL I G R	12,003,735.38		

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	479,367.94			
							-			
THE COUNCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	10,291,213.14			
							-			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	636,709.74			
							-			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	208,942,533.94			
TOTAL ADMIN SECTOR							220,349,824.76			
ECONOMIC SECTOR										
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	70,761,005.26			
							-			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	-			
							-			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	90,298,958.76			
							-			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	148,772,374.41			
TOTAL ECONOMIC SECTOR							309,832,338.43			

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	18,072,339.02			
							-			
PRIMARY HEALTH CARE										
	05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	423,388,457.23			
							-			
TRADITIONAL OFFICE										
	05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	-			
							-			
SOCIAL DEVELOPMENT										
	05		21010101	70131	2101	TOTAL PERSONNELCOST	-			
							-			
TOTAL SOCIAL SECTOR							441,460,796.25			
TOTAL FOR ALL SECTORS							971,642,959.44			
ADJUSTMENT :										
PAYEE							38,283,130.69			
PAYEE (POLITICAL OFFICE							1,311,156.00			
UNION DUES							60,360,728.66			
NHF(2,5%)							25,368,004.34			
EMIRATE COUNCIL							52,305,611.84			
PRIMARY EDUCATION							1,015,285,777.58			
MHWU-ENDWELL							36,678,013.67			
Salary and Salary Related							25,750,000.00			
TOTAL PERSONNEL COST FOR ALL SECTORS							2,226,985,382.22			

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	10,807,646.02			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	19,356,075.55			
01	11001001	22020402	70111	2101		6	Maintenance of office	36,000,000.00			
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	-			
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	15,386,000.00			
							PROVISION OF SERVICE MATERIALS	-			
							TOTAL	81,549,721.57			
THE COUNCCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	2,650,000.00			
01	12003001	22020201	70111	2101		3	Utility Services	-			
01	12003001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	12003001	22020301	70111	2101		5	Stationary	2,340,500.00			
01	12003001	22020402	70111	2101		6	Maintenance of office furniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles and Capital 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	6,354,000.00			
							PROVISION FOR SERVICEABLE	-			
							TOTAL	11,344,500.00			

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	-			
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 office furniture & 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	-			
							TOTAL	-			
PERSONEL MANAGEMENT											
01	25001001	22020101	70131	2101		2	Travel & Transport	1,312,800.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	1,245,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of office furniture & 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	1,416,000.00			
							TOTAL	3,973,800.00			
							TOTAL ADMIN SECTOR	96,868,021.57	-	-	-

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	2,455,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	2,197,273.04			
02	20001001	22020402	70112	2101		6	Maintenance of office furniture & 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	6,097,273.04			
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	6,053,999.30			
							TOTAL	16,803,545.38			
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	290,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	580,000.00			
02	38001001	22020402	70112	2101		6	Maintenance of office furniture & 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	1,837,691.56			
							TOTAL	2,707,691.56			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	190,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	-			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	210,000.00			
02	34001001	22020402	70451	2101		6	Maintenance of office furniture & 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	Entertainment & Hospitality	-			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	2,242,911.02			
							PROVISION OF SERVICE MATERIALS	5,000,000.00			
							TOTAL	7,642,911.02			
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	160,000.00			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	1,384,840.00			
02	15001001	22020402	70421	2101		6	Maintenance of office furniture & 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	1,000,000.00			
							PROVISION OF SERVICEABLE	11,426,278.27			
							TOTAL	13,971,118.27			
							TOTAL ECONOMIC SECTOR MINISTRY	41,125,266.23	-	-	-

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	397,000.00			
05	17001001	22020201	70922	2101		3	Utility Services	-			
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	570,000.00			
05	17001001	22020402	70922	2101		6	Maintenance of office furniture & 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	315,000.00			
							TOTAL	1,282,000.00			
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 office furniture & 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	190,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	310,000.00			
05	21001001	22020402	70731	2101		6	Maintenance of office furniture & 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	12,185,493.73			
							Provision of Serviceable Material	18,000,000.00			
							NPI	-			
							ASSISTED PROGRAM (SUMMAP)	-			
							TOTAL	30,685,493.73			
TRADITIONAL OFFICE											
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 office furniture & 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	31,967,493.73			
							TOTAL FOR ALL SECTORS	169,960,781.53			

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	192,019,481.23			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	2,477,395.57			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	19,880,312.77			
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	214,377,189.57			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	214,377,189.57			

Note 6A: Other Operating Activities

OPERATIONAL ACTIVITIES	AMOUNT
EMIRATE COUNCIL OVERHEAD	13,200,000.00
SECURITY	59,680,320.00
OVERHEAD TO AGENCIES	1,980,000.00
LEGAL CONSULTANCY SERVICES	1,800,000.00
ALLOWANCE TO SA'S ON SECURITY	2,525,000.00
OPERATIONAL	143,230,470.99
INTERVENTION	73,677,400.00
PARTY DUES	440,000.00
DIRECT CREDIT	
TOTAL	296,533,190.99

Note 6B: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,200,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	18,750,000.00
NISEPA	
Reserve Fund	44,000,000.00
TOTAL	79,150,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
OTHER CONTRACTUAL AGREEMENT	-
Capital	452,908,000.00
TOTAL CONTRIBUTIONS	481,708,000.00

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECON	FUNCTION	PROGRAMME	FUND	GEO.CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2019	2019 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616	03005			Renovation of Police Station at Zumber	250,000.00			
1	11033001							Renovation of Erena Secretariat	3,500,000.00			
1	11033001							Repair of Local Government Hilux	1,000,000.00			
								Compensation for Land Opposite Kuta General Hospital	5,000,000.00			
								Renovation of INEC Office	1,000,000.00			
								TOTAL FOR ADMIN SECTOR	10,750,000.00			
ECONOMIC SECTOR												-
2	20001001				03005				-			-
2									-			-
2								ECONOMIC SECTOR TOTAL	-	-	-	-
												-
SOCIAL SECTOR												-
5			70422	70900002606	03005			Construction of Cahle Market	32,500,000.00			
								Construction of Women Development Center	32,000,000.00			
								Construction of Culvert	1,668,144.35			
								Ditch Filling Reconstruction	6,451,915.00			
								Rehabilitation of Lops	1,200,000.00			
								Reactivation of Bore Holes at Kuta	520,000.00			
								Supply of Furniture to Primary Schools	1,000,000.00			
								Compensation for Land	20,000,000.00			
								Professional Fees	1,000,000.00			
								SOCIAL SECTOR TOTAL	96,340,059.35	-	-	-
								TOTAL FOR ALL SECTORS	107,090,059.35			

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

ACCOUNT TYPE		AMOUNT
FIRST BANK PLC		1,461.51
FIRST BANK PLC		638,332.27
FIRST BANK PLC		5,191.89
UNITY BANK PLC		7,883.95
BAWYI MICROFINANCE BANK, GWADA		3,860.26
BAWYI MICROFINANCE BANK, GWADA		7,055.75
UNITED BANK FOR AFRICA PLC		91,862,332.29
TOTAL		92,526,117.92

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		7,139,196.10
5% TAX DEDUCTION		7,139,196.10
MOTORCYCLE LOAN		114,711.00
1% STAMP DUTY CHARGES		1,139,214.15
TOTAL		15,575,517.35

MANAGEMENT REPORT ON AUDITED ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.0 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, 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)**.

3.0 REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Shiroro 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	12,003,735.38	0.33
	Statutory Allocation	3,650,470,498.86	99.67
TOTAL		3,662,474,234.24	100.00
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	2,226,985,382.22	62.28
	Overhead Cost	169,960,781.53	4.75
	Consolidated Revenue Fund Charges	214,377.189.57	6.00
•	Contributions	481,708,000.00	13.47
•	Other Operating Activities	296,533,190.99	8.29
•	Other Transfers	79,150,000.00	2.22
•	Capital Expenditures	107,090,059.35	2.99
TOTAL		3,575,804,603.66	100.00

3.1 REVENUE

The sum of ₦3,662,474,234.24 accrued to Shiroro Local Government Councils as total receipts for the year ended 31st December 2019.

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Shiroro Local Government Council amounted to ₦12,003,735.38 only for the year ended 31st December 2019 which represents 0.33% of the total accrued revenue of ₦3,662,474,234.24. 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 ₦3,650,470,498.86 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 ₦39,451.43 in respect of Shiroro Local Government Council at the end of the financial year ended 31st December 2019, while the total bank balances stood at ₦92,526,117.92 in respect of Shiroro Local Government Council as at the end of the financial year ended 31st December 2019

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.

5.0 BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦12,003,735.38 was generated as Internally Generated Revenue which represents 22.03% when compared with the total budgeted Internally Generated Revenue amounting to ₦54,500,000.00 during the year under review. This is a very 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.

6.0 PERSONNEL COST

It was observed that the total sum of ₦2,226,985,382.22 and ₦1,863,934,084.48 was spent as total personnel cost for the year 2019 and 2018 respectively with an increase of ₦363,051,297.74 over the previous year which represent 16.30% during the year under review. This is as a result of salary increment by the state government during the year under review.

7.0 CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No.1 (Cash Flow Statement) revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦478,547,837.00 and only the sum of ₦107,090,059.35 representing 22.38% was spent leaving the balance of ₦371,457,777.65 as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	128,409,612.00	10,750,000.00	117,659,612.00
02	Economic Sector	187,102,562.00	-	187,102,562.00
05	Social Sector	163,035,663.00	96,340,059.35	66,695,603.65
TOTAL		<u>478,547,837.00</u>	<u>107,090,059.35</u>	<u>371,457,777.65</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.

8.0 PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No.1 revealed that the Total Revenue stood at ₦3,662,474,234.24 with a Total Expenditure of ₦3,575,804,603.66 and close with a surplus balance of ₦86,669,630.58. 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	7,139,196.10
5% Withholding Tax	7,139,196.10
Union Dues (MHWU)	43,200.00
Motorcycle Loan	114,711.00
1% Stamp Duty Charges	1,139,214.15
TOTAL	15,575,517.35

From the above table, the Councils recorded outstanding VAT amounting to ₦7,139,196.10 and WHT of ₦7,139,196.10 as at 31st December, 2019.

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.

10.0 OUTSTANDING AUDIT INSPECTION

AGX/F.O.19/TA/SHR/VOL.1 – 22nd June, 2020

- Direct Labour: Construction of Local Government Chamber ₦1,135,087.50
- Direct Labour: Poor Construction of Ditch Filling ₦6,451,915.00

10.1 REQUIRED

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

11.0 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 GOVERNMENT OF NIGERIA
SULEJA LOCAL GOVERNMENT COUNCIL



AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2019

AUDITOR GENERAL FOR LOCAL GOVERNMENT
P.M.B 53, NIGER STATE

PERSONALITY PROFILE


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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, 2019

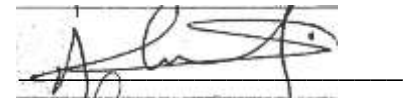
We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended.

In our opinion, these financial statements fairly reflect the financial position of Suleja Local Governments as at 31st December, 2019 and its operations for the year ended on the date.



Treasurer

31st December, 2019



Chairman

31st December, 2019

COUNCIL OFFICIALS

- COUNCIL MEMBERS DESIGNATION:**

Honourable Abdullahi Shuaibu Maje Executive Chairman
Honourable Abdullahi Shuaibu Maje 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, 2019 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.

Special opinion on State Local Government Joint Account Allocation Committee

Suleja Local Government is eligible to receive revenue comprising Statutory Allocation, Value Added Taxes and Exchange Difference from the Federation Account. The revenues received by Suleja Local Government, from the Ministry for Local Government, Community Development and Chieftaincy Affairs are indicated in the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts. In my opinion, the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts present fairly, in all material respects, the revenues received by Suleja Local Government during the year ended December 31st, 2019.



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

1: Cash Flow Statement for the Year Ended 31st December, 2019

ANNUAL BUDGET 2019		NOTES	ACTUAL YEAR 2019	PREVIOUS YEAR 2018
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,502,541,679.00	Statutory Allocations: FAAC	1	2,198,283,894.23	2,072,209,692.91
	Value Added Tax Allocation	1		
1,502,541,679.00	Sub-total - Statutory Allocation		2,198,283,894.23	2,072,209,692.91
700,000.00	Direct Taxes	2	-	-
77,930,000.00	Licences & FEES	2	90,070,209.78	91,727,480.00
	Mining Rents:	2		
17,000,000.00	RATES	2	8,426,485.76	4,880,600.00
	Fees:	2		
	Fines	2		
	Sales	2		
116,300,000.00	Earnings :	2	70,947,350.00	94,186,997.00
17,000,000.00	Sales/Rent of Government Buildings:	2	10,918,000.00	30,263,800.00
	Sale/Rent on Lands and Others:	2		
	Repayments-General:	2		
	Investment Income	2		
200,000.00	Interest Earned	2	100.00	11,971.00
	Re-imburement	2		
10,300,000.00	MISELLANEOUS	2	3,669,000.00	9,837,520.00
239,430,000.00	Sub-total - Independent Revenue		184,031,145.54	
-	Other Revenue Sources of the -Government	3		
239,430,000.00	TOTAL INDEPENDANT REVENUE		184,031,145.54	230,908,368.00
	Commercial Bank Loan		-	-
1,741,971,679.00	TOTAL RECEIPTS		2,382,315,039.77	2,303,118,060.91
	Payments:			
459,816,843.00	Personnel Costs	3	1,016,105,742.28	990,963,420.93
311,500,000.00	Overhead Charges:	4	256,009,693.38	341,762,333.49
590,604,197.00	Consolidated Revenue Fund Charges.	5	132,804,134.07	88,810,666.10
	contributions	7	173,408,000.00	528,300,590.79
	Other Operating Activities		618,261,496.03	-
	Financial Charges		-	-
	Other Transfers	6	76,750,000.00	186,350,000.00
1,361,921,040.00	Total Payments		2,273,339,065.76	2,136,187,011.31

380,050,639.00	Net Cash Flow from Operating Activities		108,975,974.01	166,931,049.60
	CashFlows from Investment Activities:			
	Capital Expenditure: Administrative Sector:	8	11,350,070.60	4,560,000.00
	Capital Expenditure: Economic Sector:	8	31,109,445.00	117,296,309.70
	Capital Expenditure: Law and Justice:	8	-	-
	Capital Expenditure: Regional Development			
	capital expenditure: Social Service Sector:		26,457,362.00	40,824,841.80
	Capital Expenditure: Funded from Aid and Grants:		-	-
911,533,230.00	Total Cash Flow from Investment Activities:		68,916,877.60	162,681,151.50
(531,482,591.00)	Net Cash Flow from Investment Activities:		40,059,096.41	4,249,898.10
	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 :	11	-	-
	Repayment of Loans from Development loan stock		-	-
-	Repayment of Loans from Other Funds		-	-
-	Total Cash Flow from Financing Activities:		-	-
(531,482,591.00)	Net Cash Flow from Financing Activities:		40,059,096.41	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	40,059,096.41	4,249,898.10
	Cash & Its Equivalent as at 1st January, 2019		16,762,663.55	12,512,765.45
	Cash & Its Equivalent as at 31st December, 2019		56,821,759.96	16,762,663.55

2: Statement of Assets and Liabilities as at 31st December, 2019

	NOTES	CURRENT YEAR 2019	PREVIOUS YEAR 2018
CURRENT ASSETS:-		₦	₦
Liquid Assets:-			
Cash Held by AGNS:			
CASH AT HAND		500.00	2,000.00
CASH AT BANK	9	56,821,259.96	16,760,663.55
TOTAL LIQUID ASSETS		56,821,759.96	16,762,663.55
NON CURRENT ASSETS:			
	10	-	-
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	-
TOTAL ASSETS		56,821,759.96	16,762,663.55
LIABILITIES OVER ASSETS		5,136,012.75	5,136,012.77
TOTAL		61,957,772.71	21,898,676.32
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	56,821,759.96	16,762,663.55
Capital Development Fund:		-	-
TOTAL PUBLIC FUNDS		56,821,759.96	16,762,663.55
EXTERNAL AND INTERNAL LOANS			-
BANK LOANS	11	-	-
		-	-
TOTAL EXTERNAL AND INTERNAL LOANS		-	-
OTHER LIABILITIES			
UNREMITTED DEDUCTIOS:			
PAYEE		69,347.11	69,347.11
5% INCOME TAX		89,800.02	89,800.02
5% VAT		4,217,152.45	4,217,152.45
RETENTION FEES		759,713.17	759,713.19
TOTAL LIABILITIES		5,136,012.75	5,136,012.77

3: Statement of Consolidated Revenue for the year ended 31st December, 2019

ACTUAL PREVIOUS YEAR 2018		NOTES	ACTUAL YEAR 2019	FINAL BUDGET 2019	INITIAL/ORIGINAL BUDGET 2019
₦			₦	₦	₦
12,512,765.45	Opening Balance:		16,762,663.55		
	ADD: REVENUE				
2,072,209,692.91	Statutory Allocations: FAAC	1	2,198,283,894.23	1,502,541,679.00	
-	Value Added Tax Allocation	1	-		
2,072,209,692.91	Sub-Total - Statutory Allocation		2,198,283,894.23	1,502,541,679.00	
-	Direct Taxes	2	-	700,000.00	
91,727,480.00	Licences	2	90,070,209.78	77,930,000.00	
4,880,600.00	RATES	2	8,426,485.76	17,000,000.00	
-	Fees:	2	-		
-	Fines	2	-		
-	Sales	2	-		
94,186,997.00	Earnings :	2	70,947,350.00	116,300,000.00	
30,263,800.00	Sales/Rent of Government Buildings:	2	10,918,000.00	17,000,000.00	
-	Sale/Rent on Lands and Others:	2	-		
9,837,520.00	MISCELLANEOUS	2	3,669,000.00	10,300,000.00	
-	Investment Income	2	-		
11,971.00	Interest Earned	2	100.00	200,000.00	
-	Re-Imbursements	2	-		
230,908,368.00	Sub-Total - Independent Revenue		184,031,145.54	239,430,000.00	
-	Other Revenue Sources of the ---Government		-		
2,315,630,826.36	TOTAL REVENUE:		2,399,077,703.32	1,741,971,679.00	
	LESS:EXPENDITURE				
990,963,420.93	Personnel Costs:	3	1,016,105,742.28	459,816,843.00	
341,762,333.49	Overhead Charges:	4	256,009,693.38	311,500,000.00	
88,810,666.10	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	132,804,134.07		
528,300,590.79	contributions	7	173,408,000.00		
-	Other Operating Activities		618,261,496.03		
-	Financial Charges.		-		
186,350,000.00	Other Transfers	6	76,750,000.00		
2,136,187,011.31	TOTAL EXPENDITURE:		2,273,339,065.76	771,316,843.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:			
-	Repayments: External Loans: States		-	
-	Repayments: States Bonds.		-	
-	Repayments: Development Loan Stock		-	
-	Repayments: Internal Loans from Other Funds	11	-	
-	TOTAL EXPENDITURE:		-	
179,443,815.05	OPERATING BALANCE:		125,738,637.56	
	APPROPRIATIONS/TRANSFERS:			
162,681,151.50	Transfer to Capital Development Fund:		68,916,877.60	
16,762,663.55	Closing Balance:		56,821,759.96	

4: Statement of Capital Development Fund for the year ended 31st December, 2019

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2018			EXPENDITURE 2019	BUDGET 2019	BUDGET 2019	BUDGET 2019
₦			₦	₦	₦	₦
	Opening Balance:					
	ADD: REVENUE					
162,681,151.50	Transfer from Consolidated Revenue Fund:		68,916,877.60			
-	Aid and Grants		-			
162,681,151.50	TOTAL REVENUE AVAILABLE:		68,916,877.60			
	LESS: CAPITAL EXPENDITURE					
2,260,000.00	Capital Expenditure: Administrative Sector:	10	11,350,070.60			
124,571,309.70	Capital Expenditure: Economic Sector:	10	31,109,445.00			
35,849,841.80	Capital Expenditure: Social Service Sector:	10	26,457,362.00			
-	Capital Expenditure: Funded from Aid and Grants:		-			
162,681,151.50	TOTAL CAPITAL EXPENDITURE:		68,916,877.60	911,533,230.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
-	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2019

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₱	₱
Net Share of Statutory Allocation from FAAC	A	1,458,837,317.33	
Add :Deduction at source for Loan Repayment	B	739,446,576.90	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			2,198,283,894.23
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	8,426,485.76	17,000,000.00	8,573,514.24
LINCENCES & FEES	90,070,209.78	77,930,000.00	(12,140,209.78)
EARNING FROM COMMERCIAL UNDERTAKING	70,947,350.00	116,300,000.00	45,352,650.00
RENT ON LOCAL GOVERNMENT PROPERTY	10,918,000.00	17,000,000.00	6,082,000.00
INTREST DIVIDEND AND LOANS	100.00	200,000.00	199,900.00
MISELLANEOUS	3,669,000.00	10,300,000.00	6,631,000.00
TOTAL I G R	184,031,145.54	239,430,000.00	55,398,854.46

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	2,419,116.96			
THE COUNCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	7,945,163.40			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	704,776.16			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	32,596,169.43			
TOTAL ADMIN SECTOR							43,665,225.95			
ECONOMIC SECTOR										
FINANCE AND SUPPLY										
02	20001001	21010101	70112	2101		TOTAL PERSONNELCOST	31,890,271.74			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	1,675,315.78			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	16,334,175.72			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	18,289,781.86			
TOTAL ECONOMIC SECTOR							68,189,545.10			

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	26,645,556.20			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	136,170,449.11			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	25,387,941.35			
TOTAL SOCIAL SECTOR						188,203,946.66			
TOTAL FOR ALL SECTORS						300,058,717.71	688,589,326.00		
ADJUSTMENT :									
PAYEE						17,011,320.94			
PAYEE (POLITICAL OFFICE						952,273.50			
UNION DUES						28,959,946.79			
NHF(2,5%)						9,838,246.71			
MHWU-ENDWELL						11,257,199.79			
EMIRATE COUNCIL						53,608,974.32			
PRIMARY EDUCATION						570,419,062.52			
Salary and Salary Related						24,000,000.00			
TOTAL PERSONNEL COST FOR ALL SECTORS						1,016,105,742.28			

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	9,965,750.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	3,643,000.00			
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	39,564,280.00			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	23,764,860.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	6,762,480.00			
							TOTAL	83,700,370.00			
THE COUNCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	1,145,200.00			
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 office furniture & equipment	565,000.00			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	375,000.00			
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	2,746,500.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	3,655,000.00			
							TOTAL	8,586,700.00			

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	921,500.00			
01	11013001	22020201	70111	2101		3	Utility Services				
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	70,000.00			
01	11013001	22020402	70111	2101		6	Maintenance of office furniture & equipment	120,000.00			
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	-			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	165,000.00			
							TOTAL	1,276,500.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	2,255,300.00			
01	25001001	22020201	70131	2101		3	Utility Services				
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	833,000.00			
01	25001001	22020301	70131	2101		5	Stationary	1,955,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of office furniture & equipment	3,860,600.00			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	1,650,000.00			
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	7,470,420.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	6,850,125.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	1,064,352.70			
							TOTAL	25,938,797.70			
							TOTAL ADMIN SECTOR	119,502,367.70	-	-	-

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	3,634,000.00			
02	20001001	22020201	70112	2101		3	Utility Services				
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	3,858,220.00			
02	20001001	22020402	70112	2101		6	Maintenance of office furniture & equipment	-			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	-			
02	20001001	22020701	70112	2101		8	Consultancy Services	3,000,000.00			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	55,674,621.25			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	6,623,799.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	2,212,357.51			
							TOTAL	75,002,997.76			
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	980,000.00			
02	38001001	22020201	70112	2101		3	Utility Services				
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	1,052,369.00			
02	38001001	22020402	70112	2101		6	Maintenance of office furniture & 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	2,582,369.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	1,876,950.00			
02	34001001	22020201	70451	2101		3	Utility Services	3,980,000.00			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	680,000.00			
02	34001001	22020402	70451	2101		6	Maintenance of office furniture & equipment	11,504,482.40			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	3,918,651.00			
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	745,000.00			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	3,522,615.00			
							TOTAL	26,227,698.40			
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	2,157,000.00			
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 office furniture & equipment	699,640.00			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	950,000.00			
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	700,000.00			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	700,000.00			
							Provision of Serviceable Materials	960,000.00			
							TOTAL	6,166,640.00			
							TOTAL ECONOMIC SECTOR MINISTRY	109,979,705.16	-	-	-

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	1,649,000.00			
05	17001001	22020201	70922	2101		3	Utility Services				
05	17001001	22020202	70922	2101		4	Telephone & Postal Services	-			
05	17001001	22020301	70922	2101		5	Stationary	365,000.00			
05	17001001	22020402	70922	2101		6	Maintenance of office furniture & 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	828,000.00			
05	17001001	22021002	70922	2101		12	Miscellaneous expenses	531,000.00			
							Provision of Serviceable Materials	-			
							TOTAL	3,373,000.00			
SOIAL DEVELOPEMENY											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51003001	22020101	70922	2101		2	Travel & Transport	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 office furniture & 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	1,878,000.00			
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 office furniture & equipment	450,000.00			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	750,000.00			
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)	845,000.00			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	360,000.00			
							Provision of Serviceable Materials	13,700,620.52			
							TOTAL	17,983,620.52			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	802,000.00			
05	51002002	22020201	70180	2101		3	Utility Services	-			
05	51002002	22020202	70180	2101		4	Telephone & Postal Services	-			
05	51002002	22020301	70180	2101		5	Stationary	325,000.00			
05	51002002	22020402	70180	2101		6	Maintenance of office furniture & 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	515,000.00			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	1,260,000.00			
							TOTAL	2,902,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	26,527,620.52	-	-	-
							TOTAL FOR ALL SECTORS	256,009,693.38		-	-

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	112,242,857.72			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	1,267,274.83			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		Pension arrears	19,294,001.52			
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	132,804,134.07			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	132,804,134.07			

Note 6A: Other Operating Activities

OPERATIONAL ACTIVITIES	AMOUNT
EMIRATE COUNCIL OVERHEAD	20,000,000.04
NISEPA	161,250,000.00
SECURITY	21,880,320.00
OVERHEAD TO AGENCIES	1,980,000.00
LEGAL CONSULTANT AND SALARY CONSULTANT	3,600,000.00
PARTY DUES	420,000.00
SECURITY	37,800,000.00
OPERATIONAL	309,207,175.99
INTERVENTION	60,274,000.00
ALLOWANCE TO SA'S ON SECURITY	1,850,000.00
TOTAL	618,261,496.03

Note 6B: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,200,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	16,350,000.00
RESERVE	44,000,000.00
TOTAL	76,750,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	-
CAPITAL	144,608,000.00
TOTAL CONTRIBUTIONS	173,408,000.00

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECON	FUNCTION	PROGRAMME	FUND	GEO.CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2019	2019 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
01	11033001	23010122	70722	010400009616	03005			Purchase of Generators	560,000.00			
01	11033001	23010122	70722	010400009616	03005			Renovation of Local Government Secretariat	3,764,171.20			
01	11033001	23010122	70722	010400009616	03005			Purchase of Office Furniture	2,173,500.00			
								Maintenance of Vehicle	150,000.00			
								Special Intervention Project	4,702,399.40			
								TOTAL FOR ADMIN SECTOR	11,350,070.60			
ECONOMIC SECTOR												
02	20001001				03005			Purchase of Grain and Seedlings	5,058,000.00			-
02								Construction of Slaughters Slab, Larigeat Kara	19,818,595.00			
								Construction of Drainage	2,420,000.00			
								Rehabilitation of Township Roads	3,587,850.00			
								Rehabilitation of Rural Roads	225,000.00			
								TOTAL FOR ECONOMIC SECTOR	31,109,445.00			
SOCIAL SECTOR												
05			70422	70900002606	03005			Construction of Block of Classroom	2,500,000.00			-
								Renovation of LGEA	150,000.00			
								Renovation of General Hospital	1,744,100.00			
								Renovation of Primary Healthcare Center	492,660.00			
								Drilling of Motorized Borehole and Reinforce Culvert	4,438,602.00			
								Repairs of Motorized Boreholes	382,000.00			
								Evacuation of Refuse and Site Clearance	6,320,000.00			
								Purchase of Land for School and Grave Yard	600,000.00			
								Construction of Double Cell Box Culvert	9,375,000.00			
								Community Based Projects (WDP)	455,000.00			
								SOCIAL SECTOR TOTAL	26,457,362.00			
								TOTAL FOR ALL SECTORS	68,916,877.60	-	-	-

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

ACCOUNT TYPE		AMOUNT
UNITY BANK PLC		214,540.55
ZENITH BANK PLC		257,955.46
UBA PLC		54,456,951.65
FIDELITY BANK PLC		1,799,783.72
POLARIS BANK		34,900.74
MUSHARAKA MICROFINANCE LTD		57127.84
TOTAL		56,821,259.96

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		759,713.17
TOTAL		5,136,012.75

MANAGEMENT REPORT ON AUDITED ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.0 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, 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)**.

3.0 REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Suleja 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	184,031,145.54	7.72
	Statutory Allocation	2,198,283,894.23	92.28
TOTAL		2,382,315,039.77	100.00
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	1,016,105,742.28	43.38
	Overhead Cost	256,009,693.38	10.93
	Consolidated Revenue Fund Charges	132,804,134.07	5.67
•	Contributions	173,408,000.00	7.40
•	Other Operating Activities	618,261,496.03	26.40
•	Other Transfers	76,750,000.00	3.28
•	Capital Expenditures	68,916,877.60	2.94
TOTAL		2,342,255,943.36	100.00

3.1 REVENUE

The sum of ₦2,382,315,039.77 accrued to Suleja Local Government Councils as total receipts for the year ended 31st December 2019.

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Suleja Local Government Council amounted to ₦184,031,145.54 only for the year ended 31st December 2019 which represents 7.72 % of the total accrued revenue of ₦2,382,315,039.77. 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 ₦2,198,283,894.23 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 ₦500.00 in respect of Suleja Local Government Council at the end of the financial year ended 31st December 2019, while the total bank balances stood at ₦56,821,259.96 in respect of Suleja Local Government Council as at the end of the financial year ended 31st December 2019.

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.

5.0 BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦184,031,145.54 was generated as Internally Generated Revenue which represents 76.86% when compared with the total budgeted Internally Generated Revenue amounting to ₦239,430,000.00 during the year under review. This is a fair performance, but there is need for improvement.

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.

6.0 PERSONNEL COST

It was observed that the total sum of ₦1,016,105,742.28 and ₦990,963,420.93 was spent as total personnel cost for the year 2019 and 2018 respectively with an increase of ₦25,142,321.35 over the previous year which represent 2.47% d. This is as a result of salary increment by the state government during the year under review.

7.0 CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No.1 (Cash Flow Statement) revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦911,533,230.00 and only the sum of ₦68,916,151.50 representing 7.56% was spent leaving the balance of ₦842,617,078.85 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	166,333,230.00	11,350,070.60	154,983,159.40
02	Economic Sector	317,000,000.00	31,109,445.00	285,890,555.00
05	Social Sector	428,200,000.00	26,457,362.00	401,742,638.00
TOTAL		911,533,230.00	68,916,151.50	842,617,078.50

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.

8.0 PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No.1 revealed that the Total Revenue stood at ₦2,382,315,039.77 with a Total Expenditure of ₦2,342,255,943.36 and close with a surplus balance of ₦40,059,096.41. 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 ₦5,136,012.75 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% Tax	89,800.02
5% VAT	4,217,152.45
PAYE	69,347.11
Retention Fees	759,713.17
TOTAL	5,136,012.75

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, 2019.

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.

10.0 OUTSTANDING AUDIT INSPECTION

AGX/F.O.19/TA/SUL/VOL.1 – 24th June, 2020

- Unaccounted Revenue Receipt Booklets ₦25,000.00

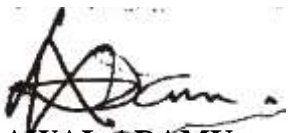
10.1 REQUIRED

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

11.0 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 GOVERNMENT OF NIGERIA
TAFA LOCAL GOVERNMENT COUNCIL



AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2019

AUDITOR GENERAL FOR LOCAL GOVERNMENT
P.M.B 53, NIGER STATE

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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 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

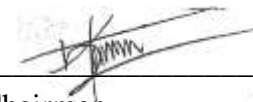
We accept responsibility of these Financial Statements, the information they contained and their compliance with the finance (Control and Management) Act. 1958 as Amended.

In our opinion, these financial statements fairly reflect the financial position of Tafa Local Governments as at 31st December, 2019 and its operations for the year ended on the date.



Treasurer

31st December, 2019



Chairman

31st December, 2019

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.

ADDRESS

Suleja Branch

United Bank for Africa 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, 2019 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.

Special opinion on State Local Government Joint Account Allocation Committee

Tafa Local Government is eligible to receive revenue comprising Statutory Allocation, Value Added Taxes and Exchange Difference from the Federation Account. The revenues received by Tafa Local Government, from the Ministry for Local Government, Community Development and Chieftaincy Affairs are indicated in the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts. In my opinion, the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts present fairly, in all material respects, the revenues received by Tafa Local Government during the year ended December 31st, 2019.



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

1: Cash Flow Statement for the Year Ended 31st December, 2019

ANNUAL BUDGET 2019		NOTES	ACTUAL YEAR 2019	PREVIOUS YEAR 2018
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,575,551,819.00	Statutory Allocations: FAAC	1	1,601,683,707.65	1,429,693,353.59
	Value Added Tax Allocation	1		-
1,575,551,819.00	Sub-total - Statutory Allocation		1,601,683,707.65	1,429,693,353.59
300,000.00	Direct Taxes	2	-	-
8,980,000.00	Licences & FEES	2	7,517,350.00	5,763,000.00
	Mining Rents:	2		-
7,953,800.00	RATES	2	5,230,390.00	3,916,000.00
	Fees:	2		-
	Fines	2		-
	Sales	2		-
2,480,000.00	Earnings :	2	2,096,350.00	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		-
-	Grant from state			-
	Re-imbusement	2		
861,200.00	MISCELLANEOUS	2	523,944.96	614,500.00
	Sub-total - Independent Revenue			12,390,910.00
	Other Revenue Sources of the -Government	3		
1,596,126,819.00	TOTAL INDEPENDANT REVENUE		15,368,034.96	12,390,910.00
	Commercial Bank Loan		-	
	TOTAL RECEIPTS		1,617,051,742.61	1,442,084,263.59
	Payments:			
404,811,128.00	Personnel Costs	3	759,312,520.75	596,224,893.11
241,987,611.00	Overhead Charges:	4	117,974,527.25	174,460,522.64
	Consolidated Revenue Fund Charges.	5	69,771,377.99	46,667,250.78
	contributions	7	176,968,000.00	552,051,465.48
	Other Operating Activities	6b	280,531,588.70	-
	Financial Charges		-	-
	Other Transfers	6	126,220,000.00	25,100,000.00
646,798,739.00	Total Payments		1,530,778,014.69	1,394,504,132.01
949,328,080.00	Net Cash Flow from Operating Activities		86,273,727.92	47,580,131.58

	CashFlows from Investment Activities:			
557,272,325.00	Capital Expenditure: Administrative Sector:	8	3,718,000.00	11,400,000.00
70,650,850.00	Capital Expenditure: Economic Sector:	8	50,149,866.83	34,190,000.00
315,001,029.00	capital expenditure: Social Service Sector:	8	9,750,000.00	14,425,000.00
-	Capital Expenditure: Funded from Aid and Grants:		-	-
942,924,204.00	Total Cash Flow from Investment Activities:		63,617,866.83	60,015,000.00
	Net Cash Flow from Investment Activities:		22,655,861.09	(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:		-	-
	Net Cash Flow from Financing Activities:		22,655,861.09	(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		22,655,861.09	(12,434,868.42)
	Cash & Its Equivalent as at 1st January, 2019		13,205,204.75	25,640,073.17
	Cash & Its Equivalent as at 31st December, 2019		35,861,065.84	13,205,204.75

2: Statement of Assets and Liabilities as at 31st December, 2019

	NOTES	CURRENT YEAR 2019	PREVIOUS YEAR 2018
		₦	₦
CURRENT ASSETS:-			
Liquid Assets:-			
Cash Held by AGNS:			
CASH AT BANK	9	35,860,700.84	13,204,639.75
CASH AT HAND		365.00	565.00
TOTAL LIQUID ASSETS		35,861,065.84	13,205,204.75
NON CURRENT ASSETS:			
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	-
TOTAL ASSETS		35,861,065.84	13,205,204.75
LIABILITIES OVER ASSETS		4,744,351.35	-
TOTAL		40,605,417.19	15,623,668.04
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:	CRF	35,861,065.84	12,156,479.75
Capital Development Fund:		-	-
TOTAL PUBLIC FUNDS		35,861,065.84	12,156,479.75
EXTERNAL AND INTERNAL LOANS			
BANK LOANS	11	-	-
TOTAL EXTERNAL AND INTERNAL LOANS		-	-
OTHER LIABILITIES			
UNREMITTED DEDUCTIONS			
NULGE	12	209,204.20	65,911.89
M & HWUN	12	65,911.89	577,437.10
Pension	12	832,781.52	-
1% stamp Duty	12	648,950.30	-
5% Tax Deduction	12	1,960,377.24	1,307,317.55
5% VAT	12	1,027,126.20	1,307,317.55
Paye	12	-	209,204.20
TOTAL LIABILITIES		4,744,351.35	3,467,188.29
TOTAL LIABILITIES AND PUBLIC FOUNDS		40,605,417.19	15,623,668.04

3: Statement of Consolidated Revenue for the year ended 31st December, 2019

ACTUAL PREVIOUS YEAR 2018		NOTES	ACTUAL YEAR 2019	FINAL BUDGET 2019	INITIAL/ORIGINAL BUDGET 2019
N			N	N	N
25,640,073.17	Opening Balance:		13,205,204.75		
	ADD: REVENUE				
1,429,693,353.59	Statutory Allocations: FAAC	1	1,601,683,707.65	1,575,551,819.00	
-	Value Added Tax Allocation	1	-		
1,455,333,426.76	Sub-Total - Statutory Allocation		1,601,683,707.65	1,575,551,819.00	
	Direct Taxes	2	-	300,000.00	
5,763,000.00	Licences	2	7,517,350.00	8,980,000.00	
3,916,000.00	RATES	2	5,230,390.00	7,953,800.00	
	Fees:	2	-		
	Fines	2	-		
	Sales	2	-		
2,097,410.00	Earnings :	2	2,096,350.00	2,480,000.00	
-	Sales/Rent of Government Buildings:	2	-		
-	Sale/Rent on Lands and Others:	2	-	-	
-	Grant from state			-	
614,500.00	MISCELLANEOUS	2	523,944.96	861,200.00	
-	Investment Income	2	-		
-	Interest Earned	2	-		
-	Re-Imbursements	2	-		
12,390,910.00	Sub-Total - Independent Revenue		15,368,034.96	20,575,000.00	
	Other Revenue Sources of the ---Government		-		
1,467,724,336.76	TOTAL REVENUE:		1,630,256,947.36	1,596,126,819.00	
	LESS:EXPENDITURE				
596,224,893.11	Personnel Costs:	3	759,312,520.75	404,811,128.00	
174,460,522.64	Overhead Charges:	4	117,974,527.25	241,987,611.00	
46,667,250.78	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	69,771,377.99		
552,051,465.48	contributions	7	176,968,000.00		
-	Other Operating Activities	6b	280,531,588.70		
-	Financial Charges.		-		
25,100,000.00	Other Transfers	6	126,220,000.00		
1,394,504,132.01	TOTAL EXPENDITURE:		1,530,778,014.69	646,798,739.00	

	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
	Repayments: External Loans: States			-	
	Repayments: States Bonds.			-	
	Repayments: Development Loan Stock			-	
	Repayments: Internal Loans from Other Funds	11		-	
	TOTAL EXPENDITURE:			-	
73,220,204.75	OPERATING BALANCE:			99,478,932.67	949,328,080.00
	APPROPRIATIONS/TRANSFERS:				
60,015,000.00	Transfer to Capital Development Fund:			63,617,866.83	-
13,205,204.75	Closing Balance:			35,861,065.84	

4: Statement of Capital Development Fund for the year ended 31st December, 2019

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2018			EXPENDITURE 2019	BUDGET 2019	BUDGET 2019	BUDGET 2019
₦			₦	₦	₦	₦
	Opening Balance:		-			
	ADD: REVENUE					
60,015,000.00	Transfer from Consolidated Revenue Fund:		63,617,866.83	-		
-	Aid and Grants		-	-		
60,015,000.00	TOTAL REVENUE AVAILIABLE:		63,617,866.83	-		
	LESS: CAPITAL EXPENDITURE					
11,400,000.00	Capital Expenditure: Administrative Sector:	10	3,718,000.00	557,272,325.00		
34,190,000.00	Capital Expenditure: Economic Sector:	10	50,149,866.83	70,650,850.00		
14,425,000.00	Capital Expenditure: Social Service Sector:	10	9,750,000.00	315,001,029.00		
-	Capital Expenditure: Funded from Aid and Grants:		-			
60,015,000.00	TOTAL CAPITAL EXPENDITURE:		63,617,866.83	942,924,204.00		
	Intangible Assets					
	LOSS ON INVESTMENT					
	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2019

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		₦	₦
Net Share of Statutory Allocation from FAAC	A	1,013,278,660.93	
Add :Deduction at source for Loan Repayment	B	588,405,046.72	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			1,601,683,707.65
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)	Actual	Budget	Variance
	₦	₦	₦
TAXES	-		
RATES	5,230,390.00		
LINCENCES & FEES	7,517,350.00		
EARNING FROM COMMERCIAL UNDERTAKING	2,096,350.00		
RENT ON LOCAL GOVERNMENT PROPERTY	-		
INTEREST AND DIVIDEND	-		
MISELLANEOUS	523,944.96		
TOTAL I G R	15,368,034.96		

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	768,058.44			
							-			
THE COUNCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	4,183,447.60			
							-			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	418,344.76			
							-			
							-			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	49,468,275.76			
TOTAL ADMIN SECTOR							54,838,126.56			
							-			
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	18,078,407.79			
							-			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	1,813,414.68			
							-			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	34,202,189.65			
							-			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	16,331,432.29			
TOTAL ECONOMIC SECTOR							70,425,444.41			

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	6,861,818.90			
						-			
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101	TOTAL PERSONNELCOST	128,087,298.96			
						-			
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101	TOTAL PERSONNELCOST	19,628,675.02			
						-			
SOCIAL DEVELOPMENT									
05		21010101	70131	2101	TOTAL PERSONNELCOST	-			
						-			
TOTAL SOCIAL SECTOR						154,577,792.88			
TOTAL FOR ALL SECTORS						279,841,363.85			
ADJUSTMENT :									
PAYEE						11,360,642.71			
PAYEE (POLITICAL OFFICE						952,273.50			
UNION DUES						20,423,037.75			
NHF(2,5%)						7,843,778.25			
EMIRATE COUNCIL						53,608,974.32			
PRIMARY EDUCATION						295,157,804.09			
MHWU-ENDWELL						15,397,642.96			
Salary and Salary Related						74,727,003.32			
TOTAL PERSONNEL COST FOR ALL SECTORS						759,312,520.75			

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	2,188,000.00			
01	11001001	22020201	70111	2101		3	Utility Services	-			
01	11001001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11001001	22020301	70111	2101		5	Stationary	116,000.00			
01	11001001	22020402	70111	2101		6	Maintenance of office	414,000.00			
01	11001001	22020401	70111	2101		7	Maintenance of Vehicles and	30,653,687.16			
01	11001001	22020701	70111	2101		8	Consultancy Services	-			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	6,542,000.00			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	4,327,000.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	-			
							PROVISION OF SERVICE MATERIALS	29,515,448.85			
							TOTAL	73,756,136.01			
THE COUNCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	1,200,000.00			
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 office furniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles and Capital assets	2,750,000.00			
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	3,966,000.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	-			
							PROVISION FOR SERVICEABLE	-			
							TOTAL	7,916,000.00			

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	133,500.00			
01	11013001	22020201	70111	2101		3	Utility Services	-			
01	11013001	22020202	70111	2101		4	Telephone & Postal Services	-			
01	11013001	22020301	70111	2101		5	Stationary	11,500.00			
01	11013001	22020402	70111	2101		6	Maintenance of office furniture & equipment	5,000.00			
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	15,000.00			
01	11013001	22021002	70111	2101		12	Miscellaneous expenses	-			
							TOTAL	165,000.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	833,000.00			
01	25001001	22020201	70131	2101		3	Utility Services	-			
01	25001001	22020202	70131	2101		4	Telephone & Postal Services	-			
01	25001001	22020301	70131	2101		5	Stationary	431,000.00			
01	25001001	22020402	70131	2101		6	Maintenance of office furniture & equipment	385,000.00			
01	25001001	22020401	70131	2101		7	Maintenance of Vehicles and Capital assets	150,000.00			
01	25001001	22020701	70131	2101		8	Consultancy Services	-			
01	25001001	22040109	70131	2101		9	Grants, Contributions & Subventions	2,901,578.79			
01	25001001	22020501	70131	2101		10	Training and staff Development	2,310,000.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	1,499,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	385,000.00			
							TOTAL	8,894,578.79			
							TOTAL ADMIN SECTOR	90,731,714.80			

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	1,487,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	2,162,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of office furniture & equipment	2,026,000.00			
02	20001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	225,000.00			
02	20001001	22020701	70112	2101		8	Consultancy Services	315,000.00			
02	20001001	22040109	70112	2101		9	Grants, Contributions & Subventions	1,480,472.45			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	30,000.00			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	1,893,500.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	445,000.00			
							TOTAL	10,063,972.45			
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	224,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	410,000.00			
02	38001001	22020402	70112	2101		6	Maintenance of office furniture & equipment	250,000.00			
02	38001001	22020401	70112	2101		7	Maintenance of Vehicles and Capital assets	154,000.00			
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	50,000.00			
02	38001001	22021002	70112	2101		12	Miscellaneous expenses	65,000.00			
							TOTAL	1,153,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	304,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	364,000.00			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	780,000.00			
02	34001001	22020402	70451	2101		6	Maintenance of office furniture & equipment	677,000.00			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	1,044,000.00			
02	34001001	22020701	70451	2101		8	Consultancy Services	10,000.00			
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	132,000.00			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	420,000.00			
							PROVISION OF SERVICE MATERIALS	70,000.00			
							TOTAL	3,801,000.00			
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	275,613.34			
02	15001001	22020201	70421	2101		3	Utility Services	-			
02	15001001	22020202	70421	2101		4	Telephone & Postal Services	-			
02	15001001	22020301	70421	2101		5	Stationary	266,768.89			
02	15001001	22020402	70421	2101		6	Maintenance of office furniture & equipment	50,000.00			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	24,000.00			
02	15001001	22020701	70421	2101		8	Consultancy Services	-			
02	15001001	22040109	70421	2101		9	Grants, Contributions & Subventions	70,768.89			
02	15001001	22020501	70421	2101		10	Training and staff Development	-			
02	15001001	22021001	70421	2101		11	Entertainment and Hospitality	500,306.67			
02	15001001	22021002	70421	2101		12	Miscellaneous expenses	131,768.89			
							PROVISION OF SERVICEABLE	1,200,613.32			
							TOTAL	2,519,840.00			
							TOTAL ECONOMIC SECTOR MINISTRY	17,537,812.45			

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	1,018,000.00			
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 office furniture & equipment	200,000.00			
05	17001001	22020401	70922	2101		7	Maintenance of Vehicles and Capital assets	60,000.00			
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	3,069,000.00			
							TOTAL	4,347,000.00			
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 office furniture & 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	340,000.00			
05	21001001	22020201	70731	2101		3	Utility Services	-			
05	21001001	22020202	70731	2101		4	Telephone & Postal Services	-			
05	21001001	22020301	70731	2101		5	Stationary	30,000.00			
05	21001001	22020402	70731	2101		6	Maintenance of office furniture & equipment	210,000.00			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	1,251,000.00			
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)	40,000.00			
05	21001001	22021002	70731	2101		12	Miscellaneous expenses	305,000.00			
							INTEGRATED MGT. OF CHILD ILLNESS	2,252,000.00			
							NPI	-			
							ASSISTED PROGRAM (SUMMAP)	-			
							TOTAL	4,428,000.00			
TRADITIONAL OFFICE											
05	51002002	22020101	70180	2101		2	Travel & Transport	880,000.00			
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 office furniture & equipment	30,000.00			
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	20,000.00			
05	51002002	22021002	70180	2101		12	Miscellaneous expenses	-			
							TOTAL	930,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	9,705,000.00			
							TOTAL FOR ALL SECTORS	117,974,527.25			

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	45,976,642.57			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	4,200,733.90			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		142% Pension arrears	19,594,001.52			
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	69,771,377.99			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	69,771,377.99			

Note 6A: Other Operating Activities

OPERATIONAL ACTIVITIES	AMOUNT
EMIRATE COUNCIL OVERHEAD	20,000,000.04
SECURITY	59,680,320.00
OVERHEAD TO AGENCIES	1,980,000.00
LEGAL CONSULTANCY SERVICES	3,600,000.00
ALLOWANCE TO SA'S ON SECURITY	1,850,000.00
OPERATIONAL	139,337,268.66
INTERVENTION	53,694,000.00
PARTY DUES	390,000.00
DIRECT CREDIT	
TOTAL	280,531,588.70

Note 6B: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,200,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	65,820,000.00
NISEPA	
Reserve Fund	44,000,000.00
TOTAL	126,220,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	-
CAPITAL	148,168,000.00
TOTAL CONTRIBUTIONS	176,968,000.00

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECON	FUNCTION	PROGRAMME	FUND	GEO.CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2019	2019 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
1	11033001	23010122	70722	010400009616	03005			General Administration	3,718,000.00			
1	11033001								-			
1	11033001								-			
								TOTAL FOR ADMIN SECTOR	3,718,000.00			
ECONOMIC SECTOR												-
2	20001001				03005			Agriculture and Natural Resources	310,000.00			
2								Water Supply	1,328,550.50			(1,328,550.50)
2								Town and Country Planning	786,000.00			
2								Transport Road and Bridges	47,725,316.33			
2								ECONOMIC SECTOR TOTAL	50,149,866.83	-	-	(1,328,550.50)
												-
SOCIAL SECTOR												-
5			70422	70900002606	03005			Community Development	9,750,000.00			
									-			
									-			
									-			
									-			
									-			
									-			
								SOCIAL SECTOR TOTAL	9,750,000.00	-	-	-
								TOTAL FOR ALL SECTORS	63,617,866.83			

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

ACCOUNT TYPE		AMOUNT
UBA BANK PLC		62,538.17
UNITY BANK PLC		4,107.91
UBA BANK PLC		35,794,054.76
TOTAL		35,860,700.84

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
NULGE		209,204.20
M & HWUN		65,911.89
Pension		832,781.52
1% stamp Duty		648,950.30
5% Tax Deduction		1,960,377.24
5% VAT		1,027,126.20
TOTAL		4,744,351.35

MANAGEMENT REPORT ON AUDITED ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.0 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, 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 Tafa 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	15,368,034.96	0.95
	Statutory Allocation	1,601,683,707.65	99.05
TOTAL		1,617,051,742.61	100.00
TOTAL EXPENDITURE		AMOUNT	%
		₦	
	Salaries and Wages	759,312,520.75	47.62
	Overhead Cost	117,974,527.25	7.40
	Consolidated Revenue Fund Charges	69,771,377.99	4.38
•	Contributions	176,968,000.00	11.09
•	Other Operating Activities	280,531,588.70	17.59
•	Other Transfers	126,330,000.00	7.92
•	Capital Expenditures	63,617,866.83	4.00
TOTAL		1,594,395,881.52	100.00

3.1 REVENUE

The sum of ₦1,617,051,742.61 accrued to Tafa Local Government Councils as total receipts for the year ended 31st December 2019.

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Tafa Local Government Council amounted to ₦15,368,034.96 only for the year ended 31st December 2019 which represents 0.95 % of the total accrued revenue of ₦1,617,051,742.61. 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 ₦1,601,683,707.65 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 ₦365.00 in respect of Tafa Local Government Council at the end of the financial year ended 31st December 2019, while the total bank balances stood at ₦35,860,700.84 in respect of Tafa Local Government Council as at the end of the financial year ended 31st December 2019

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.

5.0 BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦15,368,034.96 was generated as Internally Generated Revenue which represents % when compared with the total budgeted Internally Generated Revenue amounting to ₦20,575,000.00 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.

6.0 PERSONNEL COST

It was observed that the total sum of ₦759,312,520.75 and ₦596,224,893.11 was spent as total personnel cost for the year 2019 and 2018 respectively with an increase of ₦163,087,627.64 over the previous year which represent 21.48%. This is as a result of salary increment by the state government during the year under review.

7.0 CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No.1 (Cash Flow Statement) revealed that much attention was not given in the execution of Capital project as seen in the table below. The approved estimate was ₦942,924,204.00 and only the sum of ₦63,617,866.83 representing 6.75% was spent leaving the balance of ₦878,029,174.17 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	557,272,325.00	3,718,000.00	553,554,325.00
02	Economic Sector	70,650,850.00	50,149,866.83	21,338,370.62
05	Social Sector	315,001,029.00	9,750,000.00	305,251,029.00
TOTAL		942,924,204.00	63,617,866.83	878,029,174.17

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.

8.0 PERFORMANCE OF OPERATING ACTIVITIES

The Cash flow from operating activities in Statements No.1 revealed that the Total Revenue stood at ₦1,617,051,742.61 with a Total Expenditure of ₦1,594,395,881.52 and close with a surplus balance of ₦22,655,861.09. 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 ₦4,744,351.35 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	1,027,126.20
5% Withholding Tax	1,960,377.24
NULGE	209,204.20
M & HWUN	65,911.89
Pension	832,781.52
1% stamp Duty	648,950.30
TOTAL	4,744,351.35

From the above table, the Councils recorded outstanding VAT amounting to ₦1,027,126.20 and WHT of ₦1,960,377.24 as at 31st December, 2019.

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.

10.0 OUTSTANDING AUDIT INSPECTION

AGX/F.O.19/TA/TAF/VOL.1 - 24th June, 2020

- Un-Receipted Payment Vouchers ₦312,000.00

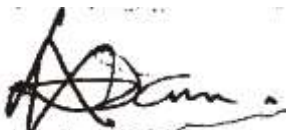
10.1 REQUIRED

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

11.0 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 GOVERNMENT OF NIGERIA
WUSHISHI LOCAL GOVERNMENT COUNCIL



AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2019

AUDITOR GENERAL FOR LOCAL GOVERNMENT
P.M.B 53, NIGER STATE

PERSONALITY PROFILE

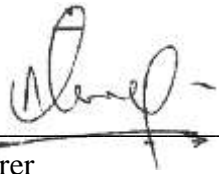
- **FINANCIAL STATEMENT**
 - Statement of Financial Responsibility
 - Council Officials
 - Auditor General's Opinion

- **AUDIT REPORT**
 - 209.0 Cash Flow Statements
 - 210.0 Statement of Assets & Liabilities
 - 211.0 Statement of Consolidated Revenue Funds
 - 212.0 State of Capital Development Funds
 - 213.0 Notes to the Accounts.
 - 214.0 Scope of Audit
 - 215.0 General State of Accounts and Records Keeping
 - 7.1 General Recommendation
 - 216.0 Review of Financial Statement
 - 217.0 Internal Control
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 - 219.0 Personnel Cost
 - 220.0 Capital Expenditure
 - 221.0 Performance of Operation Activities
 - 222.0 Deposits
 - 223.0 Outstanding Audit Inspection
 - 224.0 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, 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 Wushishi Local Governments as at 31st December, 2019 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 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, 2019 and of the Consolidated Reserve position on that date and comply with Local Government Act No. 4 of 1977 of Niger State of Nigeria.

Special opinion on State Local Government Joint Account Allocation Committee

Wushishi Local Government is eligible to receive revenue comprising Statutory Allocation, Value Added Taxes and Exchange Difference from the Federation Account. The revenues received by Wushishi Local Government, from the Ministry for Local Government, Community Development and Chieftaincy Affairs are indicated in the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts. In my opinion, the statement of consolidated revenue fund, statement of cashflow and the notes to the accounts present fairly, in all material respects, the revenues received by Wushishi Local Government during the year ended December 31st, 2019.

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

1: Cash Flow Statement for the Year Ended 31st December, 2019

ANNUAL BUDGET 2019		NOTES	ACTUAL YEAR 2019	PREVIOUS YEAR 2018
N			N	N
	CashFlows from Operating Activities:			
	Receipts:			
1,437,670,298.00	Statutory Allocations: FAAC	1	1,371,969,666.26	1,278,537,602.30
	Value Added Tax Allocation	1		
1,437,670,298.00	Sub-total - Statutory Allocation		1,371,969,666.26	1,278,537,602.30
1,500,000.00	Direct Taxes	2	476,620.00	55,750.00
5,049,500.00	Licences & FEES	2	1,182,360.00	369,550.00
	Mining Rents:	2		
2,000,000.00	RATES	2	764,447.00	334,000.00
	Fees:	2		
	Fines	2		
	Sales	2		
6,255,000.00	Earnings :	2	1,211,450.00	2,184,700.00
1,465,000.00	Sales/Rent of Government Buildings:	2	140,690.00	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	325,100.00	2,728,000.00
16,529,500.00	Sub-total - Independent Revenue		4,100,667.00	
	Other Revenue Sources of the -Government	3		
16,529,500.00	TOTAL INDEPENDANT REVENUE		4,100,667.00	5,748,000.00
	Commercial Bank Loan		-	-
1,454,199,798.00	TOTAL RECEIPTS		1,376,070,333.26	1,284,285,602.30
	Payments:			
258,572,480.00	Personnel Costs	3	643,034,581.75	509,733,168.57
219,277,434.00	Overhead Charges:	4	113,322,019.06	176,754,008.64
357,006,164.00	Consolidated Revenue Fund Charges.	6	81,640,364.36	51,563,765.37
	contributions	7	173,408,000.00	538,459,802.90
	Other Operating Activities	6	229,725,366.98	-
	Financial Charges		-	-
	Other Transfers	6B	75,600,000.00	25,100,000.00
834,856,078.00	Total Payments		1,316,730,332.15	1,301,610,745.48
619,343,720.00	Net Cash Flow from Operating Activities		59,340,001.11	(17,325,143.18)

	CashFlows from Investment Activities:			
	Capital Expenditure: Administrative Sector:	8	25,859,040.00	5,672,100.00
	Capital Expenditure: Economic Sector:	8	3,380,000.00	15,891,400.00
	Capital Expenditure: Law and Justice:	8	-	-
	Capital Expenditure: Regional Development	8	-	-
	capital expenditure: Social Service Sector:	8	3,500,000.00	5,982,811.10
	Capital Expenditure: Funded from Aid and Grants:		-	-
648,260,471.00	Total Cash Flow from Investment Activities:		32,739,040.00	27,546,311.10
(28,916,751.00)	Net Cash Flow from Investment Activities:		26,600,961.11	(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:		-	-
(28,916,751.00)	Net Cash Flow from Financing Activities:		26,600,961.11	(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		26,600,961.11	(44,871,454.28)
	Cash & Its Equivalent as at 1st January, 2018		9,264,804.71	54,136,258.99
	Cash & Its Equivalent as at 31st December, 2019		35,865,765.82	9,264,804.71

2: Statement of Assets and Liabilities as at 31st December, 2019

	NOTES	CURRENT YEAR 2019	PREVIOUS YEAR 2018
CURRENT ASSETS:-		₦	₦
Liquid Assets:-			
Cash Held by AGNS:			
CASH AT HAND		620.28	
CASH AT BANK	11	35,865,145.54	9,264,804.71
TOTAL LIQUID ASSETS		35,865,765.82	9,264,804.71
NON CURRENT ASSET			
		-	-
TOTAL INVESTMENTS AND OTHER CASH ASSETS		-	-
TOTAL ASSETS		35,865,765.82	9,264,804.71
LIABILITIES OVER ASSETS		10,184,350.60	5,908,420.10
TOTAL :		46,050,116.42	15,173,224.81
LIABILITIES:-			
PUBLIC FUNDS			
Consolidated Revenue Fund:		35,865,765.82	27,546,311.10
Capital Development Fund:			
TOTAL PUBLIC FUNDS		35,865,765.82	27,546,311.10
EXTERNAL AND INTERNAL LOANS			
TOTAL EXTERNAL AND INTERNAL LOANS			
OTHER LIABILITIES			
UNREMITTED DEDUCTIOS:			
5% Withholding Tax	12	4,828,009.82	1,658,619.72
PAYE	12	312,948.17	312,948.17
NULGE	12	1,115.50	1,115.50
Development Levy	12	280,520.00	51,620.00
15% Rent on Local Government Properties	12	360,025.64	360,025.64
Federal Mortgage Bank	12	64,451.52	64,451.52
Value Added Tax (VAT)	12	3,952,411.11	3,402,161.11
10% Retention	12	57,478.44	57,478.44
1% Stamp Duty Charges	12	327,390.40	-
TOTAL LIABILITIES		10,184,350.60	5,908,420.10
TOTAL LIABILITIES AND PUBLIC FUNDS		46,050,116.42	15,173,224.81

3: Statement of Consolidated Revenue for the year ended 31st December, 2019

ACTUAL PREVIOUS YEAR 2018		NOTES	ACTUAL YEAR 2019	FINAL BUDGET 2019	INITIAL/ORIGINAL BUDGET 2019
₦			₦	₦	₦
54,136,258.99	Opening Balance:		9,264,804.71		
-			-	-	-
-	ADD: REVENUE		-	-	-
1,278,537,602.30	Statutory Allocations: FAAC	1	1,371,969,666.26	1,437,670,298.00	-
-	Value Added Tax Allocation	1	-	-	-
1,332,673,861.29	Sub-Total - Statutory Allocation		1,381,234,470.97	1,437,670,298.00	-
55,750.00	Direct Taxes	2	476,620.00	1,500,000.00	-
369,550.00	Licences	2	1,182,360.00	5,049,500.00	-
-	Mining Rents:	2	-	-	-
334,000.00	RATE	2	764,447.00	2,000,000.00	-
-	Fees:	2	-	-	-
-	Fines	2	-	-	-
-	Sales	2	-	-	-
2,184,700.00	Earnings :	2	1,211,450.00	6,255,000.00	-
76,000.00	Sales/Rent of Government Buildings:	2	140,690.00	1,465,000.00	-
-	Sale/Rent on Lands and Others:	2	-	-	-
-	Repayment: General:	2	-	-	-
-	Investment Income	2	-	-	-
-	Interest Earned	2	-	-	-
2,728,000.00	MISCELLANEOUS	2	325,100.00	260,000.00	-
-	Re-Imbursements	2	-	-	-
5,748,000.00	Sub-Total - Independent Revenue		4,100,667.00	16,529,500.00	-
-	Other Revenue Sources of the ---Government		-	31,559,000.00	-
1,338,421,861.29	TOTAL REVENUE:		1,385,335,137.97	1,485,758,798.00	-
	LESS:EXPENDITURE				
509,733,168.57	Personnel Costs:	3	643,034,581.75	258,572,480.00	-
176,754,008.64	Overhead Charges:	4	113,322,019.06	219,277,434.00	-
51,563,765.37	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	5	81,640,364.36	-	-
538,459,802.90	Contribution	7	173,408,000.00	-	-
-	Other Operating Activities		229,725,366.98	-	-
25,100,000.00	Other Transfers	6	75,600,000.00	-	-
1,301,610,745.48	TOTAL EXPENDITURE:		1,316,730,332.15	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:		-	-	-
36,811,115.81	OPERATING BALANCE:		68,604,805.82	477,849,914.00	-
	APPROPRIATIONS/TRANSFERS:				
27,546,311.10	Transfer to Capital Development Fund:		32,739,040.00	-	-
9,264,804.71	Closing Balance:		35,865,765.82		

4: Statement of Capital Development Fund for the year ended 31st December, 2019

ACTUAL PREVIOUS		NOTES	TOTAL CAPITAL	FINAL	INITIAL/ORIGINAL	SUPPLEMENTARY
YEAR 2018			EXPENDITURE 2019	BUDGET 2019	BUDGET 2019	BUDGET 2019
₦			₦	₦	₦	₦
-	Opening Balance:		-			
-	ADD: REVENUE		-	-	-	-
27,546,311.10	Transfer from Consolidated Revenue Fund:		32,739,040.00	-	-	-
-	Aid and Grants		-	-	-	-
27,546,311.10	TOTAL REVENUE AVAILABLE:		32,739,040.00	-	-	-
	LESS: CAPITAL EXPENDITURE					
5,672,100.00	Capital Expenditure: Administrative Sector:	8	25,859,040.00	-	-	-
15,891,400.00	Capital Expenditure: Economic Sector:	8	3,380,000.00	-	-	-
-	Capital Expenditure: Law and Justice:	8	-	-	-	-
-	Capital Expenditure: Regional Development	8	-	-	-	-
5,982,811.10	Capital Expenditure: Social Service Sector:	8	3,500,000.00	-	-	-
-	Capital Expenditure: Funded from Aid and Grants:		-	-	-	-
27,546,311.10	TOTAL CAPITAL EXPENDITURE:		32,739,040.00	648,260,471.00	-	-
	Intangible Assets					
-	LOSS ON INVESTMENT		-			
-	CLOSING BALANCE:		-			

Note to the Financial Statement for the Year Ended 31st December, 2019

Note 1

Details	Ref. Note	Amount	Amount
A- Share of Statutory Allocation from FAAC		N	N
Net Share of Statutory Allocation from FAAC	A	898,841,638.03	
Add :Deduction at source for Loan Repayment	B	473,128,028.23	
Share of Statutory Allocation - Other Agencies	C		
Share of Federal Accounts Allocation- Excess Crude Oil	D		
Total(GROSS) FAAC Allocation to LG			1,371,969,666.26
B. Value Added Tax			
Share of Value Added Tax (VAT)	E		

Note 2

Internally Generated Revenue (Independent Revenue)		Actual	Budget	Variance
		₦	₦	₦
TAXES		476,620.00	1,500,000.00	1,023,380.00
RATES		764,447.00	2,000,000.00	1,235,553.00
LINCENCES & FEES		1,182,360.00	5,049,500.00	3,867,140.00
EARNING FROM COMMERCIAL UNDERTAKING		1,211,450.00	6,255,000.00	5,043,550.00
RENT ON LOCAL GOVERNMENT PROPERTY		140,690.00	1,465,000.00	1,324,310.00
MISELLANEOUS		325,100.00	260,000.00	(65,100.00)
TOTAL I G R		4,100,667.00	16,529,500.00	12,428,833.00

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	780,292.00			
THE COUNCIL										
01	12003001	21010101	70111	2101		TOTAL PERSONNEL COST	4,669,192.00			
OFFICE OF THE SECRETARY										
01	11013001	21010101	70111	2101		TOTAL PERSONNEL COST	424,472.00			
PERSONEL MANAGEMENT										
01	25001001	21010101	70131	2101		TOTAL PERSONNELCOST	23,541,706.29			
TOTAL ADMIN SECTOR							29,415,662.29			
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	32,076,072.00			
BUDGET;PLANNING & RESEARCH										
02	38001001	21010101	70112	2101		TOTAL PERSONNELCOST	3,630,501.50			
WORKS & HOUSING										
02	34001001	21010101	70112	2101		TOTAL PERSONNELCOST	34,525,100.00			
AGRICULTURE AND NATURAL RESURCES										
02	15001001	21010101	70421	2101		TOTAL PERSONNELCOST	30,199,070.00			
TOTAL ECONOMIC SECTOR							100,430,743.50			

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	23,284,607.00		
PRIMARY HEALTH CARE									
05	21001001	21010101	70131	2101		TOTAL PERSONNELCOST	113,910,081.50		
TRADITIONAL OFFICE									
05	51002002	21010101	70131	2101		TOTAL PERSONNELCOST	8,543,763.62		
TOTAL SOCIAL SECTOR							145,738,452.12		
TOTAL FOR ALL SECTORS							275,584,857.91	688,589,326.00	
ADJUSTMENT :									
PAYEE							9,486,904.85		
PAYEE (POLITICAL OFFICE							1,024,060.00		
UNION DUES							14,812,805.63		
NHF(2,5%)							6,088,669.15		
MHWU-ENDWELL							11,692,345.87		
EMIRATE COUNCIL							51,339,250.04		
PRIMARY EDUCATION							211,413,433.04		
Salary and Salary Related							61,592,255.26		
TOTAL PERSONNEL COST FOR ALL SECTORS							643,034,581.75		

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	2,150,000.00			
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	3,399,620.66			
01	11001001	22020701	70111	2101		8	Consultancy Services	-			
01	11001001	22040109	70111	2101		9	Grants, Contributions & Subventions	6,850,000.00			
01	11001001	22020501	70111	2101		10	Short term Training and Consultancy	-			
01	11001001	22021001	70111	2101		11	Entertainment & Hospitality	638,000.00			
01	11001001	22021002	70111	2101		12	Miscellaneous expense	15,654,345.00			
							Provision of Serviceable Materials	-			
							TOTAL	28,691,965.66			
THE COUNCIL											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	12003001	22020101	70111	2101		2	Travel & Transport	1,200,000.00			
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 office furniture & equipment	-			
01	12003001	22020401	70111	2101		7	Maintenance of Vehicles and Capital 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	3,678,876.00			
01	12003001	22021002	70111	2101		12	Miscellaneous expenses	4,321,124.00			
							TOTAL	9,200,000.00			

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	340,000.00			
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 office furniture & 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	640,000.00			
							TOTAL	980,000.00			
PERSONEL MANAGEMENT											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
01	25001001	22020101	70131	2101		2	Travel & Transport	794,000.00			
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 office furniture & 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	1,260,000.00			
01	25001001	22021001	70131	2101		11	Entertainment & Hospitality	840,000.00			
01	25001001	22021002	70131	2101		12	Miscellaneous expenses	2,087,500.00			
							Provision of Serviceable Materials	1,110,000.00			
							TOTAL	6,091,500.00			
							TOTAL ADMIN MINISTIES	44,963,465.66	-	-	-

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	1,158,000.00			
02	20001001	22020201	70112	2101		3	Utility Services	-			
02	20001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	20001001	22020301	70112	2101		5	Stationary	662,000.00			
02	20001001	22020402	70112	2101		6	Maintenance of office furniture & 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	48,692,485.40			
02	20001001	22020501	70112	2101		10	Short term Training and Consultancy	-			
02	20001001	22021001	70112	2101		11	Entertainment & Hospitality	560,480.00			
02	20001001	22021002	70112	2101		12	Miscellaneous expenses	5,197,320.00			
							Provision of Serviceable Materials	430,200.00			
							TOTAL	56,700,485.40			
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	520,000.00			
02	38001001	22020201	70112	2101		3	Utility Services	-			
02	38001001	22020202	70112	2101		4	Telephone & Postal Services	-			
02	38001001	22020301	70112	2101		5	Stationary	600,000.00			
02	38001001	22020402	70112	2101		6	Maintenance of office furniture & 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	1,120,000.00			

WORKS & HOUSING											
Sector	Admin.	Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
02	34001001	22020101	70451	2101		2	Travel & Transport	786,000.00			
02	34001001	22020201	70451	2101		3	Utility Services	781,000.00			
02	34001001	22020202	70451	2101		4	Telephone & Postal Services	-			
02	34001001	22020301	70451	2101		5	Stationary	-			
02	34001001	22020402	70451	2101		6	Maintenance of office furniture & equipment	-			
02	34001001	22020401	70451	2101		7	Maintenance of Vehicles and Capital assets	1,006,500.00			
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	Entertainment & Hospitality	900,292.00			
02	34001001	22021002	70451	2101		12	Miscellaneous expenses	589,363.00			
							Provision of Serviceable Materials	140,000.00			
							TOTAL	4,203,155.00			
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	350,000.00			
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 office furniture & equipment	-			
02	15001001	22020401	70421	2101		7	Maintenance of Vehicles and Capital assets	182,000.00			
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	839,840.00			
							TOTAL	1,371,840.00			
							TOTAL ECONOMIC SECTOR MINISTRY	63,395,480.40	-	-	-

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	350,000.00			
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 office furniture & 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	150,000.00			
							Provision of Serviceable Materials	-			
							TOTAL	500,000.00			
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 office furniture & 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	660,000.00			
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 office furniture & equipment	240,000.00			
05	21001001	22020401	70731	2101		7	Maintenance of Vehicles and Capital assets	50,000.00			
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	3,193,073.00			
							Provision of Serviceable Materials	-			
							TOTAL	4,143,073.00			
TRADITIONAL OFFICE											
Sector		Econ.	Function	Fund		SUB - HEAD	DETAILS	ACTUAL EXPENDITURE	APPROVED BUDGET	REVISED	VARIANCE
05	51002002	22020101	70180	2101		2	Travel & Transport	320,000.00			
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 office furniture & 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	320,000.00			
							TOTAL SOCIAL SECTOR MINISTRY	4,963,073.00	-	-	-
							TOTAL FOR ALL SECTORS	113,322,019.06	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	61,023,839.89			
01	25001001	22010101	70131	02101		Gratuity Statutory	-			
01	25001001	22010103	70131	02101		Additional Pension	1,022,522.95			
01	25001001	22010104	70131	02101		Gratuity to contract officers	-			
01	25001001	22010105	70131	02101		Pension arrears	19,594,001.52			
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	81,640,364.36			
B--STATUTORY OFICERS SALARY						STATUTORY OFICERS SALARY	-			
						TOTAL CRF	81,640,364.36			

Note 6b: Other Operating Activities

OPERATIONAL ACTIVITIES	AMOUNT
EMIRATE COUNCIL OVERHEAD	12,000,000.00
SECURITY	21,880,320.00
OVERHEAD TO AGENCIES	1,980,000.00
LEGAL CONSULTANCY	3,600,000.00
PARTY DUES	510,000.00
SECURITY	37,800,000.00
OPERATIONAL	116,276,046.98
INTERVENTION	33,694,000.00
ALLOWANCE TO SA'S ON SECURITY	1,985,000.00
TOTAL	229,725,366.98

Note 6: Other Transfers

OTHER TRANSFERS	AMOUNT
TRAINING FUND	9,200,000.00
2% MINNA DEVELOPMENT	7,200,000.00
COMMON SERVICES	15,200,000.00
Reserve	44,000,000.00
TOTAL	75,600,000.00

Note 7: Contributions

CONTRIBUTIONS	AMOUNT
IBB UNIVERSITY	28,800,000.00
JOINT PROJECTS	-
CAPITAL	144,608,000.00
TOTAL CONTRIBUTIONS	173,408,000.00

Note 8: Capital Expenditure

ADMINISTRATIVE SECTOR												
SECTOR	ADMIN	ECON	FUNCTION	PROGRAMME	FUND	GEO.CODE	PROJECT NO	PROJECT TITLE	ACTUAL 2019	2019 APPROVED ESTIMATE	REVISED	VARIANCE ON REVISED BUDGET
01	11033001	23010122	70722	010400009616	03005			Cost of INEC Fence and Furniture	2,325,000.00			
01	11033001	23010122	70722	010400009616	03005			Renovation of Local Government Staff Quarters	2,234,040.00			
01	11033001	23010122	70722	010400009616	03005			Purchase of Quest House	6,000,000.00			
								Renovation of Zungeru Town Hall	9,500,000.00			
								Renovation of Secretariat	5,800,000.00			
								TOTAL FOR ADMIN SECTOR	25,859,040.00			
												-
ECONOMIC SECTOR												-
02	20001001				03005			Extension of Light	1,000,000.00			
02								Direct Purchases	2,380,000.00			
									-			
								TOTAL FOR ECONOMIC SECTOR	3,380,000.00			
												-
SOCIAL SECTOR												-
05			70422	70900002606	03005			Mosque Interlock and Renovation	1,500,000.00			
								2 Blocks of Classroom Renovation	2,000,000.00			
									-			
									-			
								SOCIAL SECTOR TOTAL	3,500,000.00	-	-	-
								TOTAL FOR ALL SECTORS	32,739,040.00			

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

ACCOUNT TYPE		AMOUNT
UBA PLC. WUSHISHI (REVENUE)		179,974.87
UBA PLC. (SALARY)		35,683,665.61
UNITY BANK ZUNGERU (OPERATIONAL)		1,505.06
TOTAL		35,865,145.54

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		4,828,009.82
PAYE		312,948.17
NULGE		1,115.50
DEVELOPMENT LEVY		280,520.00
15% RENT ON LOCAL GOVERNMENT PROPERTIES		360,025.64
FEDERAL MORTGAGE BANK		64,451.52
VALUE ADDED TAX (VAT)		3,952,411.11
10% RETENTION		57,478.44
1% STAMP DUTY CHARGES		327,390.40
TOTAL		10,184,350.60

MANAGEMENT REPORT ON AUDITED ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.0 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, 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)**.

3.0 REVIEW OF FINANCIAL STATEMENTS

The breakdown of the revenues and expenditures of the Wushishi 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	4,100,667.00	0.30
	Statutory Allocation	1,371,969,666.26	99.70
	TOTAL	1,376,070,333.26	<u>100.00</u>
TOTAL EXPENDITURE		AMOUNT ₦	%
	Salaries and Wages	643,034,581.75	47.65
	Overhead Cost	113,322,019.06	8.40
	Consolidated Revenue Fund Charges	81,640,364.36	6.50
•	Contributions	173,408,000.00	12.85
•	Other Operating Activities	229,725,366.98	17.02
•	Other Transfers	75,600,000.00	5.60
•	Capital Expenditures	32,600,961.11	2.41
	TOTAL	1,349,469,372.15	100.00

3.1 REVENUE

The sum of ₦1,376,070,333.26 accrued to Wushishi Local Government Councils as total receipts for the year ended 31st December 2019.

3.1.1 INTERNALLY GENERATED REVENUE

The Internally Generated Revenue (IGR) for Wushishi Local Government Council amounted to ₦4,100,667.00 only for the year ended 31st December 2019 which represents 0.30 % of the total accrued revenue of ₦1,376,070,333.26. 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 ₦1,371,969,666.26 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 ₦620.28 in respect of Wushishi Local Government Council at the end of the financial year ended 31st December 2019, while the total bank balances stood at ₦35,865,145.54 in respect of Wushishi Local Government Council as at the end of the financial year ended 31st December 2019.

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.

5.0 BUDGETARY CONTROL

It was observed from the Statement No. 1 (Cash Flow Statement) that the sum of ₦4,100,667.00 was generated as Internally Generated Revenue which represents 24.81% when compared with the total budgeted Internally Generated Revenue amounting to ₦16,529,500,00 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.

6.0 PERSONNEL COST

It was observed that the total sum of ₦643,034,581.75 and ₦509,733,168.57 was spent as total personnel cost for the year 2019 and 2018 respectively with an increase of ₦133,301,413.18 over the previous year which represent 20.73%. This is as a result of salary increment by the state government during the year under review.

7.0 CAPITAL EXPENDITURE

Observation on Capital Expenditure from Statement No.1 (Cash Flow Statement) 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 ₦32,739,040.00 representing 5.05% was spent leaving the balance of ₦615,521,431.00 unutilized as shown below.

CODES	DETAILS	APPROVED ESTIMATE ₦	ACTUAL EXPENDITURE ₦	VARIANCE ₦
01	Admin Sector	109,061,398.00	25,859,040.00	83,202,358.00
02	Economic Sector	324,306,461.00	3,380,000.00	320,926,461.00
05	Social Sector	214,892,612.00	3,500,000.00	211,392,612.00
TOTAL		648,260,471.00	<u>32,739,040.00</u>	<u>615,521,431.00</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.1 revealed that the Total Revenue stood at ₦1,376,070,333.26 with a Total Expenditure of ₦1,349,469,372.15 and close with a surplus balance of ₦26,600,961.11. 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 ₦10,184,350.60 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	3,952,411.11
5% Withholding Tax	4,828,009.82
Development Levy	280,520.00
PAYE	312,948.17
NULGE	1,115.50
15% Rent on L.G Properties	360,025.64
Federal Mortgage Bank	64,451.52
10% Retention	57,478.44
1% Stamp Duty Charges	327,390.40
TOTAL	10,184,350.60

From the above table, the Councils recorded outstanding VAT amounting to ₦3,952,411.11 and WHT of ₦4,828,009.82 as at 31st December, 2019.

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.

10.0 OUTSTANDING AUDIT INSPECTION

AGX/F.O.19/TA/WSH/VOL.1 -23rd July, 2020

- Doubtful Payment for the Purchase of Twelve Rooms and Extra Land ₦6,000,000.00

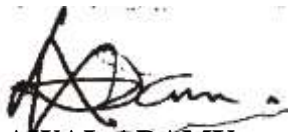
10.1 REQUIRED

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

11.0 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