



NIGER STATE GOVERNMENT OF NIGERIA  
AGAIE LOCAL GOVERNMENT COUNCIL

**AUDITED ACCOUNTS**  
FOR THE YEAR ENDED 31ST DECEMBER, 2021

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



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# AGAIE LOCAL GOVERNMENT COUNCIL

Local Government Secretariat Agaie, Niger State.

Our Ref: ALG/Fin/Ret/2021/1

Your Ref: \_\_\_\_\_

Date: 31st DEC 2021

## AGAIE LOCAL GOVERNMENT COUNCIL

### 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. NO: 1958 as amended. The financial Statements comply 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 transaction seconded are within statutory authority and property record 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.

Signed

Treasurer

Date

20/01/2022

We accept responsibility of these Financial Statements, the information they contain and their compliance with the finance (Control and Management) Acct. NO: 1958 as Amended.

In our opinion, these financial statements fairly reflect the financial position of Agaie Local Government as at 31<sup>st</sup> December, 2021 and its operations for the year ended on the date.

Treasurer

Date:

20/01/2022

Chairman

Date:

27/02/2022



NIGER STATE

**NIGER STATE GOVERNMENT**

**AGAIE LOCAL GOVERNMENT COUNCIL**

**ACCOUNTING POLICIES**

**(IPSAS CASH)**

**ISSUED BY**

**OFFICE OF THE DIRECTOR FINANCE**

**AGAIE LOCAL GOVERNMENT COUNCIL**

**2021**



## List of Abbreviations/Acronyms

Abbreviation/Term	Description
CBN	Central Bank of Nigeria
COA	Chart of Account
FAAC	Federation Accounts Allocation Committee
FGN	Federal Government of Nigeria
FRC	Financial Reporting Council
GAAP	Generally Accepted Accounting Principles
GPFS	General Purpose Financial Statement
IPSAS	International Public Sector Accounting Standards
LFN	Law of the Federal Republic of Nigeria
LGC	Local Government Council
NCOA	National Chart of Account
GBE	Government Business Enterprises
FRCON	Financial Reporting Council of Nigeria
PPE	Properties, Plants and Equipment



**Introduction**

In line with the adoption of the International Public Sector Accounting Standards (IPSAS) in Nigeria, a Standardised Chart of Account (COA) alongside a set of General Purpose Financial Statements (GPFS) have been designed and introduced by FAAC for adoption by all tiers of Government in Nigeria.

The standardised COA and the GPFS is hereby adopted by Agaie Local Government Council to comply with FAAC directive to harmonise public sector accounts reporting in Nigeria.

In order to ensure an effective and efficient utilisation of the COA and GPFS, the Accounting Policies have been developed as a set of guidelines to direct the Processes and Procedures relating to financial reporting in Agaie Local Government Council.

These policies shall form part of the universally agreed framework for financial reporting in Agaie Local Government Council.

**IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when Cash (including Cash Equivalents) is received or paid by the Local Government. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of Cash raised during the period, the purposes for which Cash was used and the Cash balances at the reporting date. The measurement focus in the GPFS balances are Cash and changes during the period. Therefore, Bank Reconciliation Statement shall form integral part of periodic Reports in Agaie Local Government Council.

Notes to the GPFS provide additional information about liabilities, including payables and borrowings, and non-cash assets that include receivables, investments and property, plant and equipment.

This Accounting Policy addresses the following fundamental accounting issues:

1. Definition of Accounting Terminologies
2. Recognition of Accounting Items
3. Measurement of Accounting Items
4. Treatment of Accounting items

The Accounting Policy is subject to periodic reviews and updates as shall be deemed necessary by the Director Finance, Agaie Local Government Council.



NIGER STATE



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S/N	Accounting Policies:
1	<p><b>Accounting Terminologies / Definitions</b></p> <ol style="list-style-type: none"> <li>I. <b>Accounting policies</b> are the specific principles, bases, conventions, rules and practices adopted by Agaie Local Government Council in preparing and presenting Financial Statements.</li> <li>II. <b>Cash:</b> Cash comprises cash in hand, demand deposits in financial institutions and cash equivalents.</li> <li>III. <b>Cash equivalents</b> are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.</li> <li>IV. <b>Cash basis</b> means a basis of accounting that recognizes transactions and other events only when cash is received or paid.</li> <li>V. <b>Cash flows</b> are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.</li> <li>VI. <b>Cash receipts</b> are cash inflows.</li> <li>VII. <b>Cash payments</b> are cash outflows.</li> <li>VIII. <b>Cash Controlled by Agaie Local Government Council:</b> Cash is deemed to be controlled by Agaie Local Government Council when the government can freely use the available cash for the achievement of its objectives or enjoy benefit from the cash, and can also exclude or regulate the access of others to that benefit. Cash collected by, or appropriated or granted to the government which the government can freely use to fund its operating objectives, such as acquiring of capital assets or repaying its debt is controlled by the government.</li> <li>IX. <b>Notes to the GPFs</b> shall include narrative descriptions or more detailed schedules or analyses of amounts shown on the face of the GPFs, as well as additional information</li> </ol>

1	<p><b>General Purpose Financial Statements (GPFS)</b></p> <p>The GPFS comprise of Statement of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by Agaie Local Government Council and Accounting Policies and Notes to the Financial Statements. In Agaie Local Government Council, the GPFS Accounting Policy include the following:</p> <ol style="list-style-type: none"> <li>I. Statement 1 - Cash Flow Statements: Statement of Cash Receipts and Payments which:             <ul style="list-style-type: none"> <li>▪ recognizes all Cash Receipts, Cash Payments and Cash Balances controlled by Agaie Local Government Council; and</li> <li>▪ separately identifies payments made by third parties on behalf of Agaie Local Government Council.</li> </ul> </li> <li>II. Statement 2 - Statement of Assets and Liabilities: Statement of Financial Position (also known as Balance Sheet);</li> <li>III. Statement 3 - Statement of Consolidated Revenue Fund: Statement Recurrent Financial Performance (also known as Profit &amp; Loss Account);</li> <li>IV. Statement 4- Statement of Capital Development Fund: Statement of Capital Financial Performance (also known as Capital Expenditure);</li> <li>V. Notes to the Accounts: Additional disclosures to explain the GPFS; and</li> <li>VI. Accounting Policies and Explanatory Notes.</li> </ol>
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<b>1</b>	<p><b>Basis of Preparation and Legal Provisions</b></p> <p>The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, GPFS are in compliance with the provisions of other financial regulations of Agaie Local Government Council.</p>
<b>2</b>	<p><b>Fundamental Accounting Concepts</b></p> <p>The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in Agaie Local Government Council</p> <ul style="list-style-type: none"> <li>? Cash Basis of Accounting;</li> <li>? Understability;</li> <li>? Materiality,</li> <li>? Relevance;</li> <li>? Going Concern Concept;</li> <li>? Consistency Concept</li> <li>? Prudence</li> <li>? Completeness, etc.</li> </ul>
<b>1</b>	<p><b>Accounting Period</b></p> <p>The accounting year (fiscal year) is from 1<sup>st</sup> January to 31<sup>st</sup> December. Each accounting year is divided into 12 calendar months (periods) and shall be set up as such in the accounting system.</p>
<b>2</b>	<p><b>Reporting Currency</b></p> <p>The General Purpose GPFS are prepared in Nigerian Naira.</p>
<b>3</b>	<p><b>LGC for Consolidation</b></p> <ul style="list-style-type: none"> <li>▪ The Consolidation of the GPFS are based on the Cash transactions of Agaie Local Government Council except Government Business Enterprises (GBEs).</li> </ul>
<b>4</b>	<p><b>Comparative Information</b></p> <ul style="list-style-type: none"> <li>▪ The General Purpose GPFS shall disclose all numerical information relating to previous period (at least one year).</li> </ul>
<b>5</b>	<p><b>Budget Figures</b></p> <ul style="list-style-type: none"> <li>▪ These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation Law of Niger State.</li> </ul>

<b>1</b>	<p><b>Receipts</b></p> <ul style="list-style-type: none"> <li>? These are Cash inflows within the Financial Year. They comprise of receipts from Statutory Allocations (FAAC monthly disbursement), Taxes, External Assistance (from Bilateral and Multilateral Agencies), Other Aid and Grants, Other Borrowings, Capital Receipts (Sale of Government Assets, etc), Receipts from Trading activities and Other Cash Receipts.</li> <li>? These items shall be disclosed at the face of the Statement of Cash Receipts and Payment for the year in accordance with the standardised GPFS. Notes shall be provided as per standardised Notes to GPFS.</li> </ul>
<b>2</b>	<p><b>External Assistance</b></p> <ul style="list-style-type: none"> <li>? Receipts from Loans are Funds received from external sources to be paid back at an agreed period of time. They are categorised either as Bilateral or Multilateral.</li> <li>? External Loans receipts shall be disclosed separately under Statement of Cash Receipts and Payment for the year.</li> <li>? The Local Governments did not receive external assistance during the two year.</li> </ul>
<b>3</b>	<p><b>Other Borrowings / Grants &amp; Aid Received</b></p> <ul style="list-style-type: none"> <li>▪ These shall be categorised as either Short or Long term Loans. Short-Term Loans are those repayable within one calendar year (12 months), while Long-Term Loans and Debts shall fall due beyond one calendar year (above 12 months). Loans shall be disclosed separately and Grants shall also be separately disclosed under Statement of Cash Receipts and Payment for the year.</li> </ul>
<b>4</b>	<p><b>Interest Received</b></p> <ul style="list-style-type: none"> <li>? Interest actually received during the financial year shall be treated as a receipt</li> </ul>





<b>1</b>	<p><b>Government Business Activities</b></p> <p>Cash Receipts from Trading Activities shall be received net (after deducting direct expenses) unless otherwise provided for by law or policy in force. Total receipts from all trading activities shall be disclosed in the Statement of Cash Receipts and Payments under 'Trading Activities' item.</p> <p>Where gross revenue is received, corresponding payments shall be charged under a corresponding payment item head 'Government Business Activities' in the Statement of Receipts and Payments.</p>
<b>2</b>	<p><b>Payments</b></p> <ul style="list-style-type: none"> <li>▪ These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorised either by Function and/or by Sector in the Statement of Cash Receipts and Payment.</li> <li>▪ Payments for purchase of items of capital nature( e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.</li> </ul>
<b>1</b>	<p><b>Loans Granted:</b></p> <ul style="list-style-type: none"> <li>▪ Payments to other Government and Agencies in form of Loans during the year shall be shown separately in the Statement of Receipts and Payments. Amount disclosed shall be actual amount paid during the year.</li> <li>▪ The Local Governments did not give any loan during the two year.</li> </ul>
<b>2</b>	<p><b>Loan Repayments</b></p> <p>Cash receipts from loans granted to other agencies and government shall be classified under loan repayments in the Statement of Receipts and Payments . Amount disclosed shall be actual amount received during the year.</p>
<b>3</b>	<p><b>Interest on Loans:</b></p> <ul style="list-style-type: none"> <li>▪ Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest payment in the Statement of Cash Receipts and Payments</li> </ul>

<b>1</b>	<p><b>Foreign Currency Transactions:</b></p> <ul style="list-style-type: none"> <li>▪ Foreign Currency Transactions throughout the year shall be converted into Nigerian Naira at the ruling (Central Bank of Nigeria –CBN) rate of exchange at the dates of the transactions. Foreign currency balances, as at the year end, shall be translated at the exchange rates prevailing on that date.</li> <li>▪ At the end of the financial year, additional amounts (in cash or at bank) arising out of Foreign Exchange Gains/Losses shall be recognised in the Statement of Cash Receipts and Payments either as Receipts / Payments respectively.</li> <li>▪ Hence the Agaie Local Government Council did not have foreign currency transactions during the two year.</li> </ul>
<b>2</b>	<p><b>Prepayments</b></p> <ul style="list-style-type: none"> <li>▪ Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.</li> <li>▪ The Local Governments did not make prepayment to contractors during the two year.</li> </ul>
<b>3</b>	<p><b>Cash Balances</b></p> <p>This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.</p>

**COUNCIL OFFICIALS**

- COUNCIL MEMBERS DESIGNATION:**

Honourable Captain Mohammed Hassan	Executive Chairman
Honourable Mohammed Bala Usman	Secretary

- HEAD OF DEPARTMENTS:**

<b>NAMES:</b>	<b>DEPARTMENTS</b>	<b>DESIGNATION</b>
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.	Agaie Branch
Unity Bank Plc.	Bida Branch
Babban Microfinance Bank	Agaie Branch

- AUDITORS**

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



**AUDITOR GENERAL'S OPINION**

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

In my opinion, the accounts readable in conjunction with notes, 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, 2021 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, 2021.

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



**STATEMENT NO. 1  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ANNUAL BUDGET 2021 N		COA	NOTES	ACTUAL YEAR 2021	PREVIOUS YEAR 2020
				N	N
	<b>CashFlows from Operating Activities:</b>				
	<u>Receipts:</u>				
1,558,240,807.00	Statutory Allocations:FAAC		1	1,252,494,192.40	1,800,696,216.33
504,880,972.00	Value Added Tax Allocation		1	641,977,977.86	-
<b>2,063,121,779.00</b>	<b>Sub-total - Statutory Allocation</b>			<b>1,894,472,170.26</b>	<b>1,800,696,216.33</b>
-	Direct Taxes		2	-	-
8,890,800.00	Licences		2	5,933,562.00	2,754,710.00
-	Mining Rents:		2	-	-
-	Royalties		2	-	-
-	Fees:		2	-	-
-	Fines		2	-	-
-	Sales		2	-	-
7,570,000.00	Earnings :		2	3,148,527.58	3,332,211.83
-	Sales/Rent of Government Buildings:		2	-	-
-	Sale/Rent on Lands and Others:		2	-	-
1,500,000.00	Rates		2	30,000.00	60,000.00
-	Investment Income		2	-	-
-	Interest Earned		2	-	-
147,447,704.00	10% IGR From State		2	25,723,459.41	22,002,508.32
<b>165,408,504.00</b>	<b>Sub-total - Independent Revenue</b>			<b>34,835,548.99</b>	<b>28,149,430.15</b>
				<b>9,112,089.58</b>	
-	Other Revenue Sources of L/Government				
200,000,000.00	Domrstic Grants		3	-	363,952,618.94
-	Grants From other LGs		3	224,409,524.50	21,747,549.18
<b>2,428,530,283.00</b>	<b>Total Receipts</b>			<b>2,153,717,243.75</b>	<b>2,214,545,814.60</b>
	<u>Payments:</u>				
1,954,882,742.00	Personnel Costs ( Including Salaries on CRF Charges):		4	1,466,424,213.15	1,479,365,454.26
-	Federa/ States/ LGC Govt Contribution to Pension:		5	-	-
174,200,000.00	Overhead Charges:		6	114,393,879.65	151,586,138.96
200,082,954.00	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)		7	187,648,304.21	150,845,394.43
28,800,000.00	Subvention to Parastatals:		8	28,800,000.00	102,000,000.00
245,000,000.00	Other Operating Activities		9	212,308,719.94	265,446,693.92
28,800,000.00	Other Transfers		10	28,800,000.00	68,080,000.00
<b>2,631,765,696.00</b>	<b>Total Payments</b>			<b>2,038,375,116.95</b>	<b>2,217,323,681.57</b>
<b>-203,235,413.00</b>	<b>Net Cash Flow from Operating Activities</b>			<b>115,342,126.80</b>	<b>-2,777,866.97</b>





	<b>CashFlows from Investment Activities:</b>			
61,800,939.00	Capital Expenditure:Administrative Sector:	12	-	51,304,537.00
192,918,546.00	Capital Expenditure: Economic Sector:	12	-	43,940,230.00
-	Capital Expenditure: Law and Justice:	12	-	-
-	Capital Expenditure:Regional Development	12	-	-
227,651,793.00	capital expenditure: Social Service Sector:	12	11,200,000.00	79,770,233.00
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-
<b>482,371,278.00</b>	<b>Net Cash Flow from Investment Activities:</b>		<b>11,200,000.00</b>	<b>175,015,000.00</b>
	<b>CashFlows from Financing Activities:</b>			
-	Proceeds from Aid and Grants	11	-	-
-	Proceeds from External Loan :	20	-	-
-	Proceeds from Internal Loans: FGN/Treasury Bonds :	21	-	-
-	Proceeds from Internal Loan	22	-	174,000,000.00
-	Proceeds from Development of Nat Resources	23	-	-
-	Proceeds of Loans from Other Funds	24	-	-
-	Repayment of External Loans ( Including Servicing)	20	-	-
-	Repayment of FGN/Treasury Bonds :	21	-	-
96,000,000.00	Repayment of Internal Loan	22	104,000,000.00	- 32,000,000.00
-	Repayment of Loans from Development of Nat Resources	23	-	-
	Repayment of Loans from Other Funds	24	-	-
<b>96,000,000.00</b>	<b>Net Cash Flow from Financing Activities:</b>		<b>104,000,000.00</b>	<b>142,000,000.00</b>
	<b>Movement in Other Cash Equivalent Accounts</b>			
-	(Increase)/ Decrease in Investments		-	-
-	Net (Increase)/Decrease in Other Cash Equivalents:		-	-
-	<b>Total Cashflow from other Cash equivalent Accounts</b>		-	-
	Net Cash for the year		142,126.80	- 35,792,866.97
-	Cash & Its Equivalent as at 1st January, 2021		125,122.24	35,917,989.21
-	Cash & Its Equivalent as at 31st December, 2021		<b>267,249.04</b>	<b>125,122.24</b>

**STATEMENT NO. 2  
STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	NOTES	CURRENT YEAR 2021 N	PREVIOUS YEAR 2020 N
<b>ASSETS:-</b>			
<b>Liquid Assets:-</b>			
Cash Held by AGF:			
-CRF Bank Balance(CBN/ CRF Bank):		-	-
-Pension Account (CBN/ Bank):		-	-
-Other Bank of the Treasury		-	-
-Cash Balances of Trust & Other Funds of the FGN/ States/LGC:		-	-
-Cash Balances with Federal Pay Offices/ Sub-Treasury:		-	-
Cash Held by Agaie Local Government	15	267,249.04	125,122.24
<b>TOTAL LIQUID ASSETS</b>		<b>267,249.04</b>	<b>125,122.24</b>
<b>Investments and Other Cash Assets:</b>			
Federal/ State/ Local Government Investments	16	-	-
Imprests:-	17	-	-
Advances:-	18	-	-
Revolving Loans Granted:-	19	-	-
Intangible Assets		-	-
<b>TOTAL INVESTMENTS AND OTHER CASH ASSETS</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>267,249.04</b>	<b>125,122.24</b>
<b>LIABILITIES OVER ASSETS</b>		<b>44,706,981.00</b>	<b>148,706,981.00</b>
<b>TOTAL</b>		<b>44,974,230.04</b>	<b>148,832,103.24</b>
<b>LIABILITIES:-</b>			
<b>PUBLIC FUNDS</b>			
Consolidated Revenue Fund:		267,249.04	125,122.24
Capital Development Fund:		-	-
Trust & Other Public Funds:		-	-
Police Reward Fund		-	-
<b>TOTAL PUBLIC FUNDS</b>		<b>267,249.04</b>	<b>125,122.24</b>
<b>EXTERNAL AND INTERNAL LOANS</b>			
External Loans:FGN/States/ LGC	20	-	-
FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-
internal Loans	22	38,000,000.00	142,000,000.00
Development Loan Stock	23	-	-
Loan From other Funds	24	-	-
Internal Loans from Other Funds		-	-
<b>TOTAL EXTERNAL AND INTERNAL LOANS</b>		<b>38,000,000.00</b>	<b>142,000,000.00</b>
<b>OTHER LIABILITIES</b>			
Deposits:-	25	6,706,981.00	6,706,981.00
Overdrawn accounts	26	-	-
<b>TOTAL LIABILITIES</b>		<b>44,974,230.04</b>	<b>148,832,103.24</b>



NIGER STATE

**STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ACTUAL PREVIOUS YEAR(2020)		NOTES	ACTUAL YEAR 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021
			N	N	N
35,917,989.21	Opening Balance:		125,122.24		
	<b>ADD: REVENUE</b>				
1,800,696,216.33	Statutory Allocations:FAAC	1	1,252,494,192.40	1,558,240,807.00	1,558,240,807.00
-	Value Added Tax Allocation	1	641,977,977.86	504,880,972.00	504,880,972.00
<b>1,800,696,216.33</b>	<b>Sub-Total - Statutory Allocation</b>		<b>1,894,472,170.26</b>	<b>2,063,121,779.00</b>	<b>2,063,121,779.00</b>
-	Direct Taxes	2	-	-	-
2,754,710.00	Licences	2	5,933,562.00	8,890,800.00	8,890,800.00
-	Mining Rents:	2	-	-	-
-	Royalties	2	-	-	-
-	Fees:	2	-	-	-
-	Fines	2	-	-	-
-	Sales	2	-	-	-
3,332,211.83	Earnings :	2	3,148,527.58	7,570,000.00	7,570,000.00
-	Sales/Rent of Government Buildings:	2	-	-	-
-	Sale/Rent on Lands and Others:	2	-	-	-
60,000.00	RATES	2	30,000.00	1,500,000.00	1,500,000.00
-	Investment Income	2	-	-	-
-	Interest Earned	2	-	-	-
22,002,508.32	10% IGR From State	2	25,723,459.41	147,447,704.00	147,447,704.00
<b>28,149,430.15</b>	<b>Sub-Total - Independent Revenue</b>		<b>34,835,548.99</b>	<b>165,408,504.00</b>	<b>165,408,504.00</b>
	<b>Other Revenue Sources of L/Government</b>				
363,952,618.94	Grant from other LGs	3	224,409,524.50	-	-
21,747,549.18	Domestic Grant			200,000,000.00	200,000,000.00
<b>2,250,463,803.81</b>	<b>TOTAL REVENUE:</b>		<b>2,153,842,365.99</b>	<b>2,228,530,283.00</b>	<b>2,228,530,283.00</b>
	<b>LESS:EXPENDITURE</b>				
1,479,365,454.26	Personnel Costs ( Including Salaries on CRF Charges):	4	1,466,424,213.15	1,954,882,742.00	1,954,882,742.00
-	Federa/ States/ LGC Govt Contribution to Pension:	5	-	-	-
151,586,138.96	Overhead Charges:	6	114,393,879.65	174,200,000.00	174,200,000.00
150,845,394.43	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)	7	187,648,304.21	200,082,954.00	200,082,954.00
102,000,000.00	Subvention to Parastatals:	8	28,800,000.00	28,800,000.00	28,800,000.00
265,446,693.92	Other Operating Activities	9	212,308,719.94	245,000,000.00	245,000,000.00
68,080,000.00	Other Transfers	10	28,800,000.00	28,800,000.00	28,800,000.00
<b>2,217,323,681.57</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,038,375,116.95</b>	<b>2,631,765,696.00</b>	<b>2,631,765,696.00</b>
	<b>OTHER RECURRENT PAYMENTS/EXPENDITURE:</b>				
-	Repayments:External Loans:FGN/States/ LGC	19	-	-	-
-	Repayments:FGN/ States/LGC Bonds & Treasury Bonds.	20	-	-	-
-	Repayments :Nigerian Treasury Bills (NTB)	21	-	-	-
32,000,000.00	Repayments:Internal Loans	22	104,000,000.00	96,000,000.00	96,000,000.00
-	Repayments: Internal Development Loans Stock	23	-	-	-
-	Repayments:Other Internal Loans( Promissory Notes)	24	-	-	-
<b>2,249,323,681.57</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,142,375,116.95</b>	<b>2,727,765,696.00</b>	<b>2,727,765,696.00</b>
<b>1,140,122.24</b>	<b>OPERATING BALANCE:</b>		<b>11,467,249.04</b>	<b>499,235,413.00</b>	<b>499,235,413.00</b>
	<b>APPROPRIATIONS/TRANSFERS:</b>				
1,015,000.00	Transfer to Capital Development Fund:		11,200,000.00	482,371,278.00	482,371,278.00
<b>125,122.24</b>	<b>Closing Balance:</b>		<b>267,249.04</b>		



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**STATEMENT NO. 4  
STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ACTUAL PREVIOUS YEAR(2019)		NOTES	TOTAL CAPITAL EXPENDITURE 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2020
N			N		N
-	<b>Opening Balance:</b>		-		
	<b><u>ADD: REVENUE</u></b>				
1,015,000.00	Transfer from Consolidated Revenue Fund:		11,200,000.00	482,371,278.00	482,371,278.00
-	Aid and Grants	11	-	-	-
-	External Loans:FGN/States/ LGC	20	-	-	-
-	FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-	-
174,000,000.00	Internal Loan	22	-	-	-
-	Development Loan Stock	23	-	-	-
-	Loan From Other Funds	24	-	-	-
					-
					-
					-
<b>175,015,000.00</b>	<b>TOTAL REVENUE AVAILABLE:</b>		<b>11,200,000.00</b>	<b>482,371,278.00</b>	<b>482,371,278.00</b>
	<b><u>LESS: CAPITAL EXPENDITURE</u></b>				
51,304,537.00	Capital Expenditure:Administrative Sector:	12	-	61,800,939.00	61,800,939.00
43,940,230.00	Capital Expenditure: Economic Sector:	12	-	192,918,546.00	192,918,546.00
-	Capital Expenditure: Law and Justice:	12	-	-	-
-	Capital Expenditure:Regional Development	12	-	-	-
79,770,233.00	Capital Expenditure: Social Service Sector:	12	11,200,000.00	227,651,793.00	227,651,793.00
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-	-
					-
<b>175,015,000.00</b>	<b>TOTAL CAPITAL EXPENDITURE:</b>		<b>11,200,000.00</b>	<b>482,371,278.00</b>	<b>482,371,278.00</b>
-	Intangible Assets		-		
-	<b>CLOSING BALANCE:</b>		-		



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**NOTE TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

<b>NOTE 1</b>	<b>Ref. Note</b>	<b>Amount</b>	<b>Amount</b>	
<b>A- Share of Statutory Allocation from FAAC</b>		<b>N</b>	<b>N</b>	
Net Share of Statutory Allocation from FAAC	<b>A</b>	1,175,051,104.97		
Add :Deduction at source for Loan Repayment	<b>B</b>	-		
Share of Exchange Gain Differential	<b>C</b>	4,631,669.27		
Share of Federal Accounts Allocation- Excess Crude Oil	<b>D</b>	34,674,514.39		
Non-oil Revenue	<b>E</b>	38,136,903.77		
<b>Total FAAC Allocation to LG</b>			1,252,494,192.40	
<b>B. Value Added Tax</b>				
Share of Value Added Tax (VAT)		641,977,977.86	641,977,977.86	
<b>Total Statutory Allocation to LG</b>			<b>1,894,472,170.26</b>	

<b>NOTE 2</b>		<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
<b>Internally Generated Revenue (Independent Revenue)</b>				
<b>Direct Taxes</b>				
Agaie local government Internal Revenue		-	-	-
<b>Total - Direct Taxes</b>		-	-	-
<b>Licences</b>				
Agaie local government Internal Revenue		5,933,562.00	8,890,800.00	2,957,238.00
<b>Total Licences</b>		<b>5,933,562.00</b>	<b>8,890,800.00</b>	<b>2,957,238.00</b>
<b>Mining Rents</b>				
Agaie local government Internal Revenue		-	-	-
<b>Total Mining Rents</b>		-	-	-
<b>Royalties</b>				
Agaie local government Internal Revenue		-	-	-
<b>Total Royalties</b>		-	-	-
<b>Fees</b>				
Agaie local government Internal Revenue		-	-	-
<b>Total Fees</b>		-	-	-
<b>Fines</b>				
Agaie local government Internal Revenue		-	-	-
<b>Total Fines</b>		-	-	-





<b>Sales</b>				
Agaie local government Internal Revenue		-	-	-
<b>Total Sales</b>		-	-	-
<b>Earnings</b>				
Agaie local government Internal Revenue		3,148,527.58	7,570,000.00	4,421,472.42
<b>Total Earnings</b>		<b>3,148,527.58</b>	<b>7,570,000.00</b>	<b>4,421,472.42</b>
<b>Sales/Rent of Government Buildings</b>				
Agaie local government Internal Revenue		-	-	-
<b>Total Sales/Rent of Government Buildings</b>		-	-	-
<b>Sale/Rent on Lands and Others:</b>				
Agaie local government Internal Revenue		-	-	-
<b>Total Sale/Rent on Lands and Others</b>		-	-	-
<b>Rates</b>				
Agaie local government Internal Revenue		30,000.00	1,500,000.00	1,470,000.00
<b>Total Rates</b>		<b>30,000.00</b>	<b>1,500,000.00</b>	<b>1,470,000.00</b>
<b>Investment Income</b>				
Agaie local government Internal Revenue		-	-	-
<b>Total Investment Income</b>		-	-	-
<b>Interest Earned</b>				
Agaie local government Internal Revenue		-	-	-
<b>Total Interest Earned</b>		-	-	-
<b>10% IGR From State</b>				
Agaie local government Internal Revenue		25,723,459.41	147,447,704.00	121,724,244.59
<b>Total 10% IGR From State</b>		<b>25,723,459.41</b>	<b>147,447,704.00</b>	<b>121,724,244.59</b>
<b>Total - Independent Revenue</b>		<b>34,835,548.99</b>	<b>165,408,504.00</b>	<b>130,572,955.01</b>



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<b>NOTE 3</b>				
		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
<b>Grant from other LGs</b>				
Agaie local government Internal Revenue		224,409,524.50	200,000,000.00	- 24,409,524.50
<b>Total Grant from other LGS</b>		<b>224,409,524.50</b>	<b>200,000,000.00</b>	<b>- 24,409,524.50</b>
<b>Domestic Grant</b>				
Agaie local government		-	-	-
<b>Total Domestic Grant</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>NOTE 4</b>				
<b>A - Total Personnel Costs ( Including Salaries directly charged to CRF in Note 4B below):</b>				
		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
<b>Administrative Sector</b>				
Office Of The Chairman		5,916,586.55	29,106,116.00	23,189,529.45
The Council		26,851,926.00	33,902,300.00	7,050,374.00
Office Of The Secretary		4,169,688.92	3,043,875.00	- 1,125,813.92
Personnel Management		115,103,576.88	98,740,095.00	- 16,363,481.88
<b>TOTAL Personnel Cost Administrative Sector</b>		<b>152,041,778.35</b>	<b>164,792,386.00</b>	<b>12,750,607.65</b>
<b>Economic Sector</b>				
Finance And Supply		61,333,293.55	73,841,336.00	12,508,042.45
Budget, Planning & Research		1,005,090.99	3,363,566.00	2,358,475.01
Works And Housing		64,194,797.48	71,426,114.00	7,231,316.52
Agriculture And Natural Resources		53,878,149.05	63,248,990.00	9,370,840.95
<b>TOTAL Personnel Cost Economic Sector</b>		<b>180,411,331.07</b>	<b>211,880,006.00</b>	<b>31,468,674.93</b>
<b>Social Sector</b>				
Adult Education		910,300,183.86	1,082,470,330.00	172,170,146.14
Primary Health Cure		185,987,715.69	321,168,232.00	135,180,516.31
Social Development		-	99,500,767.00	99,500,767.00
Traditional Council		37,683,204.18	75,071,021.00	37,387,816.82
<b>Total Personnel Cost Social Sector</b>		<b>1,133,971,103.73</b>	<b>1,578,210,350.00</b>	<b>444,239,246.27</b>
<b>Total Personnel Cost For All Sectors</b>		<b>1,466,424,213.15</b>	<b>1,954,882,742.00</b>	<b>488,458,528.85</b>
<b>B- Salaries directly charged to CRF( included in Note 4A above)</b>				
<b>List of Parastatals and Agencies:</b>				
Judges of Supreme Court of Nigeria		-	-	-
Judges of Court of Appeal		-	-	-
other Judges of Court in Nigeria		-	-	-
Auditor -General for Federation		-	-	-
Auditor -General for State		-	-	-
Auditor -General for Local Government		-	-	-
INEC Chairman and Commissioners		-	-	-
e.t.c.		-	-	-
<b>Total</b>		<b>1,466,424,213.15</b>	<b>1,954,882,742.00</b>	<b>488,458,528.85</b>



<b>NOTE 5</b>				
<b>Employers Contribution to Pension according to Sector</b>				
Administrative Sector		-	-	-
Economic Sector		-	-	-
Law and Justice Sector		-	-	-
Regional Sector		-	-	-
Social Sector		-	-	-
<b>Total Employers Contribution to Pension</b>		-	-	-
<b>NOTE 6</b>				
<b>Overhead Costs</b>				
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Office Of The Chairman		66,737,000.00	62,800,000.00	- 3,937,000.00
The Council		27,615,000.00	16,000,000.00	- 11,615,000.00
Office Of The Secretary		1,700,000.00	5,200,000.00	3,500,000.00
Personnel Management		815,000.00	6,000,000.00	5,185,000.00
<b>Total Overhead Cost Administrative Sector</b>		<b>96,867,000.00</b>	<b>90,000,000.00</b>	<b>- 6,867,000.00</b>
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Finance And Supply		4,789,979.65	36,500,000.00	31,710,020.35
Budget, Planning & Research		613,000.00	6,000,000.00	5,387,000.00
Works And Housing		10,238,900.00	9,200,000.00	- 1,038,900.00
Agriculture And Natural Resources		175,000.00	7,500,000.00	7,325,000.00
<b>TOTAL Overhead Cost Economic Sector</b>		<b>15,816,879.65</b>	<b>59,200,000.00</b>	<b>43,383,120.35</b>
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Adult Education		1,475,000.00	2,000,000.00	525,000.00
Primary Health Cure		235,000.00	10,000,000.00	9,765,000.00
Social Development		-	8,000,000.00	8,000,000.00
Traditional Council		-	5,000,000.00	5,000,000.00
<b>Total Overhead Cost Social Sector</b>		<b>1,710,000.00</b>	<b>25,000,000.00</b>	<b>23,290,000.00</b>
<b>Total Overhead Cost For All Sectors</b>		<b>114,393,879.65</b>	<b>174,200,000.00</b>	<b>59,806,120.35</b>
<b>NOTE 7</b>				
<b>Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Monthly Pension		187,648,304.21	200,082,954.00	12,434,649.79
<b>Total Consolidated Revenue Fund Charges</b>		<b>187,648,304.21</b>	<b>200,082,954.00</b>	<b>12,434,649.79</b>



<b>NOTE 8</b>				
<b>Subventions to Parastatals (According to Sectors-List)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Administrative Sector		28,800,000.00	28,800,000.00	-
Economic Sector		-	-	-
Law and Justice Sector		-	-	-
Regional Sector		-	-	-
Social Sector		-	-	-
<b>Total Subventions to Parastatals</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>
<b>NOTE 9</b>				
<b>Other Operating Activities</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Administrative Sector		212,308,719.94	245,000,000.00	32,691,280.06
Economic Sector		-	-	-
Law and Justice Sector		-	-	-
Regional Sector		-	-	-
Social Sector		-	-	-
<b>Total Other Operating Activities</b>		<b>212,308,719.94</b>	<b>245,000,000.00</b>	<b>32,691,280.06</b>
<b>NOTE 10</b>				
<b>Other Transfer</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Administrative Sector		19,200,000.00	19,200,000.00	-
Economic Sector		-	-	-
Law and Justice Sector		-	-	-
Regional Sector		-	-	-
Social Sector		9,600,000.00	9,600,000.00	-
<b>sub-total</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>
Transfers to other local governments		-	-	-
<b>Total Other Transfer</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>
<b>NOTE 11</b>				
<b>Details of Aid &amp; Grants Received</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
<b>Bilateral</b>		-	-	-
<b>Multi Lateral</b>		-	-	-
<b>ETC</b>		-	-	-
<b>Total Details of Aid &amp; Grants Received</b>		<b>-</b>	<b>-</b>	<b>-</b>



<b>NOTE 12</b>				
<b>A - Details of Total Capital Expenditures (According to Sectors)</b>				
	Actual	Total Budget	Variance	
Administrative Sector	-	61,800,939.00	61,800,939.00	
Economic Sector	-	192,918,546.00	192,918,546.00	
Law and Justice Sector	-	-	-	
Regional Sector	-	-	-	
Social Sector	11,200,000.00	227,651,793.00	216,451,793.00	
<b>Total Details of Capital Expenditures</b>	<b>11,200,000.00</b>	<b>482,371,278.00</b>	<b>471,171,278.00</b>	
<b>B - Details of Capital Expenditures of Parastatals (Included in 12A above)</b>				
	Actual	Total Budget	Variance	
Administrative Sector	-	-	-	
Economic Sector	-	-	-	
Law and Justice Sector	-	-	-	
Regional Sector	-	-	-	
Social Sector	-	-	-	
<b>Total Details of Capital Expenditures of Parastatals</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>NOTE 13</b>				
<b>CLOSING BOOK BALANCES OF OTHER FUNDS OF THE GOVERNMENT</b>				
	Amount 2021	Amount 2020		
List all the Other Funds Cash Book Balances	-	-		
<b>NOTE 14</b>				
<b>CLOSING CASH BOOK BALANCE OF FEDERAL PAY OFFICES/SUB-TREASURY OFFICES</b>				
	Amount 2021	Amount 2020		
List all the FPO/Sub-Treasuries Cash Book Balances	-	-		
<b>NOTE 15</b>				
<b>CLOSING CASH BOOK BALANCE OF AGAIE LOCAL GOVERNMENT</b>				
	Amount 2021	Amount 2020		
Agaie Local Government	267,249.04	125,122.24		
<b>Total Details of Cash Book Balances</b>	<b>267,249.04</b>	<b>125,122.24</b>		



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<b>NOTE 16</b>				
<b>INVESTMENTS</b>		<b>Amount 2021</b>	<b>Amount 2020</b>	
Investments in Quoted Companies		-	-	
Investments in unQuoted Companies		-	-	
Loans to Government Companies		-	-	
Loans to Other Government		-	-	
<b>Total Investments</b>		-	-	
<b>NOTE17</b>				
<b>LIST OF OUTSTANDING IMPRESTS</b>		<b>Amount 2021</b>	<b>Amount 2020</b>	
Administrative Sector		-	-	
Economic Sector		-	-	
Law and Justice Sector		-	-	
Regional Sector		-	-	
Social Sector		-	-	
<b>Total Outstanding Imprests</b>		-	-	
<b>NOTE 18</b>				
<b>LIST OF OUTSTANDING ADVANCES</b>		<b>Amount 2021</b>	<b>Amount 2020</b>	
Administrative Sector		-	-	
Economic Sector		-	-	
Law and Justice Sector		-	-	
Regional Sector		-	-	
Social Sector		-	-	
<b>Total Outstanding Advances</b>		-	-	
<b>NOTE 19</b>				
<b>Revolving Loan Account</b>				
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>
Loan 1		-	-	-
Loan 2		-	-	-
Loan 3		-	-	-
Loan 4		-	-	-
<b>Total</b>		-	-	-
<b>NOTE 20</b>				
<b>External Loans:FGN/States/ LGC</b>				
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>
Loan 1		-	-	-
Loan 2		-	-	-
Loan 3		-	-	-
Loan 4		-	-	-
<b>Total</b>		-	-	-



<b>NOTE 21</b>				
<b>FGN/ States/LGC Bonds &amp; Treasury Bonds.</b>				
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>
Loan 1		-	-	-
Loan 2		-	-	-
Loan 3		-	-	-
Loan 4		-	-	-
<b>Total</b>		-	-	-

<b>NOTE 22</b>				
Internal Loan		<b>Amount 2021</b>	<b>Amount 2020</b>	
<b>Opening balance at as 1st january, 2021</b>		142,000,000.00	-	
Add: Additional Loan Issued		-	174,000,000.00	
Less: Repaid		104,000,000.00	32,000,000.00	
<b>Loans as at 31st December, 2021</b>		<b>38,000,000.00</b>	<b>142,000,000.00</b>	

<b>NOTE 23</b>				
<b>Development Loan Stock</b>				
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>
Loan 1		-	-	-
Loan 2		-	-	-
Loan 3		-	-	-
Loan 4		-	-	-
<b>Total</b>		-	-	-

<b>NOTE 24</b>				
<b>Internal Loans from Other Funds</b>				
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>
Loan 1		-	-	-
Loan 2		-	-	-
Loan 3		-	-	-
Loan 4		-	-	-
<b>Total</b>		-	-	-





<b>NOTE 25</b>			
<b>Schedule of Deposit</b>		<b>Amount 2021</b>	<b>Amount 2020</b>
Agaie Local Government		6,706,981.00	6,631,631.00
<b>Total Outstanding Deposits</b>		<b>6,706,981.00</b>	<b>6,631,631.00</b>
<b>Details Of Deposits</b>			
5% VAT		3,838,777.00	3,804,527.00
Withholding Tax		2,293,855.00	2,259,605.00
1% Stamp Duty		574,349.00	567,499.00
<b>TOTAL</b>		<b>6,706,981.00</b>	<b>6,631,631.00</b>
<b>NOTE 26</b>			
<b>Schedule of Overdrawn accounts</b>		<b>Amount 2021</b>	<b>Amount 2020</b>
Agaie Local Government		-	-
<b>Total Overdrawn account</b>		<b>-</b>	<b>-</b>
<b>NOTE 27</b>			
<b>CONTINGENT LIABILITES AS AT YEAR END</b>		<b>Amount 2021</b>	<b>Amount 2020</b>
<b>E.G.</b>			
... Pension and Gratuity Due		-	-
....Outstanding Contractors Liabilities ( According to MDA)		-	-
.....Pending Litigations ( According to MDA)		-	-
.....Guarantees ( According to MDA)		-	-
..... Others		-	-
<b>Total Contigent Liabilities</b>		<b>-</b>	<b>-</b>



1	<b>GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)</b>		
		<b>2021</b>	<b>2020</b>
	<b>MONTH</b>	<b>TOTAL</b>	<b>TOTAL</b>
	JANUARY	140,370,305.20	167,028,653.98
	FEBRUARY	148,036,533.80	154,220,237.03
	MARCH	120,770,814.00	137,863,756.22
	APRIL	137,608,510.28	156,744,660.06
	MAY	151,901,501.65	145,506,379.18
	JUNE	146,982,434.16	131,389,868.82
	JULY	173,803,452.44	159,519,465.67
	AUGUST	173,803,452.44	163,673,859.20
	SEPTEMBER	174,128,527.30	161,834,484.06
	OCTOBER	182,226,531.94	151,360,652.49
	NOVEMBER	173,511,871.52	136,660,013.21
	DECEMBER	171,328,235.53	134,894,186.41
<b>TOTAL</b>	<b>1,894,472,170.26</b>	<b>1,800,696,216.33</b>	
<b>INTERNELLY GENERATED REVENUE 2021</b>			
<b>DETAILS</b>	<b>AMOUNT</b>		
Taxes	-		
Rates	30,000.00		
Lincences	5,933,562.00		
Earning	3,148,527.58		
Rent	-		
interest	-		
10% IGR From State	25,723,459.41		
<b>TOTAL</b>	<b>34,835,548.99</b>		

**MANAGEMENT LETTER**

**1.1 INTRODUCTION**

In compliance with the provision of section 125 (2) of 1999 Constitution of the Federal Republic of Nigeria and Niger State Local Government Law (N.S.L.N. No. 14) of 2001, I have examined the Accounts and Financial Statement of Agaie Local Government for the year ended 31<sup>st</sup> December, 2021 in accordance with the Public Finance (Control Management Act. 1958).

I have therefore certified the accounts as correct subject to various observations raised and contained in this report while the irregularities discovered thereon had been forwarded through Audit Inspection reports to the attached for Accounting officers for their comments and necessary actions.

**2.0 FINANCIAL HIGHLIGHTS**

RECEIPTS DESCRIPTION	AMOUNT (?)	PERCENTAGE
Internally Generated Revenue	9,112,089.58	0.43%
10% IGR	25,723,459.41	1.20%
Grant from other LGs	224,409,524.50	10.42%
Share of Exchange Gain Differential	4,631,669.27	0.22%
Share of Excess Crude Oil	34,674,514.39	1.61%
Non-oil Revenue	38,136,903.77	1.77%
Statutory Allocation	1,175,051,104.97	54.56%
Share of Value Added Tax (VAT)	641,977,977.86	29.81%
	<b><u>2,153,717,243.75</u></b>	<b><u>100.00%</u></b>

**2.1 ANALYSIS OF REVENUE AND EXPENDITURE**

**2.1.1 REVENUE**

The sum of ? 2,153,717,243.75 accrued to Agaie Local Government Council as total receipts for the year ended 31<sup>st</sup> December, 2021

**2.1.1.1 INTERNALLY GENERATED REVENUE**

Agaie Local Government council Generated the sum of ? 9,112,089.58 and ? 25,723,459.55 As Internally Generated Revenue and 10% IGR from State, also the sum of ? 224,409,524.50 were received as Grant from Other Local Government all together amounted to the sum of ? 259,245,073.63 only for the year ended 31<sup>st</sup> December, 2021 which represented 12.04% of the total accrued revenue of ? 2,153,717,243.75 This shows that the council solely depend on statutory allocation from the Federation Account and Grants from other sources for survival despite several advice to improve and explore other source of revenue for the council. In addition, I frown at the situation where the IGR cannot cover the total Recurrent Expenditure. This could result to non-survival of the councils if there is a decline of revenue from the Federation Account.

I advise that the councils should make up extra efforts to generate more in the years ahead.



**2.1.1.2 FEDERAL STATUTORY ALLOCATION**

The sum of ₦ 1,894,472,170.26 which is 87.97% of the total receipts of ₦ 2,153,717,243.75 was disbursed to Agaie Local Government Council for the year under review. This sum comprises the followings:

- i. Share of Exchange Gain
- ii. Share of Excess Crude oil
- iii. Non-oil Revenue
- iv. Statutory Allocation
- v. Value Add Tax (VAT)

**2.1.2 EXPENDITURE**

**2.1.2.1 ANALYSIS OF EXPENDITURE**

The total sum of ₦ 2,153,717,243.75 was allocated by State/Local Government Joint Account directly to Local Government Council and expended as follows:

DETAILS	AMOUNT (₦)	PERCENTAGE
i. Personnel cost	1,466,424,213.15	68.10%
ii. Overhead cost	114,393,879.65	5.32%
iii. Consolidated Fund charges	187,648,304.21	8.72%
iv. Operating Activities	212,308,719.94	9.86%
v. Other Transfers	28,800,000.00	1.34%
vi. Contributions	28,800,000.00	1.34%
vii. Repayment of Loans	104,000,000.00	4.83%
viii. Capital Expenditure	11,200,000.00	0.52%
	<b><u>2,153,575,116.95</u></b>	<b><u>100.00%</u></b>

**3.0 WEAKNESSES IN THE INTERNAL CONTROL SYSTEM**

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

**3.1 Unsupported payments by third party documentation**

I observed that some of the payment vouchers raised were not having documentary evidences such as delivery notes, Stores Received Vouchers, Stores Issues Vouchers, receipts etc. to justify the payments made. This implies some of the payments were made for goods not delivered or services not rendered. I advised the Councils to ensure that all payments are supported appropriately.

**3.2. Unremitted WHT and VAT Deductions**

During the course of my audit I observed that Agaie Local Government Council had not remitted ₦6,706,981.00 to the appropriate authorities as at 31 December 2021. The outstanding amount comprises of ₦3,838,777.00 in respect of WHT, ₦2,259,855. in respect of VAT and ₦567,499 in respect of Stamp duty.

This exposes the Local Government Council to the risk of payment of fines and penalties for late remittance.

I advised the Council to remit the outstanding deductions immediately and in future, the Council should ensure all deductions are made and remitted in accordance with the relevant guidelines.



**3.3. Payment Vouchers not checked nor passed by the Internal Audit Unit.**

During the course of our audit exercise, it was observed that despite being raised in our previous reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued in some cases which contravene chapter 14 section 1-19 of Model Financial Memoranda. The non-compliance was evidenced by the Payment Vouchers which were prepared and paid out without endorsement by the Internal Audit Unit and Officer Controlling the Vote and Checks by the Accounting Officer. This exposes the Council to fraudulent practices.

I advised the council to adhere strictly to the provisions of the Model Financial Memoranda.

**3.4. Non-maintenance of Fixed/Moveable Asset register.**

A Fixed Assets Register is a management tool to monitor and control use of assets. However, as pointed out in my previous reports, Agaie Local Council did not maintain an up-to-date Fixed Assets Register during the year under review.

I advised the Council to ensure that an up-to-date Fixed Assets/Movable Assets Register is maintained.

**35 Non-maintenance of Loan/Overdraft Register/Ledger**

We observed that Agaie Local Government Council did not maintain Loans/Overdraft Register/Ledger during the year.

The risk is that the Council may not be able to reconcile loan balances with the lenders leading to overpayments or fines and penalties for under payments.

We recommend that the Council should immediately open and maintain Loans Register. In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that all issues raised above in this section should be addressed before my next audit

**4.0 BUDGETARY CONTROL**

**4.1 REVENUE COMPARISON**

During the year under review, there was a shortfall in the target of Internally Generated Revenue in Agaie Local Government Council in all revenue codes as shown below:

**AGAIE LOCAL GOVERNMENT BUDGETED INTERNALLY GENERATED REVENUE COMPARED WITH ACTUAL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**

S/N	CODES	DETAILS	BUDGET ?	ACTUAL ?	SHORTFALL ?
1	12010000	Taxes	-	-	-
2	12021700	Rates	1,500,000.00	30,000.00	1,470,000.00
3	12021300	Local Licenses, Fees, and Fine	8,890,800.00	5,933,562.00	2,957,238.00
4	12021500	Earning from Commercial undertakings	7,570,000.00	3,148,527.58	4,421,472.42
5	12021600	Rent on Local Government Properties	-	-	-
6	12021100	Interest	-	-	-
<b>TOTAL</b>			<b>17,960,800.00</b>	<b>9,112,089.58</b>	<b>8,848,710.42</b>



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From the above table, it clearly shows that the Council rely solely on Statutory Allocation from the Federation Account for its survival when comparing the total budgeted amount of ₦ 17,960,800.00 with actual Internally Generated Revenue of ₦ 9,112,089.58 leaving a short fall of ₦ 8,848,710.42 during the year under review.

This implies that the Council could not fully implement its planned programmes during the financial year or the budget was not realistic.

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

- i. Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- ii. Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- iii. Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- iv. Control over issuance of revenue receipts
- v. Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.
- vi. The Council should ensure that realistic budgets are prepared.

## **4.2 RECURRENT EXPENDITURE**

### **4.2.1 PERSONNEL COST**

As regards to the personnel cost, it was observed that, the sum of ₦ 1,479,365,454.26 and ₦ 1,466,424,213.15 was spent as personnel cost in 2020 and 2021 respectively with a decrease of ₦ 12,941,241.11 over the previous year. The decrease represents 0.88% of personnel cost for the year under review. The decrease was due to retirements and death of personnel and inability of the Council to paid 100% salaries during the year under review.

### **4.2.2 CAPITAL EXPENDITURE**

During the year under review it was observed that the sum of ₦ 11,200,000.00 was spent on Capital project by Agaie Local Government Council. This was made by the Council to boost the developmental activities in the areas in which various projects were executed and some were still in progress. Though the approved Capital estimate was ₦ 482,371,278.00 and only the sum of ₦ 11,200,000.00 representing 2.33% was expended leading to a variance of ₦ 471,171,278.00.

I advised the Council to ensure that, Estimate Should be based on realistic and Cognizance of environmental factors, and the Cash Flow should be adequately monitored in order to reduce unnecessary expenses on overhead and give priority to project execution.

## **5.0 ANALYSIS OF ASSETS AND LIABILITIES**

### **5.1 ASSETS**

#### **5.1.1 CASH AND ITS EQUIVALENTS**

The closing cash and its equivalents amounted to the sum of ₦ 267,249.04 for Agaie Local Government as at 31<sup>st</sup> December, 2021.

### **5.2. LIABILITIES**

#### **5.2.1. DEPOSITS**



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Deposits comprise of unremitted statutory deductions and Non statutory deductions of the Council shown below.

- Statutory Deposits ? 6,706,981.00
  - Non statutory Deposits NIL
- ? 6,706,981.00

**5.2.1.1 UNREMITTED DEDUCTIONS**

The balance on the unremitted deductions account was ? 6,706,981.00 as at 31<sup>st</sup> December, 2021. The unremitted deductions include deductions from payments made on behalf of Government Agencies and various other bodies by the Local Government which ought to be promptly remitted to the appropriate authorities.

The management of Local Government Council has been advised to ensure that all Deposits are remitted timely to avoid accumulating liabilities and attracting fines and penalties for the Council.

**5.2.1.2. BANK OVERDRAFTS**

The Council did not have any bank overdrafts at the end of the financial year under review.

**6.0 OUTSTANDING ISSUES FROM THE AUDIT INSPECTION REPORT**

The following are outstanding issues from Inspection Report for the period under review.

**AGX/F.O.21/TA/AGA/VOL.1**

**Dated – 11/01/2022**

- (i) Payment made without letter of request and copy of the receipt were not attached to the PV including the details of the expenditure = ? 220,000.00
- (ii) Payment made without acknowledgement receipt by the payee = ? 13,198,050.00

Management promised to follow up and resolve the issues raised above.

We recommend that the management of Agaie Local Government should ensure the issues raised above are adequately addressed.

**6.1 OUTSTANDING ISSUE FROM THE REPORT ON CAPITAL PROJECT**

The following are the outstanding issues from Report on Capital Project for the period under review.

**AGX/D.101/VOL.9/1**

- i. Suspicious payment made for the renovation of N.Y.S.C lodge without Labour Card, Job Order, Job Cost Books attached to the payment voucher = ? 550,000.00

Management promised to follow up and resolve the issues raised above.

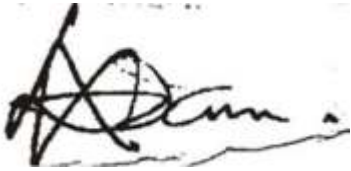
We recommend that the management of Agaie Local Government should ensure the issues raised above are adequately addressed.

**8.0 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.



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



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NIGER STATE GOVERNMENT OF NIGERIA  
AGWARA LOCAL GOVERNMENT COUNCIL

**AUDITED ACCOUNTS**  
FOR THE YEAR ENDED 31ST DECEMBER, 2021

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



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**OFFICE OF THE EXECUTIVE CHAIRMAN  
AGWARA LOCAL GOVERNMENT COUNCIL, AGWARA**  
AGWARA LOCAL GOVERNMENT SECRETARIAT COMPLEX, NIGER STATE.

ALGA/FIN/MBA/112/I/99

25<sup>th</sup> January, 2022

**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 Financial (Council and Management) Act 1958 as amended. The financial statements comply with generally accepted accounting practices.

The Treasury is responsible for the establishing and maintaining a system of internal controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and proper record 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

Date 31/12/2021

We accepted responsibilities for these Financial Statements, the information they contain and 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 Government as at 31<sup>st</sup> December, 2021 and its operations for the year ended on the date.

DIRECTOR FINANCE & SUPPLY  
AGWARA LOCAL GOVT.  
Treasurer  
Sign:   
Date: 31/12/2021

Sign:   
Executive Chairman  
AGWARA LOCAL GOVERNMENT  
Chairman  
Date: 31/12/2021



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**NIGER STATE GOVERNMENT**

**AGWARA LOCAL GOVERNMENT COUNCIL**

**ACCOUNTING POLICIES**

**(IPSAS CASH)**

**ISSUED BY**

**OFFICE OF THE DIRECTOR FINANCE**

**AGWARA LOCAL GOVERNMENT COUNCIL**

**2021**



## List of Abbreviations/Acronyms

Abbreviation/Term	Description
CBN	Central Bank of Nigeria
COA	Chart of Account
FAAC	Federation Accounts Allocation Committee
FGN	Federal Government of Nigeria
FRC	Financial Reporting Council
GAAP	Generally Accepted Accounting Principles
GPFS	General Purpose Financial Statement
IPSAS	International Public Sector Accounting Standards
LFN	Law of the Federal Republic of Nigeria
LGC	Local Government Council
NCOA	National Chart of Account
GBE	Government Business Enterprises
FRCON	Financial Reporting Council of Nigeria
PPE	Properties, Plants and Equipment



**Introduction**

In line with the adoption of the International Public Sector Accounting Standards (IPSAS) in Nigeria, a Standardised Chart of Account (COA) alongside a set of General Purpose Financial Statements (GPFS) have been designed and introduced by FAAC for adoption by all tiers of Government in Nigeria.

The standardised COA and the GPFS is hereby adopted by Agaie Local Government Council to comply with FAAC directive to harmonise public sector accounts reporting in Nigeria.

In order to ensure an effective and efficient utilisation of the COA and GPFS, the Accounting Policies have been developed as a set of guidelines to direct the Processes and Procedures relating to financial reporting in Agaie Local Government Council.

These policies shall form part of the universally agreed framework for financial reporting in Agaie Local Government Council.

**IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when Cash (including Cash Equivalents) is received or paid by the Local Government. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of Cash raised during the period, the purposes for which Cash was used and the Cash balances at the reporting date. The measurement focus in the GPFS balances are Cash and changes during the period. Therefore, Bank Reconciliation Statement shall form integral part of periodic Reports in Agaie Local Government Council.

Notes to the GPFS provide additional information about liabilities, including payables and borrowings, and non-cash assets that include receivables, investments and property, plant and equipment.

This Accounting Policy addresses the following fundamental accounting issues:

1. Definition of Accounting Terminologies
2. Recognition of Accounting Items
3. Measurement of Accounting Items
4. Treatment of Accounting items

The Accounting Policy is subject to periodic reviews and updates as shall be deemed necessary by the Director Finance, Agaie Local Government Council.



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S/N	Accounting Policies:	
1	<p><b>Accounting Terminologies / Definitions</b></p> <ol style="list-style-type: none"> <li>I. <b>Accounting policies</b> are the specific principles, bases, conventions, rules and practices adopted by Agwara Local Government Council in preparing and presenting Financial Statements.</li> <li>II. <b>Cash:</b> Cash comprises cash in hand, demand deposits in financial institutions and cash equivalents.</li> <li>III. <b>Cash equivalents</b> are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.</li> <li>IV. <b>Cash basis</b> means a basis of accounting that recognizes transactions and other events only when cash is received or paid.</li> <li>V. <b>Cash flows</b> are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.</li> <li>VI. <b>Cash receipts</b> are cash inflows.</li> <li>VII. <b>Cash payments</b> are cash outflows.</li> <li>VIII. <b>Cash Controlled by Agwara Local Government Council:</b> Cash is deemed to be controlled by Agwara Local Government Council when the government can freely use the available cash for the achievement of its objectives or enjoy benefit from the cash, and can also exclude or regulate the access of others to that benefit. Cash collected by, or appropriated or granted to the government which the government can freely use to fund its operating objectives, such as acquiring of capital assets or repaying its debt is controlled by the government.</li> <li>IX. <b>Notes to the GPFS</b> shall include narrative descriptions or more detailed schedules or analyses of amounts shown on the face of the GPFS, as well as additional information</li> </ol>	<p>2 <b>General Purpose Financial Statements (GPFS)</b></p> <p>The GPFS comprise of Statement of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by Agwara Local Government Council and Accounting Policies and Notes to the Financial Statements. In Agwara Local Government Council, the GPFS Accounting Policy include the following:</p> <ol style="list-style-type: none"> <li>I. Statement 1 - Cash Flow Statements: Statement of Cash Receipts and Payments which:             <ul style="list-style-type: none"> <li>▪ recognizes all Cash Receipts, Cash Payments and Cash Balances controlled by Agwara Local Government Council; and</li> <li>▪ separately identifies payments made by third parties on behalf of Agwara Local Government Council.</li> </ul> </li> <li>II. Statement 2 - Statement of Assets and Liabilities: Statement of Financial Position (also known as Balance Sheet);</li> <li>III. Statement 3 - Statement of Consolidated Revenue Fund: Statement of Recurrent Financial Performance (also known as Profit &amp; Loss Account);</li> <li>IV. Statement 4- Statement of Capital Development Fund: Statement of Capital Financial Performance (also known as Capital Expenditure);</li> <li>V. Notes to the Accounts: Additional disclosures to explain the GPFS; and</li> <li>VI. Accounting Policies and Explanatory Notes.</li> </ol>



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<p>3</p>	<p><b>Basis of Preparation and Legal Provisions</b></p> <p>The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, GPFS are in compliance with the provisions of other financial regulations of Agwara Local Government Council.</p>	<p>5</p>	<p><b>Accounting Period</b></p> <p>The accounting year (fiscal year) is from 1<sup>st</sup> January to 31<sup>st</sup> December. Each accounting year is divided into 12 calendar months (periods) and shall be set up as such in the accounting system.</p>
<p>4</p>	<p><b>Fundamental Accounting Concepts</b></p> <p>The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in Agwara Local Government Council</p> <ul style="list-style-type: none"> <li>? Cash Basis of Accounting;</li> <li>? Understability;</li> <li>? Materiality,</li> <li>? Relevance;</li> <li>? Going Concern Concept;</li> <li>? Consistency Concept</li> <li>? Prudence</li> <li>? Completeness, etc.</li> </ul>	<p>6</p>	<p><b>Reporting Currency</b></p> <p>The General Purpose GPFS are prepared in Nigerian Naira.</p>
		<p>7</p>	<p><b>LGC for Consolidation</b></p> <ul style="list-style-type: none"> <li>▪ The Consolidation of the GPFS are based on the Cash transactions of Agwara Local Government Council except Government Business Enterprises (GBEs).</li> </ul>
		<p>8</p>	<p><b>Comparative Information</b></p> <ul style="list-style-type: none"> <li>▪ The General Purpose GPFS shall disclose all numerical information relating to previous period (at least one year).</li> </ul>
		<p>9</p>	<p><b>Budget Figures</b></p> <ul style="list-style-type: none"> <li>▪ These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation Law of Niger State.</li> </ul>





<p><b>10 Receipts</b></p> <p>? These are Cash inflows within the Financial Year. They comprise of receipts from Statutory Allocations (FAAC monthly disbursement) , Taxes, External Assistance ( from Bilateral and Multilateral Agencies), Other Aid and Grants, Other Borrowings, Capital Receipts (Sale of Government Assets , etc), Receipts from Trading activities and Other Cash Receipts.</p> <p>? These items shall be disclosed at the face of the Statement of Cash Receipts and Payment for the year in accordance with the standardised GPFS . Notes shall be provided as per standardised Notes to GPFS.</p>	<p><b>13 Interest Received</b></p> <p>? Interest actually received during the financial year shall be treated as a receipt</p> <p style="text-align: center;"><small>under item Other Receipts</small></p>
<p><b>11 External Assistance</b></p> <p>? Receipts from Loans are Funds received from external sources to be paid back at an agreed period of time. They are categorised either as Bilateral or Multilateral.</p> <p>? External Loans receipts shall be disclosed separately under Statement of Cash Receipts and Payment for the year.</p> <p>? The Local Governments did not receive external assistance during the two year.</p>	<p><b>14 Government Business Activities</b></p> <p>Cash Receipts from Trading Activities shall be received net (after deducting direct expenses) unless otherwise provided for by law or policy in force. Total receipts from all trading activities shall be disclosed in the Statement of Cash Receipts and Payments under 'Trading Activities' item.</p> <p>Where gross revenue is received, corresponding payments shall be charged under a corresponding payment item head ' Government Business Activities' in the Statement of Receipts and Payments.</p>
<p><b>12 Other Borrowings / Grants &amp; Aid Received</b></p> <ul style="list-style-type: none"> <li>▪ These shall be categorised as either Short or Long term Loans. Short-Term Loans are those repayable within one calendar year (12 months), while Long - Term Loans and Debts shall fall due beyond one calendar year (above 12 months). Loans shall be disclosed separately and Grants shall also be separately disclosed under Statement of Cash Receipts and Payment for the year.</li> </ul>	<p><b>15 Payments</b></p> <ul style="list-style-type: none"> <li>▪ These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorised either by Function and/or by Sector in the Statement of Cash Receipts and Payment.</li> <li>▪ Payments for purchase of items of capital nature (e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.</li> </ul>



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16	<p><b>Loans Granted:</b></p> <ul style="list-style-type: none"> <li>▪ Payments to other Government and Agencies in form of Loans during the year shall be shown separately in the Statement of Receipts and Payments. Amount disclosed shall be actual amount paid during the year.</li> <li>▪ The Local Governments did not give any loan during the two year.</li> </ul>
17	<p><b>Loan Repayments</b></p> <p>Cash receipts from loans granted to other agencies and government shall be classified under loan repayments in the Statement of Receipts and Payments . Amount disclosed shall be actual amount received during the year.</p>
18	<p><b>Interest on Loans:</b></p> <ul style="list-style-type: none"> <li>▪ Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest payment in the Statement of Cash Receipts and Payments</li> </ul>
19	<p><b>Foreign Currency Transactions:</b></p> <ul style="list-style-type: none"> <li>▪ Foreign Currency Transactions throughout the year shall be converted into Nigerian Naira at the ruling (Central Bank of Nigeria –CBN) rate of exchange at the dates of the transactions. Foreign currency balances, as at the year end, shall be translated at the exchange rates prevailing on that date.</li> <li>▪ At the end of the financial year, additional amounts (in cash or at bank) arising out of Foreign Exchange Gains/Losses shall be recognised in the Statement of Cash Receipts and Payments either as Receipts / Payments respectively.</li> <li>▪ Hence the Agwara Local Government Council did not have foreign currency transactions during the two year.</li> </ul>
20	<p><b>Prepayments</b></p> <ul style="list-style-type: none"> <li>▪ Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.</li> <li>▪ The Local Governments did not make prepayment to contractors during the two year.</li> </ul>
21	<p><b>Cash Balances</b></p> <p>This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.</p>

**COUNCIL OFFICIALS**

- COUNCIL MEMBERS DESIGNATION:**

Honourable Alhaji Nura Mohammed Garba	Executive Chairman
Honourable Paul Azulami Daniel	Secretary

- HEAD OF DEPARTMENTS:**

<b>NAMES:</b>	<b>DEPARTMENTS</b>	<b>DESIGNATION</b>
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, 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, 2021 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, 2021.



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



**STATEMENT NO. 1**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ANNUAL BUDGET 2021 N		COA	NOTES	ACTUAL YEAR 2021	PREVIOUS YEAR 2020
				N	N
	<b>CashFlows from Operating Activities:</b>				
	<u>Receipts:</u>				
1,331,150,437.00	Statutory Allocations:FAAC		1	1,066,061,062.32	1,529,385,174.42
420,548,869.00	Value Added Tax Allocation		1	534,157,868.73	-
<b>1,751,699,306.00</b>	<b>Sub-total - Statutory Allocation</b>			<b>1,600,218,931.05</b>	<b>1,529,385,174.42</b>
-	Direct Taxes		2	-	-
9,395,000.00	Licences		2	16,204,900.00	9,910,120.00
-	Mining Rents:		2	-	-
-	Royalties		2	-	-
-	Fees:		2	-	-
-	Fines		2	-	-
-	Sales		2	-	-
6,285,000.00	Earnings :		2	1,267,700.00	1,315,550.00
-	Sales/Rent of Government Buildings:		2	-	-
-	Sale/Rent on Lands and Others:		2	-	-
-	Rates		2	-	-
-	Investment Income		2	-	-
-	Interest Earned		2	-	-
147,447,704.00	10% IGR From State		2	25,723,459.41	22,002,508.32
<b>163,127,704.00</b>	<b>Sub-total - Independent Revenue</b>			<b>43,196,059.41</b>	<b>33,228,178.32</b>
	<b>Other Revenue Sources of L/Government</b>				
-	Domrstic Grants		3	-	21,747,549.18
	Grants From other LGs		3	-	-
<b>1,914,827,010.00</b>	<b>Total Receipts</b>			<b>1,643,414,990.46</b>	<b>1,584,360,901.92</b>
	<u>Payments:</u>				
903,076,072.00	Personnel Costs ( Including Salaries on CRF Charges):		4	789,477,810.82	747,877,869.78
-	Federa/ States/ LGC Govt Contribution to Pension:		5	-	-
361,500,000.00	Overhead Charges:		6	100,062,934.27	109,558,570.06
56,942,772.00	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)		7	46,860,049.97	41,980,494.18
28,800,000.00	Subvention to Parastatals:		8	28,800,000.00	102,000,000.00
317,622,830.44	Other Operating Activities		9	317,622,830.44	325,587,496.38
230,247,932.63	Other Transfers		10	230,247,932.63	228,757,823.54
<b>1,898,189,607.07</b>	<b>Total Payments</b>			<b>1,513,071,558.13</b>	<b>1,555,762,253.94</b>
<b>16,637,402.93</b>	<b>Net Cash Flow from Operating Activities</b>			<b>130,343,432.33</b>	<b>28,598,647.98</b>



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	<b>CashFlows from Investment Activities:</b>				
124,650,000.00	Capital Expenditure:Administrative Sector:		12	11,318,878.64	93,648,000.00
292,492,000.00	Capital Expenditure: Economic Sector:		12	-	105,467,740.00
-	Capital Expenditure: Law and Justice:		12	-	-
-	Capital Expenditure:Regional Development		12	-	-
195,400,000.00	capital expenditure: Social Service Sector:		12	23,070,000.00	53,560,000.00
-	Capital Expenditure: Funded from Aid and Grants:		11	-	-
<b>612,542,000.00</b>	<b>Net Cash Flow from Investment Activities:</b>			<b>34,388,878.64</b>	<b>252,675,740.00</b>
	<b>CashFlows from Financing Activities:</b>				
-	Proceeds from Aid and Grants		11	-	-
-	Proceeds from Exernal Loan :		20	-	-
-	Proceeds from Internal Loans: FGN/Treasury Bonds :		21	-	-
-	Proceeds from Internal Loan		22	-	224,000,000.00
-	Proceeds from Development of Nat Resources		23	-	-
-	Proceeds of Loans from Other Funds		24	-	-
-	Repayment of External Loans ( Including Servicing)		20	-	-
-	Repayment of FGN/Treasury Bonds :		21	-	-
96,000,000.00	Repayment of Internal Loan		22	96,000,000.00	40,000,000.00
-	Repayment of Loans from Development of Nat Resources		23	-	-
	Repayment of Loans from Other Funds		24	-	-
<b>96,000,000.00</b>	<b>Net Cash Flow from Financing Activities:</b>			<b>96,000,000.00</b>	<b>184,000,000.00</b>
	<b>Movement in Other Cash Equivalent Accounts</b>				
-	(Increase)/ Decrease in Investments			-	-
-	Net (Increase)/Decrease in Other Cash Equivalents:			-	-
-	<b>Total Cashflow from other Cash equivalent Accounts</b>			-	-
-	Net Cash for the year			- 45,446.31	- 40,077,092.02
-	Cash & Its Equivalent as at 1st January, 2021			10,124,406.12	50,201,498.14
-	Cash & Its Equivalent as at 31st December, 2021			<b>10,078,959.81</b>	<b>10,124,406.12</b>



**STATEMENT NO. 2**  
**STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	NOTES	CURRENT YEAR 2020	PREVIOUS YEAR 2019
		N	N
<b><u>ASSETS:-</u></b>			
<b>Liquid Assets:-</b>			
Cash Held by AGF:			
-CRF Bank Balance(CBN/ CRF Bank):		-	-
-Pension Account (CBN/ Bank):		-	-
-Other Bank of the Treasury		-	-
-Cash Balances of Trust & Other Funds of the FGN/ States/LGC:		-	-
-Cash Balances with Federal Pay Offices/ Sub-Treasury:		-	-
Cash Held by Agaie Local Government	15	10,078,959.81	10,124,406.12
<b>TOTAL LIQUID ASSETS</b>		<b>10,078,959.81</b>	<b>10,124,406.12</b>
<b>Investments and Other Cash Assets:</b>			
Federal/ State/ Local Government Investments	16	-	-
Imprests:-	17	-	-
Advances:-	18	-	-
Revolving Loans Granted:-	19	-	-
Intangible Assets		-	-
<b>TOTAL INVESTMENTS AND OTHER CASH ASSETS</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>10,078,959.81</b>	<b>10,124,406.12</b>
<b>LIABILITIES OVER ASSETS</b>		<b>95,234,270.41</b>	<b>191,234,270.41</b>
<b>TOTAL</b>		<b>105,313,230.22</b>	<b>201,358,676.53</b>
<b><u>LIABILITIES:-</u></b>			
<b><u>PUBLIC FUNDS</u></b>			
Consolidated Revenue Fund:		10,078,959.81	10,124,406.12
Capital Development Fund:		-	-
Trust & Other Public Funds:		-	-
Police Reward Fund		-	-
<b>TOTAL PUBLIC FUNDS</b>		<b>10,078,959.81</b>	<b>10,124,406.12</b>
<b>EXTERNAL AND INTERNAL LOANS</b>			
External Loans:FGN/States/ LGC	20	-	-
FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-
internal Loans	22	88,000,000.00	184,000,000.00
Development Loan Stock	23	-	-
Loan From other Funds	24	-	-
Internal Loans from Other Funds		-	-
<b>TOTAL EXTERNAL AND INTERNAL LOANS</b>		<b>88,000,000.00</b>	<b>184,000,000.00</b>
<b>OTHER LIABILITIES</b>			
Deposits:-	25	7,234,270.41	7,234,270.41
Overdrawn accounts	26	-	-
<b>TOTAL LIABILITIES</b>		<b>105,313,230.22</b>	<b>201,358,676.53</b>



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## STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021

ACTUAL PREVIOUS YEAR(2020)		NOTES	ACTUAL YEAR 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021
50,201,498.14	Opening Balance:		N 10,124,406.12	N	N
	<b>ADD: REVENUE</b>				
1,529,385,174.42	Statutory Allocations:FAAC	1	1,066,061,062.32	1,331,150,437.00	1,331,150,437.00
-	Value Added Tax Allocation	1	534,157,868.73	420,548,869.00	420,548,869.00
<b>1,579,586,672.56</b>	<b>Sub-Total - Statutory Allocation</b>		<b>1,600,218,931.05</b>	<b>1,751,699,306.00</b>	<b>1,751,699,306.00</b>
-	Direct Taxes	2	-	-	-
9,910,120.00	Licences	2	16,204,900.00	9,395,000.00	9,395,000.00
-	Mining Rents:	2	-	-	-
-	Royalties	2	-	-	-
-	Fees:	2	-	-	-
-	Fines	2	-	-	-
-	Sales	2	-	-	-
1,315,550.00	Earnings :	2	1,267,700.00	6,285,000.00	6,285,000.00
-	Sales/Rent of Government Buildings:	2	-	-	-
-	Sale/Rent on Lands and Others:	2	-	-	-
-	RATES	2	-	-	-
-	Investment Income	2	-	-	-
-	Interest Earned	2	-	-	-
22,002,508.32	10% IGR From State	2	25,723,459.41	147,447,704.00	147,447,704.00
<b>33,228,178.32</b>	<b>Sub-Total - Independent Revenue</b>		<b>43,196,059.41</b>	<b>163,127,704.00</b>	<b>163,127,704.00</b>
	<b>Other Revenue Sources of L/Government</b>				
21,747,549.18	Domrstric Grants	3	-	21,747,549.18	21,747,549.18
-	Grants From other LGs	3	-	-	-
<b>1,634,562,400.06</b>	<b>TOTAL REVENUE:</b>		<b>1,653,539,396.58</b>	<b>1,936,574,559.18</b>	<b>1,936,574,559.18</b>
	<b>LESS:EXPENDITURE</b>				
747,877,869.78	Personnel Costs ( Including Salaries on CRF Charges):	4	789,477,810.82	903,076,072.00	903,076,072.00
-	Federa/ States/ LGC Govt Contribution to Pension:	5	-	-	-
109,558,570.06	Overhead Charges:	6	100,062,934.27	361,500,000.00	361,500,000.00
41,980,494.18	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)	7	46,860,049.97	56,942,772.00	56,942,772.00
102,000,000.00	Subvention to Parastatals:	8	28,800,000.00	28,800,000.00	28,800,000.00
325,587,496.38	Other Operating Activities	9	317,622,830.44	317,622,830.44	317,622,830.44
228,757,823.54	Other Transfers	10	230,247,932.63	230,247,932.63	230,247,932.63
<b>1,555,762,253.94</b>	<b>TOTAL EXPENDITURE:</b>		<b>1,513,071,558.13</b>	<b>1,898,189,607.07</b>	<b>1,898,189,607.07</b>
	<b>OTHER RECURRENT PAYMENTS/EXPENDITURE:</b>				
-	Repayments:External Loans:FGN/States/ LGC	19	-	-	-
-	Repayments:FGN/ States/LGC Bonds & Treasury Bonds.	20	-	-	-
-	Repayments :Nigerian Treasury Bills (NTB)	21	-	-	-
40,000,000.00	Repayments:Internal Loans	22	96,000,000.00	96,000,000.00	96,000,000.00
-	Repayments: Internal Development Loans Stock	23	-	-	-
-	Repayments:Other Internal Loans( Promissory Notes)	24	-	-	-
<b>1,595,762,253.94</b>	<b>TOTAL EXPENDITURE:</b>		<b>1,609,071,558.13</b>	<b>1,994,189,607.07</b>	<b>1,994,189,607.07</b>
<b>38,800,146.12</b>	<b>OPERATING BALANCE:</b>		<b>44,467,838.45</b>	<b>- 57,615,047.89</b>	<b>- 57,615,047.89</b>
	<b>APPROPRIATIONS/TRANSFERS:</b>				
28,675,740.00	Transfer to Capital Development Fund:		34,388,878.64	612,542,000.00	612,542,000.00
<b>10,124,406.12</b>	<b>Closing Balance:</b>		<b>10,078,959.81</b>		



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**STATEMENT NO. 4**  
**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ACTUAL PREVIOUS YEAR(2020)		NOTES	TOTAL CAPITAL EXPENDITURE 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021
N			N		N
-	Opening Balance:		-		
	<b><u>ADD: REVENUE</u></b>				
28,675,740.00	Transfer from Consolidated Revenue Fund:		34,388,878.64	612,542,000.00	612,542,000.00
-	Aid and Grants	11	-	-	-
-	External Loans:FGN/States/ LGC	20	-	-	-
-	FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-	-
224,000,000.00	Internal Loan	22	-	-	-
-	Development Loan Stock	23	-	-	-
-	Loan From Other Funds	24	-	-	-
					-
					-
					-
<b>252,675,740.00</b>	<b>TOTAL REVENUE AVAILIABLE:</b>		<b>34,388,878.64</b>	<b>612,542,000.00</b>	<b>612,542,000.00</b>
	<b><u>LESS: CAPITAL EXPENDITURE</u></b>				
93,648,000.00	Capital Expenditure:Administrative Sector:	12	11,318,878.64	124,650,000.00	124,650,000.00
105,467,740.00	Capital Expenditure: Economic Sector:	12	-	292,492,000.00	292,492,000.00
-	Capital Expenditure: Law and Justice:	12	-	-	-
-	Capital Expenditure:Regional Development	12	-	-	-
53,560,000.00	Capital Expenditure: Social Service Sector:	12	23,070,000.00	195,400,000.00	195,400,000.00
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-	-
					-
<b>252,675,740.00</b>	<b>TOTAL CAPITAL EXPENDITURE:</b>		<b>34,388,878.64</b>	<b>612,542,000.00</b>	<b>612,542,000.00</b>
-	Intangible Assets		-		
-	<b>CLOSING BALANCE:</b>		-		



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**NOTE TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

<b>NOTE 1</b>	<b>Ref. Note</b>	<b>Amount</b>	<b>Amount</b>	
<b>A- Share of Statutory Allocation from FAAC</b>		<b>N</b>	<b>N</b>	
Net Share of Statutory Allocation from FAAC	<b>A</b>	1,000,148,844.62		
Add :Deduction at source for Loan Repayment	<b>B</b>	-		
Share of Exchange Gain Differencial	<b>C</b>	3,976,603.87		
Share of Federal Accounts Allocation- Excess Crude Oil	<b>D</b>	29,770,433.91		
Non-oil Revenue	<b>E</b>	32,165,179.92		
<b>Total FAAC Allocation to LG</b>			1,066,061,062.32	
<b>B. Value Added Tax</b>				
Share of Value Added Tax (VAT)		534,157,868.73	534,157,868.73	
<b>Total Statutory Allocation to LG</b>			<b>1,600,218,931.05</b>	
			-	

**NOTE 2**

<b>Internally Generated Revenue (Independent Revenue)</b>		<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
<b>Direct Taxes</b>				
Agwara local government Internal Revenue		-	-	-
<b>Total - Direct Taxes</b>		-	-	-
<b>Licences</b>				
Agwara local government Internal Revenue		16,204,900.00	9,395,000.00	- 6,809,900.00
<b>Total Licences</b>		<b>16,204,900.00</b>	<b>9,395,000.00</b>	<b>- 6,809,900.00</b>
<b>Mining Rents</b>				
Agwara local government Internal Revenue		-	-	-
<b>Total Mining Rents</b>		-	-	-
<b>Royalties</b>				
Agwara local government Internal Revenue		-	-	-
<b>Total Royalties</b>		-	-	-
<b>Fees</b>				
Agwara local government Internal Revenue		-	-	-
<b>Total Fees</b>		-	-	-



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<b>Fines</b>				
Agwara local government Internal Revenue		-	-	-
<b>Total Fines</b>		-	-	-
<b>Sales</b>				
Agwara local government Internal Revenue		-	-	-
<b>Total Sales</b>		-	-	-
<b>Earnings</b>				
Agwara local government Internal Revenue		1,267,700.00	6,285,000.00	5,017,300.00
<b>Total Earnings</b>		<b>1,267,700.00</b>	<b>6,285,000.00</b>	<b>5,017,300.00</b>
<b>Sales/Rent of Government Buildings</b>				
Agwara local government Internal Revenue		-	-	-
<b>Total Sales/Rent of Government Buildings</b>		-	-	-
<b>Sale/Rent on Lands and Others:</b>				
Agwara local government Internal Revenue		-	-	-
<b>Total Sale/Rent on Lands and Others</b>		-	-	-
<b>Rates</b>				
Agwara local government Internal Revenue		-	-	-
<b>Total Rates</b>		-	-	-
<b>Investment Income</b>				
Agwara local government Internal Revenue		-	-	-
<b>Total Investment Income</b>		-	-	-
<b>Interest Earned</b>				
Agwara local government Internal Revenue		-	-	-
<b>Total Interest Earned</b>		-	-	-
<b>10% IGR From State</b>				
Agwara local government Internal Revenue		25,723,459.41	147,447,704.00	121,724,244.59
<b>Total 10% IGR From State</b>		<b>25,723,459.41</b>	<b>147,447,704.00</b>	<b>121,724,244.59</b>
<b>Total - Independent Revenue</b>		<b>43,196,059.41</b>	<b>163,127,704.00</b>	<b>119,931,644.59</b>



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<b>NOTE 3</b>				
<b>Other Revenue Sources of L/Government(Domestic Grant)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Agwara local government Internal Revenue		-	-	-
<b>Total Other Revenue Sources</b>		-	-	-
<b>NOTE 4</b>				
<b>A - Total Personnel Costs ( Including Salaries directly charged to CRF in Note 4B below):</b>				
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Office Of The Chairman		8,345,786.22	9,153,732.00	807,945.78
The Council		24,857,206.70	29,539,450.00	4,682,243.30
Office Of The Secretary		2,484,720.67	2,953,945.00	469,224.33
Personnel Management		51,708,035.49	57,072,626.00	5,364,590.51
<b>TOTAL Personnel Cost Administrative Sector</b>		<b>87,395,749.08</b>	<b>98,719,753.00</b>	<b>11,324,003.92</b>
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Finance And Supply		75,561,591.24	81,893,637.00	6,332,045.76
Budget, Planning & Research		2,099,888.99	2,497,024.00	397,135.01
Works And Housing		51,878,156.14	52,758,637.00	880,480.86
Agriculture And Natural Resources		48,190,687.60	56,271,649.00	8,080,961.40
<b>TOTAL Personnel Cost Economic Sector</b>		<b>177,730,323.97</b>	<b>193,420,947.00</b>	<b>15,690,623.03</b>
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Adult Education		250,296,872.46	278,664,390.00	28,367,517.54
Primary Health Cure		198,442,174.38	250,708,110.00	52,265,935.62
Social Development		57,457,215.64	60,226,269.00	2,769,053.36
Traditional Council		18,155,475.29	21,336,603.00	3,181,127.71
<b>Total Personnel Cost Social Sector</b>		<b>524,351,737.77</b>	<b>610,935,372.00</b>	<b>86,583,634.23</b>
<b>Total Personnel Cost For All Sectors</b>		<b>789,477,810.82</b>	<b>903,076,072.00</b>	<b>113,598,261.18</b>
<b>B- Salaries directly charged to CRF( included in Note 4A above)</b>				
<b>List of Parastatals and Agencies:</b>		-	-	-
Judges of Supreme Court of Nigeria		-	-	-
Judges of Court of Appeal		-	-	-
other Judges of Court in Nigeria		-	-	-
Auditor -General for Federation		-	-	-
Auditor -General for State		-	-	-
Auditor -General for Local Government		-	-	-
INEC Chairman and Commissioners		-	-	-
e.t.c.		-	-	-
<b>Total</b>		<b>789,477,810.82</b>	<b>903,076,072.00</b>	<b>113,598,261.18</b>

<b>NOTE 5</b>				
<b>Employers Contribution to Pension according to Sector</b>		-	-	-
Administrative Sector		-	-	-
Economic Sector		-	-	-
Law and Justice Sector		-	-	-
Regional Sector		-	-	-
Social Sector		-	-	-
<b>Total Employers Contribution to Pension</b>		-	-	-
<b>NOTE 6</b>				
<b>Overhead Costs</b>				
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Office Of The Chairman		68,249,621.36	229,000,000.00	160,750,378.64
The Council		4,010,000.00	16,000,000.00	11,990,000.00
Office Of The Secretary		870,000.00	15,400,000.00	14,530,000.00
Personnel Management		6,785,500.00	30,500,000.00	23,714,500.00
<b>Total Overhead Cost Administrative Sector</b>		<b>79,915,121.36</b>	<b>290,900,000.00</b>	<b>210,984,878.64</b>
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Finance And Supply		11,292,112.91	33,000,000.00	21,707,887.09
Budget, Planning & Research		959,200.00	4,000,000.00	3,040,800.00
Works And Housing		1,953,500.00	6,000,000.00	4,046,500.00
Agriculture And Natural Resources		2,779,000.00	10,600,000.00	7,821,000.00
<b>TOTAL Overhead Cost Economic Sector</b>		<b>16,983,812.91</b>	<b>53,600,000.00</b>	<b>36,616,187.09</b>
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Adult Education		-	-	-
Primary Health Cure		2,210,000.00	7,500,000.00	5,290,000.00
Social Development		450,000.00	4,500,000.00	4,050,000.00
Traditional Council		504,000.00	5,000,000.00	4,496,000.00
<b>Total Overhead Cost Social Sector</b>		<b>3,164,000.00</b>	<b>17,000,000.00</b>	<b>13,836,000.00</b>
<b>Total Overhead Cost For All Sectors</b>		<b>100,062,934.27</b>	<b>361,500,000.00</b>	<b>261,437,065.73</b>
<b>NOTE 7</b>				
<b>Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Monthly Pension		46,860,049.97	56,942,772.00	10,082,722.03
<b>Total Consolidated Revenue Fund Charges</b>		<b>46,860,049.97</b>	<b>56,942,772.00</b>	<b>10,082,722.03</b>



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<b>NOTE 8</b>				
<b>Subventions to Parastatals (According to Sectors-List)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Administrative Sector		28,800,000.00	28,800,000.00	-
Economic Sector		-	-	-
Law and Justice Sector		-	-	-
Regional Sector		-	-	-
Social Sector		-	-	-
<b>Total Subventions to Parastatals</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>
<b>NOTE 9</b>				
<b>Other Operating Activities</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Administrative Sector		317,622,830.44	317,622,830.44	-
Economic Sector		-	-	-
Law and Justice Sector		-	-	-
Regional Sector		-	-	-
Social Sector		-	-	-
<b>Total Other Operating Activities</b>		<b>317,622,830.44</b>	<b>317,622,830.44</b>	<b>-</b>
<b>NOTE 10</b>				
<b>Other Transfer</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
<i>Administrative Sector</i>		19,200,000.00	19,200,000.00	-
<i>Economic Sector</i>		-	-	-
<i>Law and Justice Sector</i>		-	-	-
<i>Regional Sector</i>		-	-	-
<i>Social Sector</i>		9,600,000.00	9,600,000.00	-
<b>sub-total</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>
<i>Transfers to other local governments</i>		201,447,932.63	201,447,932.63	-
<b>Total Other Transfer</b>		<b>230,247,932.63</b>	<b>230,247,932.63</b>	<b>-</b>
<b>NOTE 11</b>				
<b>Details of Aid &amp; Grants Received</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
<b>Bilateral</b>		-	-	-
<b>Multi Lateral</b>		-	-	-
<b>ETC</b>		-	-	-
<b>Total Details of Aid &amp; Grants Received</b>		<b>-</b>	<b>-</b>	<b>-</b>

<b>NOTE 12</b>				
<b>A - Details of Total Capital Expenditures (According to Sectors)</b>				
	Actual	Total Budget	Variance	
Administrative Sector	11,318,878.64	124,650,000.00	113,331,121.36	
Economic Sector	-	292,492,000.00	292,492,000.00	
Law and Justice Sector	-	-	-	
Regional Sector	-	-	-	
Social Sector	23,070,000.00	195,400,000.00	172,330,000.00	
<b>Total Details of Capital Expenditures</b>	<b>34,388,878.64</b>	<b>612,542,000.00</b>	<b>578,153,121.36</b>	
<b>B - Details of Capital Expenditures of Parastatals (Included in 12A above)</b>				
	Actual	Total Budget	Variance	
Administrative Sector	-	-	-	
Economic Sector	-	-	-	
Law and Justice Sector	-	-	-	
Regional Sector	-	-	-	
Social Sector	-	-	-	
<b>Total Details of Capital Expenditures of Parastatals</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>NOTE 13</b>				
<b>CLOSING BOOK BALANCES OF OTHER FUNDS OF THE GOVERNMENT</b>				
	Amount 2021	Amount 2020		
List all the Other Funds Cash Book Balances	-	-		
<b>NOTE 14</b>				
<b>CLOSING CASH BOOK BALANCE OF FEDERAL PAY OFFICES/SUB-TREASURY OFFICES</b>				
	Amount 2021	Amount 2020		
List all the FPO/Sub-Treasuries Cash Book Balances	-	-		
<b>NOTE 15</b>				
<b>CLOSING CASH BOOK BALANCE OF AGWARA LOCAL GOVERNMENT</b>				
	Amount 2021	Amount 2020		
Agwara Local Government	10,078,959.81	10,124,406.12		
<b>Total Details of Cash Book Balances</b>	<b>10,078,959.81</b>	<b>10,124,406.12</b>		



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<b>NOTE 16</b>				
<b>INVESTMENTS</b>				
		<b>Amount 2021</b>	<b>Amount 2020</b>	
Investments in Quoted Companies		-	-	
Investments in unQuoted Companies		-	-	
Loans to Government Companies		-	-	
Loans to Other Government		-	-	
<b>Total Investments</b>		-	-	
<b>NOTE17</b>				
<b>LIST OF OUTSTANDING IMPRESTS</b>				
		<b>Amount 2021</b>	<b>Amount 2020</b>	
Administrative Sector		-	-	
Economic Sector		-	-	
Law and Justice Sector		-	-	
Regional Sector		-	-	
Social Sector		-	-	
<b>Total Outstanding Imprests</b>		-	-	
<b>NOTE 18</b>				
<b>LIST OF OUTSTANDING ADVANCES</b>				
		<b>Amount 2021</b>	<b>Amount 2020</b>	
Administrative Sector		-	-	
Economic Sector		-	-	
Law and Justice Sector		-	-	
Regional Sector		-	-	
Social Sector		-	-	
<b>Total Outstanding Advances</b>		-	-	
<b>NOTE 19</b>				
<b>Revolving Loan Account</b>				
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>
Loan 1		-	-	-
Loan 2		-	-	-
Loan 3		-	-	-
Loan 4		-	-	-
<b>Total</b>		-	-	-
<b>NOTE 20</b>				
<b>External Loans:FGN/States/ LGC</b>				
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>
Loan 1		-	-	-
Loan 2		-	-	-
Loan 3		-	-	-
Loan 4		-	-	-
<b>Total</b>		-	-	-





<b>NOTE 21</b>				
<b>FGN/ States/LGC Bonds &amp; Treasury Bonds.</b>				
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>
Loan 1		-	-	-
Loan 2		-	-	-
Loan 3		-	-	-
Loan 4		-	-	-
<b>Total</b>		-	-	-
<b>NOTE 22</b>				
<b>Internal Loan</b>		<b>Amount 2021</b>	<b>Amount 2020</b>	
<b>Opening balance at as 1st january, 2021</b>		184,000,000.00	-	
Add: Additional Loan Issued		-	224,000,000.00	
Less: Repaid		96,000,000.00	40,000,000.00	
<b>Loans as at 31st December, 2021</b>		<b>88,000,000.00</b>	<b>184,000,000.00</b>	

<b>NOTE 23</b>				
<b>Development Loan Stock</b>				
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>
Loan 1		-	-	-
Loan 2		-	-	-
Loan 3		-	-	-
Loan 4		-	-	-
<b>Total</b>		-	-	-

<b>NOTE 24</b>				
<b>Internal Loans from Other Funds</b>				
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>
Loan 1		-	-	-
Loan 2		-	-	-
Loan 3		-	-	-
Loan 4		-	-	-
<b>Total</b>		-	-	-



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<b>NOTE 25</b>			
<b>Schedule of Deposit</b>		<b>Amount 2021</b>	<b>Amount 2020</b>
Agwara Local Government		7,234,270.41	7,234,270.41
<b>Total Outstanding Deposits</b>		<b>7,234,270.41</b>	<b>7,234,270.41</b>
<b>Details Of Deposits</b>			
2.5% National Housing Funds		9,065.46	9,065.46
5% Withholding Tax		3,767,965.01	3,767,965.01
5% VAT		1,535,369.69	1,535,369.69
Retention Fees		200,000.00	200,000.00
LEA Salary		1,721,870.25	1,721,870.25
<b>TOTAL</b>		<b>7,234,270.41</b>	<b>7,234,270.41</b>
<b>NOTE 26</b>			
<b>Schedule of Overdrawn accounts</b>		<b>Amount 2021</b>	<b>Amount 2020</b>
Agaie Local Government		-	-
<b>Total Overdrawn account</b>		<b>-</b>	<b>-</b>
<b>NOTE 27</b>			
<b>CONTINGENT LIABILITES AS AT YEAR END</b>		<b>Amount 2021</b>	<b>Amount 2020</b>
<b>E.G.</b>			
... Pension and Gratuity Due		-	-
....Outstanding Contractors Liabilities ( According to MDA)		-	-
.....Pending Litigations ( According to MDA)		-	-
.....Guarantees ( According to MDA)		-	-
..... Others		-	-
<b>Total Contigent Liabilities</b>		<b>-</b>	<b>-</b>



1 GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)			
		2021	2020
	MONTH	TOTAL	TOTAL
	JANUARY	118,089,375.71	142,439,848.98
	FEBRUARY	125,766,739.16	131,465,659.26
	MARCH	100,355,173.23	117,466,298.99
	APRIL	115,671,237.19	133,529,387.70
	MAY	128,071,822.71	124,034,500.88
	JUNE	123,785,781.30	111,918,781.51
	JULY	147,023,171.04	111,918,781.51
	AUGUST	147,023,171.04	139,321,489.22
	SEPTEMBER	147,215,194.16	136,741,512.69
	OCTOBER	154,270,290.29	127,798,967.31
	NOVEMBER	147,458,807.68	115,430,659.12
	DECEMBER	145,488,167.54	113,426,034.08
	<b>TOTAL</b>	<b>1,600,218,931.05</b>	<b>1,529,385,174.42</b>

INTERNELLY GENERATED REVENUE 2021	
DETAILS	AMOUNT
Taxes	-
Rates	-
Lincences	16,204,900.00
Earning	1,267,700.00
Rent	-
interest	-
10% IGR From State	25,723,459.41
<b>TOTAL</b>	<b>43,196,059.41</b>

**MANAGEMENT LETTER****1.1 INTRODUCTION**

In compliance with the provision of section 125 (2) of 1999 Constitution of the Federal Republic of Nigeria and Niger State Local Government Law (N.S.L.N. No. 14) of 2001, I have examined the Accounts and Financial Statement of Agwara Local Governments for the year ended 31<sup>st</sup> December, 2021 in accordance with the Public Finance (Control Management Act. 1958).

I have therefore certified the accounts as correct subject to various observations raised and contained in this report while the irregularities discovered thereon had been forwarded through Audit Inspection report to the attached Accounting officers for their comments and necessary actions.

**2.0 FINANCIAL HIGHLIGHTS**

RECEIPTS DESCRIPTION	AMOUNT (₦)	PERCENTAGE
Internally Generated Revenue	17,472,600.00	1.06%
10% IGR	25,723,459.41	1.57%
Statutory Allocation	1,000,148,844.62	60.85%
Exchange Gain Differential	3,976,603.87	0.24%
Excess Crude Oil	29,770,433.91	1.81%
Non-Oil Revenue	32,165,179.92	1.96%
Value Added Tax (VAT)	534,157,868.73	32.51%
	<u>? 1,643,414,990.46</u>	<u>100.00%</u>

**2.1 ANALYSIS OF REVENUE AND EXPENDITURE****2.1.1 REVENUE**

The sum of ? 1,643,414,990.46 accrued to the Agwara Local Government Councils as total receipts for the year ended 31<sup>st</sup> December, 2021

**2.1.1.1 INTERNALLY GENERATED REVENUE**

Agwara Local Government Council generated the sum of ? 17,472,600.00 and ? 25,723,459.41 as Internally Generated Revenue and 10% IGR from State respectively. This amounted to a total of ? 43,196,059.41 only for the year ended 31<sup>st</sup> December, 2021 which represented 2.63% of the total accrued revenue of ? 1,643,414,990.46. This shows that the Council solely depends on statutory allocation from the Federation Account and grants from other sources for survival despite my several advices to improve and explore other sources of revenue for the Council. This could result to non-survival of the councils if there is a decline of revenue from the Federation Account. I advise that the Council should make up extra efforts to generate more in the years ahead.

**2.1.1.2 FEDERAL STATUTORY ALLOCATION**

The sum of ? **1,600,218,931.05** which is 97.37% of the total receipts of ? 1,643,414,990.46 was disbursed to Local Governments Councils for the year under review. This sum comprises the followings:

- I. VAT
- II. Exchange Gain Differentials
- III. Excess Crude Oil
- IV. Non-Oil Revenue
- V. Statutory Allocation



**2.1.2 EXPENDITURE****2.1.2.1 ANALYSIS OF EXPENDITURE**

The total sum of ₦ 1,643,414,990.46 was allocated by State/Local Government Joint Account directly to Local Government Council and expended as follows:

DETAILS		AMOUNT (₦)	PERCENTAGE
i.	Personnel cost	789,477,810.82	48.04%
ii.	Overhead cost	100,062,934.27	6.09%
iii.	Consolidated Fund charges	46,860,049.97	2.85%
iv.	Operating Activities	317,622,830.44	19.33%
v.	Other Transfers	230,247,932.63	14.01%
vi.	Contributions	28,800,000.00	1.75%
vii.	Repayment of Loans	96,000,000.00	5.84%
viii.	Capital Expenditure	34,388,878.64	2.09%
		<b>1,643,460,436.77</b>	<b>100.00%</b>

**3.0 WEAKNESSES IN THE INTERNAL CONTROL SYSTEM**

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

**3.1 Unsupported payments by third party documentation**

I observed that most of the payment vouchers raised were not having documentary evidences such as delivery notes, Stores Received Vouchers, Stores Issues Vouchers, receipts etc. to justify the payments made. This implies that some of the payments were made for goods not delivered or services not rendered.

I advised the Councils to ensure that all payments are supported appropriately.

**3.2 Unremitted WHT and VAT Deductions**

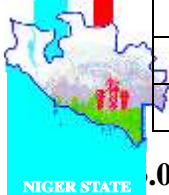
During the course of my audit I observed that Agwara Local Government Council had not remitted ₦5,303,334.70 to the appropriate authorities as at 31 December 2021. The outstanding amount comprises of ₦3,767,965.01 in respect of WHT and ₦1,535,369.69. in respect of VAT.

This exposes the Local Government Council to the risk of payment of fines and penalties for late remittance.

I advised the Council to remit the outstanding deductions immediately and in future, the Council should ensure all deductions are made and remitted in accordance with the relevant guidelines.

**3.3 Payment Vouchers not checked nor passed by the Internal Audit Unit.**

During the course of our audit exercise, it was observed that despite being raised in our previous reports on the Payments Vouchers not being subjected



to proper internal audit checks, the trend still continued in some cases which contravene chapter 14 section 1-19 of Model Financial Memoranda. The non-compliance was evidenced by the Payment Vouchers which were prepared and paid out without endorsement by the Internal Audit Unit and Officer Controlling the Vote and Checks by the Accounting Officer. This exposes the Council to fraudulent practices.

I advised the Council to adhere strictly to the provisions of the Model Financial Memoranda.

#### 3.4. **Non-maintenance of Fixed/Moveable Asset register.**

A Fixed Assets Register is a management tool to monitor and control use of assets. However, as pointed out in my previous reports, Agwara Local Council did not maintain an up-to-date Fixed Assets Register during the year under review.

I advised the Council to ensure that an up-to-date Fixed Assets/Movable Assets Register is maintained.

#### 3.5. **Non-maintenance of Loan/Overdraft Register/Ledger.**

We observed that Agwara Local Government Council did not maintain Loans/Overdraft Register/Ledger during the year.

The risk is that the Council may not be able to reconcile loan balances with the lenders leading to overpayments or fines and penalties for under payments.

We recommend that the Council should immediately open and maintain Loans Register. In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that all issues raised above in this section should be addressed before my next audit

## 4.0 BUDGETARY CONTROL

### 4.1 REVENUE COMPARISON

During the year under review, there was a shortfall in the target of Internally Generated Revenue in Agwara Local Government Council in all revenue codes as shown below:

#### **AGWARA LOCAL GOVERNMENT BUDGETED INTERNALLY GENERATED REVENUE COMPARED WITH ACTUAL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**

S/N	CODES	DETAILS	BUDGET ?	ACTUAL ?	SHORTFALL ?
1	12010000	Taxes	-	-	-
2	12021700	Rates	-	-	-
3	12021300	Local Licenses, Fees, and Fine	9,395,000.00	16,204,900.00	6,809,900.00
4	12021500	Earning from Commercial undertakings	6,285,000.00	1,267,700.00	(5,017,300.00)
5	12021600	Rent on Local Government Properties	-	-	-
6	12021100	Interest	-	-	-
<b>TOTAL</b>			<b>15,680,000.00</b>	<b>17,472,600.00</b>	<b>1,792,600.00</b>



From the above table, it clearly shows that the Council rely solely on Statutory Allocation from the Federation Account for its survival when comparing the total budgeted amount of N15,680,000.00 with actual Internally Generated Revenue of N17,472,600.00 with an excess of N1,792,600.00 during the year under review.

This implies that the Council could not fully implement its planned programmes during the financial year or the budget was realistic.

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

- i. Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- ii. Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- iii. Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- iv. Control over issuance of revenue receipts
- v. Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.
- vi. The Council should ensure that realistic budgets are prepared.

#### **4.2 RECURRENT EXPENDITURE**

##### **4.2.1 PERSONNEL COST**

As regards to the personnel cost, it was observed that, the sum of ₦ 747,877,869.78 and ₦ 789,477,810.82 was spent as personnel cost in 2021 and 2021 respectively with an increase of ₦ 41,599,941.04 over the previous year. The increase represents 5.27% of personnel cost and was due to promotion of personnel during the year under review.

##### **4.2.2 CAPITAL EXPENDITURE**

###### **4.2.2.1 CAPITAL PROJECT**

During the year under review it was observed that the sum of ₦ 34,388,878.64 was spent on capital project by Agwara local Government Council. This was made by the council to boost the developmental activities in the Rural areas in which various Project were executed and some were still in progress. Though the approved Capital Expenditure Estimate was ₦ 612,542,000.00 and only the sum of ₦ 34,388,878.64 representing 5.61% was Expended leading to a variance of ₦ 578,153,121.36.

I advised the council to ensure that estimate should be based on realistic and cognizance of Environmental factor, and also the cashflow statement should be adequately monitored in order to reduce unnecessary expenses in overhead and give priority to capital project execution.

#### **5.0 ANALYSIS OF ASSETS AND LIABILITIES**

##### **5.1 ASSETS**

###### **5.1.1 CASH AND ITS EQUIVALENTS**

The closing cash and its equivalents amounted to the sum of ₦ 10,078,959.81k for Agwara Local Government as at 31<sup>st</sup> December, 2021.

##### **5.2. LIABILITIES**

###### **5.2.1. DEPOSITS**

**Deposits comprise of unremitted Statutory deductions for Local government Council shown blow.**

• Statutory Deposits	₦ 6,706,981.00
• Non-Statutory Deposits	NIL
	<u>₦ 6,706,981.00</u>



NIGER STATE

**5.2.1.1 UNREMITTED DEDUCTIONS**

The balance on the unremitted deductions account was ₦7,234,270.41 as at 31<sup>st</sup> December, 2021. The unremitted deductions include deductions from payments made on behalf of Government Agencies and various other bodies by the Local Government which ought to be promptly remitted to the appropriate authorities.

The management of Agwara Local Government Council has been advised to ensure that all Deposits are remitted timely to avoid accumulating liabilities and attracting fines and penalties for the Local Government.

**5.2.1.2. BANK OVERDRAFTS**

The Council did not have bank overdrafts at the end of the financial year under review.

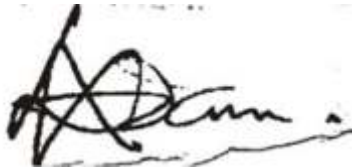
**6.0 AUDIT INSPECTION REPORTS****AGX/D.130/VOL.9/1****Dated – 17/01/2022**

Unjustifiable payment for the maintenance of ferry Boat = ₦5,417,000.00

**7.0 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.







NIGER STATE GOVERNMENT OF NIGERIA  
BIDA LOCAL GOVERNMENT COUNCIL

**AUDITED ACCOUNTS**  
FOR THE YEAR ENDED 31ST DECEMBER, 2021

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



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# BIDA LOCAL GOVERNMENT COUNCIL

Office of the Chairman

In reply please quote  
Number and Date



Bida Local Government  
Secretariat  
P.M.B. 4, Bida  
Niger State of Nigeria

Our Ref: \_\_\_\_\_

Your Ref: \_\_\_\_\_

Date: 31<sup>st</sup> Dec, 2021

## STATEMENT NO: 1 RESPONSIBILITY FOR FINANCIAL STATEMENTS


These financial statements have been prepared by the Director Finance and Supply of Bida local government council in accordance with the provisions of IPSAS CASH BASES of Accounting for all Public Sectors Entities (PES) in Nigeria.

The Financial Statements particularly complied in accordance with the Niger State Local Government Law (N.S.L.N. No. 14) of 2001, International Public Sector Accounting Standing (cash bases) and 2021 relevant Regulation and in line with the finance (Control and Management) Act 1958 as amended. The guideline of the Federation Accounts Allocation Committee (FAAC) in respect of verified Standard of Annual Statement reflects in the adoption of IPSAS (Cash)

To the best of our knowledge, the system of Internal Control had operated adequately throughout the reporting period, and the statements represent a true and fair view of the financial positions of the Local Government.

We accept responsibility of the financial statement and informations they contain, their compliance with relevant Act and with the financial position of Bida Local Government as at 31<sup>st</sup> December, 2021.

In our opinion, these financial statements reflect the financial position of Bida Local Government as at 31<sup>st</sup> December, 2021 and its operations for the year ended on the date.

  
Chairman  
Local Government  
31.12.2021

  
Treasurer  
Local Government 30/12/2021



# NIGER STATE GOVERNMENT

BIDA LOCAL GOVERNMENT COUNCIL

ACCOUNTING POLICIES

(IPSAS CASH)

**ISSUED BY**

**OFFICE OF THE DIRECTOR FINANCE**

**BIDA LOCAL GOVERNMENT COUNCIL**

**2021**



## List of Abbreviations/Acronyms

Abbreviation/Term	Description
CBN	Central Bank of Nigeria
COA	Chart of Account
FAAC	Federation Accounts Allocation Committee
FGN	Federal Government of Nigeria
FRC	Financial Reporting Council
GAAP	Generally Accepted Accounting Principles
GPFS	General Purpose Financial Statement
IPSAS	International Public Sector Accounting Standards
LFN	Law of the Federal Republic of Nigeria
LGC	Local Government Council
NCOA	National Chart of Account
GBE	Government Business Enterprises
FRCON	Financial Reporting Council of Nigeria
PPE	Properties, Plants and Equipment



**Introduction**

In line with the adoption of the International Public Sector Accounting Standards (IPSAS) in Nigeria, a Standardised Chart of Account (COA) alongside a set of General Purpose Financial Statements (GPFS) have been designed and introduced by FAAC for adoption by all tiers of Government in Nigeria.

The standardised COA and the GPFS is hereby adopted by Bida Local Government Council to comply with FAAC directive to harmonise public sector accounts reporting in Nigeria.

In order to ensure an effective and efficient utilisation of the COA and GPFS, the Accounting Policies have been developed as a set of guidelines to direct the Processes and Procedures relating to financial reporting in Bida Local Government Council.

These policies shall form part of the universally agreed framework for financial reporting in Bida Local Government Council.

**IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when Cash (including Cash Equivalents) is received or paid by the Local Government. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of Cash raised during the period, the purposes for which Cash was used and the Cash balances at the reporting date. The measurement focus in the GPFS balances are Cash and changes during the period. Therefore, Bank Reconciliation Statement shall form integral part of periodic Reports in Bida Local Government Council.

Notes to the GPFS provide additional information about liabilities, including payables and borrowings, and non-cash assets that include receivables, investments and property, plant and equipment.

This Accounting Policy addresses the following fundamental accounting issues:

1. Definition of Accounting Terminologies
2. Recognition of Accounting Items
3. Measurement of Accounting Items
4. Treatment of Accounting items

The Accounting Policy is subject to periodic reviews and updates as shall be deemed necessary by the Director Finance, Bida Local Government Council.





S/N	Accounting Policies:	
1	<p><b>Accounting Terminologies / Definitions</b></p> <ul style="list-style-type: none"> <li>I. Accounting policies are the specific principles, bases, conventions, rules and practices adopted by BidaLocal Government Council in preparing and presenting Financial Statements.</li> <li>II. Cash: Cash comprises cash in hand, demand deposits in financial institutions and cash equivalents.</li> <li>III. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.</li> <li>IV. Cash basis means a basis of accounting that recognizes transactions and other events only when cash is received or paid.</li> <li>V. Cash flows are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.</li> <li>VI. Cash receipts are cash inflows.</li> <li>VII. Cash payments are cash outflows.</li> <li>VIII. Cash Controlled by BidaLocal Government Council: Cash is deemed to be controlled by BidaLocal Government Council when the government can freely use the available cash for the achievement of its objectives or enjoy benefit from the cash, and can also exclude or regulate the access of others to that benefit. Cash collected by, or appropriated or granted to the government which the government can freely use to fund its operating objectives, such as acquiring of capital assets or repaying its debt is controlled by the government.</li> <li>IX. Notes to the GPFS shall include narrative descriptions or more detailed schedules or analyses of amounts shown on the face of the GPFS, as well as additional information</li> </ul>	<p><b>2 General Purpose Financial Statements (GPFS)</b></p> <p>The GPFS comprise of Statement of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by BidaLocal Government Council and Accounting Policies and Notes to the Financial Statements. In Bida Local Government Council, the GPFS Accounting Policy include the following:</p> <ul style="list-style-type: none"> <li>I. Statement 1- Cash Flow Statements: Statement of Cash Receipts and Payments which: <ul style="list-style-type: none"> <li>▪ recognizes all Cash Receipts, Cash Payments and Cash Balances controlled by Bida Local Government Council; and</li> <li>▪ separately identifies payments made by third parties on behalf of Bida Local Government Council.</li> </ul> </li> <li>II. Statement 2 - Statement of Assets and Liabilities: Statement of Financial Position (also known as Balance Sheet);</li> <li>III. Statement 3 - Statement of Consolidated Revenue Fund: Statement of Recurrent Financial Performance (also known as Profit &amp; Loss Account);</li> <li>IV. Statement 4 - Statement of Capital Development Fund: Statement of Capital Financial Performance (also known as Capital Expenditure);</li> <li>V. Notes to the Accounts: Additional disclosures to explain the GPFS; and</li> <li>VI. Accounting Policies and Explanatory Notes.</li> </ul>
3		<p><b>Basis of Preparation and Legal Provisions</b></p> <p>The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, GPFS are in compliance with the provisions of other financial regulations of Bida Local Government Council.</p>



<p><b>4 Fundamental Accounting Concepts</b></p> <p>The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in Bida Local Government Council</p> <ul style="list-style-type: none"> <li>? Cash Basis of Accounting;</li> <li>? Understability;</li> <li>? Materiality,</li> <li>? Relevance;</li> <li>? Going Concern Concept;</li> <li>? Consistency Concept</li> <li>? Prudence</li> <li>? Completeness, etc.</li> </ul>	<p><b>8 Comparative Information</b></p> <ul style="list-style-type: none"> <li>▪ The General Purpose GPFS shall disclose all numerical information relating to previous period (at least one year).</li> </ul>
<p><b>5 Accounting Period</b></p> <p>The accounting year (fiscal year) is from 1<sup>st</sup> January to 31<sup>st</sup> December. Each accounting year is divided into 12 calendar months (periods) and shall be set up as such in the accounting system.</p>	<p><b>9 Budget Figures</b></p> <ul style="list-style-type: none"> <li>▪ These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation Law of Niger State.</li> </ul>
<p><b>6 Reporting Currency</b></p> <p>The General Purpose GPFS are prepared in Nigerian Naira.</p>	<p><b>10 Receipts</b></p> <ul style="list-style-type: none"> <li>? These are Cash inflows within the Financial Year. They comprise of receipts from Statutory Allocations (FAAC monthly disbursement), Taxes, External Assistance ( from Bilateral and Multilateral Agencies), Other Aid and Grants, Other Borrowings, Capital Receipts (Sale of Government Assets, etc), Receipts from Trading activities and Other Cash Receipts.</li> <li>? These items shall be disclosed at the face of the Statement of Cash Receipts and Payment for the year in accordance with the standardised GPFS. Notes shall be provided as per standardised Notes to GPFS.</li> </ul>
<p><b>7 LGC for Consolidation</b></p> <ul style="list-style-type: none"> <li>▪ The Consolidation of the GPFS are based on the Cash transactions of Bida Local Government Council except Government Business Enterprises (GBEs).</li> </ul>	<p><b>11 External Assistance</b></p> <ul style="list-style-type: none"> <li>? Receipts from Loans are Funds received from external sources to be paid back at an agreed period of time. They are categorised either as Bilateral or Multilateral.</li> <li>? External Loans receipts shall be disclosed separately under Statement of Cash Receipts and Payment for the year.</li> <li>? The Local Governments did not receive external assistance during the two year.</li> </ul>





<p><b>12 Other Borrowings / Grants&amp; Aid Received</b></p> <ul style="list-style-type: none"> <li>These shall be categorised as either Short or Long term Loans. Short-Term Loans are those repayable within one calendar year (12 months), while Long-Term Loans and Debts shall fall due beyond one calendar year (above 12 months). Loans shall be disclosed separately and Grants shall also be separately disclosed under Statement of Cash Receipts and Payment for the year.</li> </ul>	<p><b>16 Loans Granted:</b></p> <ul style="list-style-type: none"> <li>Payments to other Government and Agencies in form of Loans during the year shall be shown separately in the Statement of Receipts and Payments. Amount disclosed shall be actual amount paid during the year.</li> <li>The Local Governments did not give any loan during the two year.</li> </ul>
<p><b>13 Interest Received</b></p> <p>? Interest actually received during the financial year shall be treated as a receipt under item 'Other Receipts'.</p>	<p><b>17 Loan Repayments</b></p> <p>Cash receipts from loans granted to other agencies and government shall be classified under loan repayments in the Statement of Receipts and Payments. Amount disclosed shall be actual amount received during the year.</p>
<p><b>14 Government Business Activities</b></p> <p>Cash Receipts from Trading Activities shall be received net (after deducting direct expenses) unless otherwise provided for by law or policy in force. Total receipts from all trading activities shall be disclosed in the Statement of Cash Receipts and Payments under 'Trading Activities' item.</p> <p>Where gross revenue is received, corresponding payments shall be charged under a corresponding payment item head 'Government Business Activities' in the Statement of Receipts and Payments.</p>	<p><b>18 Interest on Loans:</b></p> <ul style="list-style-type: none"> <li>Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest payment in the Statement of Cash Receipts and Payments</li> </ul>
<p><b>15 Payments</b></p> <ul style="list-style-type: none"> <li>These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorised either by Function and/or by Sector in the Statement of Cash Receipts and Payment.</li> <li>Payments for purchase of items of capital nature (e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.</li> </ul>	



19	<p><b>Foreign Currency Transactions:</b></p> <ul style="list-style-type: none"> <li>▪ Foreign Currency Transactions throughout the year shall be converted into Nigerian Naira at the ruling (Central Bank of Nigeria –CBN) rate of exchange at the dates of the transactions. Foreign currency balances, as at the year end, shall be translated at the exchange rates prevailing on that date.</li> <li>▪ At the end of the financial year, additional amounts (in cash or at bank) arising out of Foreign Exchange Gains/Losses shall be recognised in the Statement of Cash Receipts and Payments either as Receipts / Payments respectively.</li> <li>▪ Hence the Bida Local Government Council did not have foreign currency transactions during the two year.</li> </ul>
20	<p><b>Prepayments</b></p> <ul style="list-style-type: none"> <li>▪ Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.</li> <li>▪ The Local Governments did not make prepayment to contractors during the two year.</li> </ul>
21	<p><b>Cash Balances</b></p> <p>This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.</p>

**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, 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, 2021 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, 2021.



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



**STATEMENT NO. 1**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ANNUAL BUDGET 2021 N	COA	NOTES	ACTUAL YEAR 2021		PREVIOUS YEAR 2020	
			N	N	N	N
	<b>CashFlows from Operating Activities:</b>					
	<b>Receipts:</b>					
1,996,000,000.00	Statutory Allocations:FAAC	1	1,230,470,359.50	1,834,605,937.88		
390,180,600.00	Value Added Tax Allocation	1	720,919,995.91	-		
<b>2,386,180,600.00</b>	<b>Sub-total - Statutory Allocation</b>		<b>1,951,390,355.41</b>	<b>1,834,605,937.88</b>		
200,000.00	Direct Taxes	2	-	-		
14,073,700.00	Licences	2	15,434,046.23	11,600,367.00		
-	Mining Rents:	2	-	-		
-	Royalties	2	-	-		
-	Fees:	2	-	-		
-	Fines	2	-	-		
-	Sales	2	-	-		
28,473,940.00	Earnings :	2	44,915,148.46	16,718,643.00		
1,200,111.00	Sales/Rent of Government Buildings:	2	4,669,350.00	-		
-	Sale/Rent on Lands and Others:	2	-	-		
6,714,000.00	Rates	2	9,421,600.00	19,275,994.00		
-	Investment Income	2	-	-		
-	Interest Earned	2	-	-		
147,447,704.00	10% IGR From State	2	25,723,459.41	22,002,508.32		
<b>198,109,455.00</b>	<b>Sub-total - Independent Revenue</b>		<b>100,163,604.10</b>	<b>69,597,512.32</b>		
	<b>Other Revenue Sources of L/Government</b>					
-	Domrstic Grants	3	-	21,747,549.18		
-	Grants From other LGs	3	45,075,684.76	273,453,025.07		
<b>2,386,180,600.00</b>	<b>Total Receipts</b>		<b>2,096,629,644.27</b>	<b>2,199,404,024.45</b>		
	<b>Payments:</b>					
1,418,756,338.00	Personnel Costs ( Including Salaries on CRF Charges):	4	1,208,994,370.33	1,342,363,442.57		
-	Federa/ States/ LGC Govt Contribution to Pension:	5	-	-		
341,658,488.00	Overhead Charges:	6	145,816,523.04	116,412,770.13		
276,801,003.00	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)	7	232,599,661.51	277,137,876.89		
28,800,000.00	Subvention to Parastatals:	8	28,800,000.00	102,000,000.00		
273,332,022.00	Other Operating Activities	9	245,223,980.01	246,841,988.63		
70,112,500.00	Other Transfers	10	70,112,500.00	68,080,000.00		
<b>2,409,460,351.00</b>	<b>Total Payments</b>		<b>1,931,547,034.89</b>	<b>2,152,836,078.22</b>		
<b>-23,279,751.00</b>	<b>Net Cash Flow from Operating Activities</b>		<b>165,082,609.38</b>	<b>46,567,946.23</b>		



	<b>CashFlows from Investment Activities:</b>				
47,304,230.00	Capital Expenditure:Administrative Sector:		12	-	35,000,000.00
227,677,799.00	Capital Expenditure: Economic Sector:		12	19,360,000.00	133,229,000.00
-	Capital Expenditure: Law and Justice:		12	-	-
-	Capital Expenditure:Regional Development		12	-	-
131,000,000.00	capital expenditure: Social Service Sector:		12	19,310,000.00	50,140,000.00
-	Capital Expenditure: Funded from Aid and Grants:		11	-	-
<b>405,982,029.00</b>	<b>Net Cash Flow from Investment Activities:</b>			<b>38,670,000.00</b>	<b>218,369,000.00</b>
	<b>CashFlows from Financing Activities:</b>				
-	Proceeds from Aid and Grants		11	-	-
-	Proceeds from External Loan :		20	-	-
-	Proceeds from Internal Loans: FGN/Treasury Bonds :		21	-	-
-	Proceeds from Internal Loan		22	-	174,000,000.00
-	Proceeds from Development of Nat Resources		23	-	-
-	Proceeds of Loans from Other Funds		24	-	-
-	Repayment of External Loans ( Including Servicing)		20	-	-
-	Repayment of FGN/Treasury Bonds :		21	-	-
96,000,000.00	Repayment of Internal Loan		22	96,000,000.00	- 40,000,000.00
-	Repayment of Loans from Development of Nat Resources		23	-	-
-	Repayment of Loans from Other Funds		24	-	-
<b>96,000,000.00</b>	<b>Net Cash Flow from Financing Activities:</b>			<b>96,000,000.00</b>	<b>134,000,000.00</b>
	<b>Movement in Other Cash Equivalent Accounts</b>				
-	(Increase)/ Decrease in Investments			-	-
-	Net (Increase)/Decrease in Other Cash Equivalents:			-	-
-	<b>Total Cashflow from other Cash equivalent Accounts</b>			-	-
	Net Cash for the year			30,412,609.38	- 37,801,053.77
-	Cash & Its Equivalent as at 1st January, 2021			2,414,235.90	40,215,289.67
-	Cash & Its Equivalent as at 31st December, 2021			<b>32,826,845.28</b>	<b>2,414,235.90</b>



**STATEMENT NO. 2**  
**STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	NOTES	CURRENT YEAR 2021	PREVIOUS YEAR 2020
		N	N
<b>ASSETS:-</b>			
<b>Liquid Assets:-</b>			
Cash Held by AGF:		-	-
-CRF Bank Balance(CBN/ CRF Bank):		-	-
-Pension Account (CBN/ Bank):		-	-
-Other Bank of the Treasury		-	-
-Cash Balances of Trust & Other Funds of the FGN/ States/LGC:		-	-
-Cash Balances with Federal Pay Offices/ Sub-Treasury:		-	-
Cash Held by Bida Local Government	15	32,826,845.28	2,414,235.90
<b>TOTAL LIQUID ASSETS</b>		<b>32,826,845.28</b>	<b>2,414,235.90</b>
<b>Investments and Other Cash Assets:</b>			
Federal/ State/ Local Government Investments	16	-	-
Imprests:-	17	-	-
Advances:-	18	-	-
Revolving Loans Granted:-	19	-	-
Intangible Assets		-	-
<b>TOTAL INVESTMENTS AND OTHER CASH ASSETS</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>32,826,845.28</b>	<b>2,414,235.90</b>
<b>LIABILITIES OVER ASSETS</b>		<b>44,353,631.48</b>	<b>140,923,631.48</b>
<b>TOTAL</b>		<b>77,180,476.76</b>	<b>143,337,867.38</b>
<b>LIABILITIES:-</b>			
<b>PUBLIC FUNDS</b>			
Consolidated Revenue Fund:		32,826,845.28	2,484,235.90
Capital Development Fund:		-	-
Trust & Other Public Funds:		-	-
Police Reward Fund		-	-
<b>TOTAL PUBLIC FUNDS</b>		<b>32,826,845.28</b>	<b>2,484,235.90</b>
<b>EXTERNAL AND INTERNAL LOANS</b>			
External Loans:FGN/States/ LGC	20	-	-
FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-
internal Loans	22	38,000,000.00	134,000,000.00
Development Loan Stock	23	-	-
Loan From other Funds	24	-	-
Internal Loans from Other Funds		-	-
<b>TOTAL EXTERNAL AND INTERNAL LOANS</b>		<b>38,000,000.00</b>	<b>134,000,000.00</b>
<b>OTHER LIABILITIES</b>			
Deposits:-	25	4,166,827.40	4,666,827.40
Overdrawn accounts	26	2,186,804.08	2,186,804.08
<b>TOTAL LIABILITIES</b>		<b>77,180,476.76</b>	<b>143,337,867.38</b>



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## STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021

ACTUAL PREVIOUS YEAR(2020)		NOTES	ACTUAL YEAR 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021
			N	N	N
40,215,289.67	Opening Balance:		2,414,235.90		
	<b>ADD: REVENUE</b>				
1,834,605,937.88	Statutory Allocations:FAAC	1	1,230,470,359.50	1,996,000,000.00	1,996,000,000.00
-	Value Added Tax Allocation	1	720,919,995.91	390,180,600.00	390,180,600.00
<b>1,834,605,937.88</b>	<b>Sub-Total - Statutory Allocation</b>		<b>1,951,390,355.41</b>	<b>2,386,180,600.00</b>	<b>2,386,180,600.00</b>
-	Direct Taxes	2	-	-	-
11,600,367.00	Licences	2	15,434,046.23	14,073,700.00	14,073,700.00
-	Mining Rents:	2	-	-	-
-	Royalties	2	-	-	-
-	Fees:	2	-	-	-
-	Fines	2	-	-	-
-	Sales	2	-	-	-
16,718,643.00	Earnings :	2	44,915,148.46	28,473,940.00	28,473,940.00
-	Sales/Rent of Government Buildings:	2	4,669,350.00	1,200,111.00	1,200,111.00
-	Sale/Rent on Lands and Others:	2	-	-	-
19,275,994.00	RATES	2	9,421,600.00	6,714,000.00	6,714,000.00
-	Investment Income	2	-	-	-
-	Interest Earned	2	-	-	-
22,002,508.32	10% IGR From State	2	25,723,459.41	147,447,704.00	147,447,704.00
<b>69,597,512.32</b>	<b>Sub-Total - Independent Revenue</b>		<b>100,163,604.10</b>	<b>197,909,455.00</b>	<b>197,909,455.00</b>
-	<b>Other Revenue Sources of L/Government</b>		-	-	-
21,747,549.18	Domestic Grants	3	-	-	-
273,453,025.07	Grants From other LGs	3	45,075,684.76	-	273,453,025.07
<b>2,239,619,314.12</b>	<b>TOTAL REVENUE:</b>		<b>2,099,043,880.17</b>	<b>2,584,090,055.00</b>	<b>2,584,090,055.00</b>
	<b>LESS:EXPENDITURE</b>				
1,342,363,442.57	Personnel Costs ( Including Salaries on CRF Charges):	4	1,208,994,370.33	1,418,756,338.00	1,418,756,338.00
-	Federa/ States/ LGC Govt Contribution to Pension:	5	-	-	-
116,412,770.13	Overhead Charges:	6	145,816,523.04	341,658,488.00	341,658,488.00
277,137,876.89	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)	7	232,599,661.51	276,801,003.00	276,801,003.00
102,000,000.00	Subvention to Parastatals:	8	28,800,000.00	28,800,000.00	28,800,000.00
246,841,988.63	Other Operating Activities	9	245,223,980.01	273,332,022.00	273,332,022.00
68,080,000.00	Other Transfers	10	70,112,500.00	70,112,500.00	70,112,500.00
<b>2,152,836,078.22</b>	<b>TOTAL EXPENDITURE:</b>		<b>1,931,547,034.89</b>	<b>2,409,460,351.00</b>	<b>2,409,460,351.00</b>
	<b>OTHER RECURRENT PAYMENTS/EXPENDITURE:</b>				
-	Repayments:External Loans:FGN/States/ LGC	19	-	-	-
-	Repayments:FGN/ States/LGC Bonds & Treasury Bonds.	20	-	-	-
-	Repayments :Nigerian Treasury Bills (NTB)	21	-	-	-
40,000,000.00	Repayments:Internal Loans	22	96,000,000.00	96,000,000.00	96,000,000.00
-	Repayments: Internal Development Loans Stock	23	-	-	-
-	Repayments:Other Internal Loans( Promissory Notes)	24	-	-	-
<b>2,192,836,078.22</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,027,547,034.89</b>	<b>2,505,460,351.00</b>	<b>2,505,460,351.00</b>
<b>46,783,235.90</b>	<b>OPERATING BALANCE:</b>		<b>71,496,845.28</b>	<b>78,629,704.00</b>	<b>78,629,704.00</b>
	<b>APPROPRIATIONS/TRANSFERS:</b>				
44,369,000.00	Transfer to Capital Development Fund:		38,670,000.00	405,982,029.00	405,982,029.00
<b>2,414,235.90</b>	<b>Closing Balance:</b>		<b>32,826,845.28</b>		



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**STATEMENT NO. 4**  
**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ACTUAL PREVIOUS YEAR(2020)		NOTES	TOTAL CAPITAL EXPENDITURE 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021
N			N		N
-	<b>Opening Balance:</b>		-		
	<b><u>ADD: REVENUE</u></b>				
44,369,000.00	Transfer from Consolidated Revenue Fund:		38,670,000.00	405,982,029.00	405,982,029.00
-	Aid and Grants	11	-	-	-
-	External Loans:FGN/States/ LGC	20	-	-	-
-	FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-	-
174,000,000.00	Internal Loan	22	-	-	-
-	Development Loan Stock	23	-	-	-
-	Loan From Other Funds	24	-	-	-
					-
					-
<b>218,369,000.00</b>	<b>TOTAL REVENUE AVAILABLE:</b>		<b>38,670,000.00</b>	<b>405,982,029.00</b>	405,982,029.00
	<b><u>LESS: CAPITAL EXPENDITURE</u></b>				
35,000,000.00	Capital Expenditure:Administrative Sector:	12	-	47,304,230.00	47,304,230.00
133,229,000.00	Capital Expenditure: Economic Sector:	12	19,360,000.00	227,677,799.00	227,677,799.00
-	Capital Expenditure: Law and Justice:	12	-	-	-
-	Capital Expenditure:Regional Development	12	-	-	-
50,140,000.00	Capital Expenditure: Social Service Sector:	12	19,310,000.00	131,000,000.00	131,000,000.00
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-	-
					-
<b>218,369,000.00</b>	<b>TOTAL CAPITAL EXPENDITURE:</b>		<b>38,670,000.00</b>	<b>405,982,029.00</b>	<b>405,982,029.00</b>
	Intangible Assets		-		
-	<b>CLOSING BALANCE:</b>		-		



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## NOTE TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021

<b>NOTE 1</b>	<b>Ref. Note</b>	<b>Amount</b>	<b>Amount</b>	
<b>A- Share of Statutory Allocation from FAAC</b>		<b>N</b>	<b>N</b>	
Net Share of Statutory Allocation from FAAC	<b>A</b>	1,154,323,311.06		
Add :Deduction at source for Loan Repayment	<b>B</b>	-		
Share of Exchange Gain Differencial	<b>C</b>	4,554,037.00		
Share of Federal Accounts Allocation- Excess Crude Oil	<b>D</b>	34,093,327.35		
<b>Non-oil Revenue</b>	<b>E</b>	37,499,684.09		
<b>Total FAAC Allocation to LG</b>			<b>1,230,470,359.50</b>	
<b>B. Value Added Tax</b>				
Share of Value Added Tax (VAT)		720,919,995.91	<b>720,919,995.91</b>	
<b>Total Statutory Allocation to LG</b>			<b>1,951,390,355.41</b>	

## NOTE 2

<b>Internally Generated Revenue (Independent Revenue)</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
<b>Direct Taxes</b>			
Bida local government Internal Revenue	-	200,000.00	200,000.00
<b>Total - Direct Taxes</b>	-	<b>200,000.00</b>	<b>200,000.00</b>
<b>Licences</b>			
Bida local government Internal Revenue	15,434,046.23	14,073,700.00	- 1,360,346.23
<b>Total Licences</b>	<b>15,434,046.23</b>	<b>14,073,700.00</b>	<b>- 1,360,346.23</b>
<b>Mining Rents</b>			
Bida local government Internal Revenue	-	-	-
<b>Total Mining Rents</b>	-	-	-
<b>Royalties</b>			
Bida local government Internal Revenue	-	-	-
<b>Total Royalties</b>	-	-	-
<b>Fees</b>			
Bida local government Internal Revenue	-	-	-
<b>Total Fees</b>	-	-	-
<b>Fines</b>			
Bida local government Internal Revenue	-	-	-
<b>Total Fines</b>	-	-	-



<b>Sales</b>				
Bida local government Internal Revenue		-	-	-
<b>Total Sales</b>		-	-	-
<b>Earnings</b>				
Bida local government Internal Revenue		44,915,148.46	28,473,940.00	- 16,441,208.46
<b>Total Earnings</b>		<b>44,915,148.46</b>	<b>28,473,940.00</b>	<b>- 16,441,208.46</b>
<b>Sales/Rent of Government Buildings</b>				
Bida local government Internal Revenue		4,669,350.00	1,200,111.00	- 3,469,239.00
<b>Total Sales/Rent of Government Buildings</b>		<b>4,669,350.00</b>	<b>1,200,111.00</b>	<b>- 3,469,239.00</b>
<b>Sale/Rent on Lands and Others:</b>				
Bida local government Internal Revenue		-	-	-
<b>Total Sale/Rent on Lands and Others</b>		-	-	-
<b>Rates</b>				
Bida local government Internal Revenue		9,421,600.00	6,714,000.00	- 2,707,600.00
<b>Total Rates</b>		<b>9,421,600.00</b>	<b>6,714,000.00</b>	<b>- 2,707,600.00</b>
<b>Investment Income</b>				
Bida local government Internal Revenue		-	-	-
<b>Total Investment Income</b>		-	-	-
<b>Interest Earned</b>				
Bida local government Internal Revenue		-	-	-
<b>Total Interest Earned</b>		-	-	-
<b>10% IGR From State</b>				
Bida local government Internal Revenue		25,723,459.41	147,447,704.00	121,724,244.59
<b>Total 10% IGR From State</b>		<b>25,723,459.41</b>	<b>147,447,704.00</b>	<b>121,724,244.59</b>
<b>Total - Independent Revenue</b>		<b>100,163,604.10</b>	<b>198,109,455.00</b>	<b>97,945,850.90</b>





<b>NOTE 3</b>				
<b>Other Revenue Sources of L/Govt:</b>				
	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Domestic Grants	-	-	-	
<b>Total Domestic Grants</b>	-	-	-	
Grant from other LGs	45,075,684.76	45,075,684.76	-	
<b>Total Grant from other LGS</b>	<b>45,075,684.76</b>	<b>45,075,684.76</b>	-	
<b>NOTE 4</b>				
<b>A - Total Personnel Costs ( Including Salaries directly charged to CRF in Note 4B below):</b>				
<b>Administrative Sector</b>				
	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman	4,390,780.68	8,343,912.00	3,953,131.32	
The Council	33,801,832.93	50,659,008.00	16,857,175.07	
Office Of The Secretary	2,393,110.62	5,046,838.00	2,653,727.38	
Personnel Management	41,201,187.22	64,185,157.00	22,983,969.78	
<b>TOTAL Personnel Cost Administrative Sector</b>	<b>81,786,911.45</b>	<b>128,234,915.00</b>	<b>46,448,003.55</b>	
<b>Economic Sector</b>				
	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply	46,668,918.46	53,935,806.00	7,266,887.54	
Budget, Planning & Research	1,925,164.83	3,462,566.00	1,537,401.17	
Works And Housing	45,342,208.96	59,438,765.00	14,096,556.04	
Agriculture And Natural Resources	32,436,912.90	37,343,284.00	4,906,371.10	
<b>TOTAL Personnel Cost Economic Sector</b>	<b>126,373,205.15</b>	<b>154,180,421.00</b>	<b>27,807,215.85</b>	
<b>Social Sector</b>				
	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education	783,813,179.22	796,400,314.00	12,587,134.78	
Primary Health Cure	200,910,489.42	321,108,837.00	120,198,347.58	
Social Development	-	-	-	
Traditional Council	16,110,585.09	18,831,851.00	2,721,265.91	
<b>Total Personnel Cost Social Sector</b>	<b>1,000,834,253.73</b>	<b>1,136,341,002.00</b>	<b>135,506,748.27</b>	
<b>Total Personnel Cost For All Sectors</b>	<b>1,208,994,370.33</b>	<b>1,418,756,338.00</b>	<b>209,761,967.67</b>	
<b>B- Salaries directly charged to CRF( included in Note 4A above)</b>				
<b>List of Parastatals and Agencies:</b>				
Judges of Supreme Court of Nigeria	-	-	-	
Judges of Court of Appeal	-	-	-	
other Judges of Court in Nigeria	-	-	-	
Auditor -General for Federation	-	-	-	
Auditor -General for State	-	-	-	
Auditor -General for Local Government	-	-	-	
INEC Chairman and Commissioners	-	-	-	
e.t.c.	-	-	-	
<b>Total</b>	<b>1,208,994,370.33</b>	<b>1,362,228,562.00</b>	<b>19,865,119.43</b>	

<b>NOTE 5</b>				
<b>Employers Contribution to Pension according to Sector</b>		-	-	-
<b>Administrative Sector</b>		-	-	-
Economic Sector		-	-	-
Law and Justice Sector		-	-	-
Regional Sector		-	-	-
Social Sector		-	-	-
<b>Total Employers Contribution to Pension</b>		-	-	-
<b>NOTE 6</b>				
<b>Overhead Costs</b>				
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Office Of The Chairman		63,650,662.00	24,123,000.00	- 39,527,662.00
The Council		31,107,515.50	14,000,000.00	- 17,107,515.50
Office Of The Secretary		3,061,100.00	1,364,946.00	- 1,696,154.00
Personnel Management		5,793,000.00	21,300,000.00	15,507,000.00
<b>Total Overhead Cost Administrative Sector</b>		<b>103,612,277.50</b>	<b>60,787,946.00</b>	<b>- 42,824,331.50</b>
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Finance And Supply		28,695,234.20	211,828,542.00	183,133,307.80
Budget, Planning & Research		1,175,000.00	10,262,000.00	9,087,000.00
Works And Housing		2,105,000.00	22,500,000.00	20,395,000.00
Agriculture And Natural Resources		1,070,000.00	12,280,000.00	11,210,000.00
<b>TOTAL Overhead Cost Economic Sector</b>		<b>33,045,234.20</b>	<b>256,870,542.00</b>	<b>223,825,307.80</b>
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Adult Education		6,131,011.34	8,800,000.00	2,668,988.66
Primary Health Cure		2,978,000.00	14,000,000.00	11,022,000.00
Social Development		-	-	-
Traditional Council		50,000.00	1,200,000.00	1,150,000.00
<b>Total Overhead Cost Social Sector</b>		<b>9,159,011.34</b>	<b>24,000,000.00</b>	<b>14,840,988.66</b>
<b>Total Overhead Cost For All Sectors</b>		<b>145,816,523.04</b>	<b>341,658,488.00</b>	<b>195,841,964.96</b>
<b>NOTE 7</b>				
<b>Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Monthly Pension		232,599,661.51	276,801,003.00	44,201,341.49
<b>Total Consolidated Revenue Fund Charges</b>		<b>232,599,661.51</b>	<b>276,801,003.00</b>	<b>44,201,341.49</b>



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<b>NOTE 8</b>				
<b>Subventions to Parastatals (According to Sectors-List)</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector	28,800,000.00	28,800,000.00	-	
Economic Sector	-	-	-	
Law and Justice Sector	-	-	-	
Regional Sector	-	-	-	
Social Sector	-	-	-	
<b>Total Subventions to Parastatals</b>	<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	
<b>NOTE 9</b>				
<b>Other Operating Activities</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector	245,223,980.01	273,332,022.00	28,108,041.99	
Economic Sector	-	-	-	
Law and Justice Sector	-	-	-	
Regional Sector	-	-	-	
Social Sector	-	-	-	
<b>Total Other Operating Activities</b>	<b>245,223,980.01</b>	<b>273,332,022.00</b>	<b>28,108,041.99</b>	
<b>NOTE 10</b>				
<b>Other Transfer</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector	19,200,000.00	19,200,000.00	-	
Economic Sector	-	-	-	
Law and Justice Sector	-	-	-	
Regional Sector	-	-	-	
Social Sector	50,912,500.00	50,912,500.00	-	
<b>sub-total</b>	<b>70,112,500.00</b>	<b>70,112,500.00</b>	<b>-</b>	
Transfers to other local governments	-	-	-	
<b>Total Other Transfer</b>	<b>70,112,500.00</b>	<b>70,112,500.00</b>	<b>-</b>	
<b>NOTE 11</b>				
<b>Details of Aid &amp; Grants Received</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
<b>Bilateral</b>	-	-	-	
<b>Multi Lateral</b>	-	-	-	
<b>ETC</b>	-	-	-	
<b>Total Details of Aid &amp; Grants Received</b>	<b>-</b>	<b>-</b>	<b>-</b>	



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<b>NOTE 12</b>				
<b>A - Details of Total Capital Expenditures (According to Sectors)</b>				
		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Administrative Sector		-	47,304,230.00	47,304,230.00
Economic Sector		19,360,000.00	227,677,799.00	208,317,799.00
Law and Justice Sector		-	-	-
Regional Sector		-	-	-
Social Sector		19,310,000.00	131,000,000.00	111,690,000.00
<b>Total Details of Capital Expenditures</b>		<b>38,670,000.00</b>	<b>405,982,029.00</b>	<b>367,312,029.00</b>
<b>NOTE 12</b>				
<b>B - Details of Capital Expenditures of Parastatals (Included in 12A above)</b>				
		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Administrative Sector		-	-	-
Economic Sector		-	-	-
Law and Justice Sector		-	-	-
Regional Sector		-	-	-
Social Sector		-	-	-
<b>Total Details of Capital Expenditures of Parastatals</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>NOTE 13</b>				
<b>CLOSING BOOK BALANCES OF OTHER FUNDS OF THE GOVERNMENT</b>				
		<b>Amount 2021</b>	<b>Amount 2020</b>	
List all the Other Funds Cash Book Balances		-	-	
<b>NOTE 14</b>				
<b>CLOSING CASH BOOK BALANCE OF FEDERAL PAY OFFICES/SUB-TREASURY OFFICES</b>				
		<b>Amount 2021</b>	<b>Amount 2020</b>	
List all the FPO/Sub-Treasuries Cash Book Balances		-	-	
<b>NOTE 15</b>				
<b>CLOSING CASH BOOK BALANCE OF Bida LOCAL GOVERNMENT</b>				
		<b>Amount 2021</b>	<b>Amount 2020</b>	
Bida Local Government		32,826,845.28	2,414,235.90	
<b>Total Details of Cash Book Balances</b>		<b>32,826,845.28</b>	<b>2,414,235.90</b>	



<b>NOTE 16</b>				
<b>INVESTMENTS</b>				
		<b>Amount 2021</b>	<b>Amount 2020</b>	
Investments in Quoted Companies		-	-	
Investments in unQuoted Companies		-	-	
Loans to Government Companies		-	-	
Loans to Other Government		-	-	
<b>Total Investments</b>		-	-	
<b>NOTE17</b>				
<b>LIST OF OUTSTANDING IMPRESTS</b>				
		<b>Amount 2021</b>	<b>Amount 2020</b>	
Administrative Sector		-	-	
Economic Sector		-	-	
Law and Justice Sector		-	-	
Regional Sector		-	-	
Social Sector		-	-	
<b>Total Outstanding Imprests</b>		-	-	
<b>NOTE 18</b>				
<b>LIST OF OUTSTANDING ADVANCES</b>				
		<b>Amount 2021</b>	<b>Amount 2020</b>	
Administrative Sector		-	-	
Economic Sector		-	-	
Law and Justice Sector		-	-	
Regional Sector		-	-	
Social Sector		-	-	
<b>Total Outstanding Advances</b>		-	-	
<b>NOTE 19</b>				
<b>Revolving Loan Account</b>				
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>
Loan 1		-	-	-
Loan 2		-	-	-
Loan 3		-	-	-
Loan 4		-	-	-
<b>Total</b>		-	-	-
<b>NOTE 20</b>				
<b>External Loans:FGN/States/ LGC</b>				
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>
Loan 1		-	-	-
Loan 2		-	-	-
Loan 3		-	-	-
Loan 4		-	-	-
<b>Total</b>		-	-	-





<b>NOTE 21</b>				
<b>FGN/ States/LGC Bonds &amp; Treasury Bonds.</b>				
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>
Loan 1		-	-	-
Loan 2		-	-	-
Loan 3		-	-	-
Loan 4		-	-	-
<b>Total</b>		-	-	-
<b>NOTE 22</b>				
<b>Internal Loan</b>		<b>Amount 2021</b>	<b>Amount 2020</b>	
<b>Opening balance at as 1st january, 2021</b>		134,000,000.00	-	
Add: Additional Loan Issued		-	174,000,000.00	
Less: Repaid		96,000,000.00	40,000,000.00	
<b>Loans as at 31st December, 2021</b>		<b>38,000,000.00</b>	<b>134,000,000.00</b>	

<b>NOTE 23</b>				
<b>Development Loan Stock</b>				
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>
Loan 1		-	-	-
Loan 2		-	-	-
Loan 3		-	-	-
Loan 4		-	-	-
<b>Total</b>		-	-	-

<b>NOTE 24</b>				
<b>Internal Loans from Other Funds</b>				
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>
Loan 1		-	-	-
Loan 2		-	-	-
Loan 3		-	-	-
Loan 4		-	-	-
<b>Total</b>		-	-	-



<b>NOTE 25</b>			
<b>Schedule of Deposit</b>		<b>Amount 2021</b>	<b>Amount 2020</b>
Bida Local Government		4,166,827.40	4,666,827.40
<b>Total Outstanding Deposits</b>		<b>4,166,827.40</b>	<b>4,666,827.40</b>
<b>Details Of Deposits</b>			
5% VAT		1,648,413.70	2,518,413.70
Withholding Tax		2,518,413.70	2,148,413.70
1% Stamp Duty		-	-
<b>TOTAL</b>		<b>4,166,827.40</b>	<b>4,666,827.40</b>
<b>NOTE 26</b>			
<b>Schedule of Overdrawn accounts</b>		<b>Amount 2021</b>	<b>Amount 2020</b>
Bida Local Government		2,186,804.08	2,186,804.08
<b>Total Overdrawn account</b>		<b>2,186,804.08</b>	<b>2,186,804.08</b>
Edumana Microfinance Bank		1,797,007.09	1,797,007.09
Edumana Microfinance Bank		389,796.99	389,796.99
<b>TOTAL</b>		<b>2,186,804.08</b>	<b>2,186,804.08</b>
<b>NOTE 27</b>			
<b>CONTINGENT LIABILITES AS AT YEAR END</b>		<b>Amount 2021</b>	<b>Amount 2020</b>
<b>E.G.</b>			
... Pension and Gratuity Due		-	-
....Outstanding Contractors Liabilities ( According to MDA)		-	-
.....Pending Litigations ( According to MDA)		-	-
.....Guarantees ( According to MDA)		-	-
..... Others		-	-
<b>Total Contigent Liabilities</b>		<b>-</b>	<b>-</b>



1 GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)			
		2021	2020
MONTH		TOTAL	TOTAL
	JANUARY	145,407,039.44	169,258,192.78
	FEBRUARY	152,447,057.82	156,217,012.92
	MARCH	125,399,971.32	139,906,625.53
	APRIL	143,149,862.77	159,381,736.23
	MAY	156,994,476.73	147,195,388.73
	JUNE	152,346,127.64	133,736,105.30
	JULY	177,550,127.90	162,481,624.08
	AUGUST	177,550,127.90	166,729,529.43
	SEPTEMBER	178,946,987.28	165,591,385.89
	OCTOBER	186,646,296.79	154,923,956.97
	NOVEMBER	177,883,880.77	139,809,980.32
	DECEMBER	177,068,399.05	139,374,399.70
	<b>TOTAL</b>	<b>1,951,390,355.41</b>	<b>1,834,605,937.88</b>

INTERNALLY GENERATED REVENUE 2021	
DETAILS	AMOUNT
Taxes	-
Rates	9,421,600.00
Lincences	15,434,046.23
Earning	44,915,148.46
Rent	4,669,350.00
interest	-
10% IGR From State	25,723,459.41
<b>TOTAL</b>	<b>100,163,604.10</b>

**MANAGEMENT LETTER****1.1 INTRODUCTION**

In compliance with the provision of section 125 (2) of 1999 Constitution of the Federal Republic of Nigeria and Niger State Local Government Law (N.S.L.N. No. 14) of 2001, I have examined the Accounts and Financial Statement of Bida Local Governments for the year ended 31<sup>st</sup> December, 2021 in accordance with the Public Finance (Control Management Act. 1958).

I have therefore certified the accounts as correct subject to various observations raised and contained in this report while the irregularities discovered thereon had been forwarded through Audit Inspection reports to the attached Accounting officers for their comments and necessary actions.

**2.0 FINANCIAL HIGHLIGHTS**

RECEIPTS DESCRIPTION	AMOUNT ( ? )	PERCENTAGE
Internally Generated Revenue	74,440,144.69	3.55%
10% IGR	25,723,459.41	1.23%
Grant from other LGs	45,075,684.76	2.15%
VAT	720,919,995.91	34.38%
Exchange Gain Differential	4,554,037.00	0.22%
Excess Crude Oil	34,093,327.35	1.63%
Non-Oil Revenue	37,499,684.09	1.79%
Statutory Allocation	1,154,323,311.06	55.07%
	? 2,096,629,644.27	<u><b>100.00%</b></u>

**2.1 ANALYSIS OF REVENUE AND EXPENDITURE****2.1.1 REVENUE**

The sum of ? 2,096,629,644.27 accrued to the Bida Local Government Councils as total receipts for the year ended 31<sup>st</sup> December, 2021

**2.1.1.1 INTERNALLY GENERATED REVENUE**

Bida Local Government Council generated the sum of ? 74,440,144.69 and ? 25,723,459.41 as Internally Generated Revenue and 10% IGR from State respectively. The Local Government council also received ? 45,075,684.76 grant from Other Local Governments which amounted to a total of ? 145,239,288.86 only for the year ended 31<sup>st</sup> December, 2021 which represented 6.93% of the total accrued revenue of ? 2,096,629,644.27. This shows that the Council solely depends on statutory allocation from the Federation Account and grants from other sources for survival despite my several advices to improve and explore other sources of revenue for the Council. This could result to non-survival of the councils if there is a decline of revenue from the Federation Account. Also, I advise that the Council should make up extra efforts to generate more in the years ahead.



**2.1.1.2 FEDERAL STATUTORY ALLOCATION**

The sum of ₦ 1,951,390,355.41 which is 93.07% of the total receipts of ₦ 2,096,629,644.27 was disbursed to Bida Local Government Council for the year under review. This sum comprises the followings:

- i. VAT
- ii. Exchange Gain Differential
- iii. Excess Crude Oil
- iv. Non-Oil Revenue
- v. Statutory Allocation-

**2.1.2 EXPENDITURE****2.1.2.1 ANALYSIS OF EXPENDITURE**

The total sum of ₦ 2,096,629,644.27 was allocated directly to Bida Local Government Council and expended as follows:

	DETAILS	AMOUNT (₦ )	PERCENTAGE
i.	Personnel cost	1,208,994,370.33	58.51%
ii.	Overhead cost	145,816,523.04	7.06%
iii.	Consolidated Fund charges	232,599,661.51	11.26%
iv.	Operating Activitie	245,293,980.01	11.87%
v.	Other Transfers	70,112,500.00	3.39%
vi.	Contributions	28,800,000.00	1.39%
vii.	Loan Repayment	96,000,000.00	4.65%
viii.	Capital Expenditure	38,670,000.00	1.87%
	<b>TOTAL</b>	<b>2,066,287,034.89</b>	<b><u>100.00%</u></b>

**3.0 WEAKNESSES IN THE INTERNAL CONTROL SYSTEM**

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

**3.1. Unsupported payments by third party documentation**

I observed that most of the payment vouchers raised were not having documentary evidences such as delivery notes, Stores Received Vouchers, Stores Issues Vouchers, receipts etc. to justify the payments made. This implies that some of the payments were made for goods not delivered or services not rendered.

I advised the Councils to ensure that all payments are supported appropriately.

**3.2. Unremitted WHT, VAT and STAMPDUTIES Deductions**

During the course of my audit I observed that, Bida Local Government Council had not remitted ₦4,166,827.40 to the appropriate authorities



as at 31 December 2021. The outstanding amount comprises of N2,518,413.70 in respect of WHT and N1,648,413.70. in respect of VAT.

This exposes the Local Government Council to the risk of payment of fines and penalties for late remittance.

I advised the Council to remit the outstanding deductions immediately and in future, the Council should ensure all deductions are made and remitted in accordance with the relevant guidelines.

### **3.2. Payment Vouchers not checked nor passed by the Internal Audit Unit.**

During the course of our audit exercise, it was observed that despite being raised in our previous reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued in some cases which contravene chapter 14 section 1-19 of Model Financial Memoranda. The non-compliance was evidenced by the Payment Vouchers which were prepared and paid out without endorsement by the Internal Audit Unit and Officer Controlling the Vote and Checks by the Accounting Officer. This exposes the Council to fraudulent practices.

I advised the Council to adhere strictly to the provisions of the Model Financial Memoranda.

### **3.3. Non-maintenance of Fixed/Moveable Asset register.**

A Fixed Assets Register is a management tool to monitor and control use of assets. However, as pointed out in my previous reports, Bida Local Council did not maintain an up-to-date Fixed Assets Register during the year under review.

I advised the Council to ensure that an up-to-date Fixed Assets/Movable Assets Register is maintained.

### **3.4. Non-maintenance of Loan/Overdraft Register/Ledger.**

We observed that Bida Local Government Council did not maintain Loans/Overdraft Register/Ledger during the year.

The risk is that the Council may not be able to reconcile loan balances with the lenders leading to overpayments or fines and penalties for under payments. We recommend that the Council should immediately open and maintain Loans Register. In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that all issues raised above in this section should be addressed before my next audit

## **4.0 BUDGETARY CONTROL**

### **4.1 REVENUE COMPARISON**

During the year under review, there was a shortfall in the target of Internally Generated Revenue in Bida Local Government Council in all revenue codes as shown below:



**BIDA LOCAL GOVERNMENTS BUDGETED INTERNALLY GENERATED REVENUE COMPARED  
WITH ACTUAL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**

S/N	CODES	DETAILS	BUDGET ?	ACTUAL ?	SHORTFALL ?
1	12010000	Taxes	200,000.00	-	(200,000.00)
2	12020700	Rates	6,714,000.00	9,421,600.00	2,707,600.00
3	12020300	Local Licenses, Fees, and Fine	14,073,700.00	15,434,046.23	1,360,346.23
4	12020500	Earning from Commercial undertakings	28,473,940.00	44,915,148.46	16,441,208.46
5	12020600	Rent on Local Government Properties	1,200,111.00	4,669,350.00	3,469,239.00
6	12021100	Interest	-	-	-
<b>TOTAL</b>			<b>50,661,751.00</b>	<b>74,440,144.69</b>	<b>23,778,393.69</b>

From the above table, it clearly shows that the Council rely solely on Statutory Allocation from the Federation Account for its survival when comparing the total budgeted amount of ₦50,661,751.00 with actual Internally Generated Revenue of ₦74,440,144.69 with a surplus of ₦23,778,393.69 during the year under review.

This implies that the Council had fully implement its planned programs during the financial year or the budget was not realistic.

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

- i. Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- ii. Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- iii. Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- iv. Control over issuance of revenue receipts
- v. Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.
- vi. The Council should ensure that realistic budgets are prepared.

## **4.2 RECURRENT EXPENDITURE**

### **4.2.1 PERSONNEL COST**

As regards to the personnel cost, it was observed that, the sum of ₦1,342,363,442.57 and ₦1,208,994,370.33 was spent as personnel cost in 2020 and 2021 respectively with a decrease of ₦133,369,072.24 over the previous year. The decrease represents 11.03% of personnel cost and was due to Council's inability to pay 100% Salary during the year under review.

### **4.2.2 CAPITAL EXPENDITURE**

#### **4.2.2.1 CAPITAL PROJECT**

During the year under review it was observed that the sum of ₦38,670,000.00 was spent on capital project by Bida local Government Council. This was made by the council to boost the developmental activities in the Rural areas in which various Project were executed and some were still in progress. Though the approved Capital Estimate was ₦405,982,029.00 and only the sum of ₦38,670,000.00 representing 9.53% was Expended leading to a variance of ₦367,312,029.00.

I advised the council to ensure that estimate should be based on realistic and cognizance of Environmental factor, and the cashflow should be adequately monitored in order to reduce unnecessary expenses in overhead and give priority to capital project execution.

## **5.0 ANALYSIS OF ASSETS AND LIABILITIES**

### **5.1 ASSETS**

#### **5.1.1 CASH AND ITS EQUIVALENTS**

The closing cash and its equivalents amounted to the sum of ₦ 32,826,845.28k for Bida Local Government as at 31<sup>st</sup> December, 2021.

### **5.2. LIABILITIES**

#### **5.2.1. DEPOSITS**

Deposits comprise unremitted statutory deductions shown below.

Statutory Deposits      ₦4,166,827.40

##### **5.2.1.1 UNREMITTED DEDUCTIONS**

The balance on the unremitted deductions account was ₦ 4,666,827.40 as at 31<sup>st</sup> December, 2021. The unremitted deductions include deductions from payments made on behalf of Government Agencies and various other bodies by the Local Government which ought to be promptly remitted to the appropriate authorities.

The management of Bida Local Government Council has been advised to ensure that all Deposits are remitted timely to avoid accumulating liabilities and attracting fines and penalties for the Local Government.

##### **5.2.1.2. BANK OVERDRAFTS**

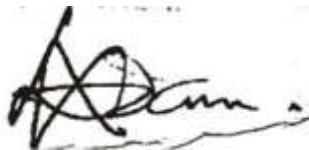
The total sum of ₦ 2,186,804.08 stood as consolidated bank overdraft owed to Bida Local Governments during the year under review.

We recommend that appropriate action be taken towards the clearance of outstanding Bank overdraft as it will continue to attract further interest and penalty if remains unclear.

## **6.0 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.



**LAWALADAMU**

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



NIGER STATE





NIGER STATE GOVERNMENT OF NIGERIA  
BOSSO LOCAL GOVERNMENT COUNCIL

**AUDITED ACCOUNTS**  
FOR THE YEAR ENDED 31ST DECEMBER, 2021

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



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# BOSSO LOCAL GOVERNMENT COUNCIL

## DEPARTMENT OF FINANCE AND SUPPLY

ADDRESS  
Bosso Local Government Secretariat  
P.m.b 153  
Maikunkele, Niger State.

Our Ref: \_\_\_\_\_ Your Ref: \_\_\_\_\_ Date: \_\_\_\_\_

### STATEMENT OF FINANCIAL RESPONSIBILITY STATEMENT NO 1.

These financial statements have been prepared by the treasurer Bosso Local Government in accordance with the provision of Finance (Council Management) Act 1958 as amended. The financial statement complies with generally accepted accounting practices.

The treasury is responsible for the establishing and maintaining a system internal control designed to provide reasonable assurances that the transaction seconded are within statutory authority and properly record the use of all public financial resources by the local government council. To the best of my knowledge his system of internal control has operated adequately throughout the reporting period for the month of December, 2021.

Sign: AA Sanku  
Treasurer

Date: 31.12.2021

We accept responsibility for these financial statements the information they contain and their compliance with the finance (Control and Management) Act 1958 as Amended.  
In our Opinion, the financial statement reflects the financial position of Bosso Local Government Council as at 31<sup>st</sup> December, 2021 and its operation for the period ended on the date.

Sign: Muhammadu

Date: 31/12/2021



**NIGER STATE GOVERNMENT**

**BOSSO LOCAL GOVERNMENT COUNCIL**

**ACCOUNTING POLICIES**

**(IPSAS CASH)**

**ISSUED BY**

**OFFICE OF THE DIRECTOR FINANCE**

**BOSSO LOCAL GOVERNMENT COUNCIL**

**2021**



## List of Abbreviations/Acronyms

Abbreviation/Term	Description
CBN	Central Bank of Nigeria
COA	Chart of Account
FAAC	Federation Accounts Allocation Committee
FGN	Federal Government of Nigeria
FRC	Financial Reporting Council
GAAP	Generally Accepted Accounting Principles
GPFS	General Purpose Financial Statement
IPSAS	International Public Sector Accounting Standards
LFN	Law of the Federal Republic of Nigeria
LGC	Local Government Council
NCOA	National Chart of Account
GBE	Government Business Enterprises
FRCON	Financial Reporting Council of Nigeria
PPE	Properties, Plants and Equipment



**Introduction**

In line with the adoption of the International Public Sector Accounting Standards (IPSAS) in Nigeria, a Standardised Chart of Account (COA) alongside a set of General Purpose Financial Statements (GPFS) have been designed and introduced by FAAC for adoption by all tiers of Government in Nigeria.

The standardised COA and the GPFS is hereby adopted by Bosso Local Government Council to comply with FAAC directive to harmonise public sector accounts reporting in Nigeria.

In order to ensure an effective and efficient utilizations of the COA and GPFS, the Accounting Policies have been developed as a set of guidelines to direct the Processes and Procedures relating to financial reporting in Bosso Local Government Council.

These policies shall form part of the universally agreed framework for financial reporting in Bosso Local Government Council.

**IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when Cash (including Cash Equivalents) is received or paid by the Local Government. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of Cash raised during the period, the purposes for which Cash was used and the Cash balances at the reporting date. The measurement focus in the GPFS balances are Cash and changes during the period. Therefore, Bank Reconciliation Statement shall form integral part of periodic Reports in Bosso Local Government Council.

Notes to the GPFS provide additional information about liabilities, including payables and borrowings, and non-cash assets that include receivables, investments and property, plant and equipment.

This Accounting Policy addresses the following fundamental accounting issues:

1. Definition of Accounting Terminologies
2. Recognition of Accounting Items
3. Measurement of Accounting Items
4. Treatment of Accounting items

The Accounting Policy is subject to periodic reviews and updates as shall be deemed necessary by the Director Finance, Bosso Local Government Council.





S/N	Accounting Policies:
1	<p><b>Accounting Terminologies / Definitions</b></p> <ol style="list-style-type: none"> <li>I. <b>Accounting policies</b> are the specific principles, bases, conventions, rules and practices adopted by BossoLocal Government Council in preparing and presenting Financial Statements.</li> <li>II. <b>Cash:</b> Cash comprises cash in hand, demand deposits in financial institutions and cash equivalents.</li> <li>III. <b>Cash equivalents</b> are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.</li> <li>IV. <b>Cash basis</b> means a basis of accounting that recognizes transactions and other events only when cash is received or paid.</li> <li>V. <b>Cash flows</b> are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.</li> <li>VI. <b>Cash receipts</b> are cash inflows.</li> <li>VII. <b>Cash payments</b> are cash outflows.</li> <li>VIII. <b>Cash Controlled by Bosso Local Government Council:</b> Cash is deemed to be controlled by BossoLocal Government Council when the government can freely use the available cash for the achievement of its objectives or enjoy benefit from the cash, and can also exclude or regulate the access of others to that benefit. Cash collected by, or appropriated or granted to the government which the government can freely use to fund its operating objectives, such as acquiring of capital assets or repaying its debt is controlled by the government.</li> <li>IX. <b>Notes to the GPFs</b> shall include narrative descriptions or more detailed schedules or analyses of amounts shown on the face of the GPFs, as well as additional information</li> </ol>

2	<p><b>General Purpose Financial Statements (GPFs)</b></p> <p>The GPFs comprise of Statement of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by BossoLocal Government Council and Accounting Policies and Notes to the Financial Statements. In Bosso Local Government Council, the GPFs Accounting Policy include the following:</p> <ol style="list-style-type: none"> <li>I. Statement 1 - Cash Flow Statements: Statement of Cash Receipts and Payments which:             <ul style="list-style-type: none"> <li>▪ recognizes all Cash Receipts, Cash Payments and Cash Balances controlled by Bosso Local Government Council; and</li> <li>▪ separately identifies payments made by third parties on behalf of Bosso Local Government Council.</li> </ul> </li> <li>II. Statement 2 - Statement of Assets and Liabilities: Statement of Financial Position (also known as Balance Sheet);</li> <li>III. Statement 3 - Statement of Consolidated Revenue Fund: Statement of Recurrent Financial Performance (also known as Profit &amp; Loss Account);</li> <li>IV. Statement 4- Statement of Capital Development Fund: Statement of Capital Financial Performance (also known as Capital Expenditure);</li> <li>V. Notes to the Accounts: Additional disclosures to explain the GPFs; and</li> <li>VI. Accounting Policies and Explanatory Notes.</li> </ol>
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<b>3</b>	<p><b>Basis of Preparation and Legal Provisions</b></p> <p>The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, GPFS are in compliance with the provisions of other financial regulations of Bosso Local Government Council.</p>
<b>4</b>	<p><b>Fundamental Accounting Concepts</b></p> <p>The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in Bosso Local Government Council</p> <ul style="list-style-type: none"> <li>? Cash Basis of Accounting;</li> <li>? Understability;</li> <li>? Materiality,</li> <li>? Relevance;</li> <li>? Going Concern Concept;</li> <li>? Consistency Concept</li> <li>? Prudence</li> <li>? Completeness, etc.</li> </ul>
<b>5</b>	<p><b>Accounting Period</b></p> <p>The accounting year (fiscal year) is from 1<sup>st</sup> January to 31<sup>st</sup> December. Each accounting year is divided into 12 calendar months (periods) and shall be set up as such in the accounting system.</p>

<b>6</b>	<p><b>Reporting Currency</b></p> <p>The General Purpose GPFS are prepared in Nigerian Naira.</p>
<b>7</b>	<p><b>LGC for Consolidation</b></p> <ul style="list-style-type: none"> <li>▪ The Consolidation of the GPFS are based on the Cash transactions of Bosso Local Government Council except Government Business Enterprises (GBEs).</li> </ul>
<b>3</b>	<p><b>Comparative Information</b></p> <ul style="list-style-type: none"> <li>▪ The General Purpose GPFS shall disclose all numerical information relating to previous period (at least one year).</li> </ul>
<b>9</b>	<p><b>Budget Figures</b></p> <ul style="list-style-type: none"> <li>▪ These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation Law of Niger State.</li> </ul>
<b>10</b>	<p><b>Receipts</b></p> <ul style="list-style-type: none"> <li>? These are Cash inflows within the Financial Year. They comprise of receipts from Statutory Allocations (FAAC monthly disbursement), Taxes, External Assistance (from Bilateral and Multilateral Agencies), Other Aid and Grants, Other Borrowings, Capital Receipts (Sale of Government Assets, etc), Receipts from Trading activities and Other Cash Receipts.</li> <li>? These items shall be disclosed at the face of the Statement of Cash Receipts and Payment for the year in accordance with the standardised GPFS. Notes shall be provided as per standardised Notes to GPFS.</li> </ul>





11	<p><b>External Assistance</b></p> <ul style="list-style-type: none"> <li>? Receipts from Loans are Funds received from external sources to be paid back at an agreed period of time. They are categorised either as Bilateral or Multilateral.</li> <li>? External Loans receipts shall be disclosed separately under Statement of Cash Receipts and Payment for the year.</li> <li>? The Local Governments did not receive external assistance during the two year.</li> </ul>	15	<p><b>Payments</b></p> <ul style="list-style-type: none"> <li>▪ These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorised either by Function and/or by Sector in the Statement of Cash Receipts and Payment.</li> <li>▪ Payments for purchase of items of capital nature( e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.</li> </ul>
12	<p><b>Other Borrowings / Grants&amp; Aid Received</b></p> <ul style="list-style-type: none"> <li>▪ These shall be categorised as either Short or Long term Loans.Short-Term Loans are those repayable within one calendar year (12 months), while Long - Term Loans and Debts shall fall due beyond one calendar year (above 12 months).Loans shall be disclosed separately and Grants shall also be separately disclosed under Statement of Cash Receipts and Payment for the year.</li> </ul>	16	<p><b>Loans Granted:</b></p> <ul style="list-style-type: none"> <li>▪ Payments to other Government and Agencies in form of Loans during the year shall be shown separately in the Statement of Receipts and Payments. Amount disclosed shall be actual amount paid during the year.</li> <li>▪ The Local Governments did not give any loan during the two year.</li> </ul>
13	<p><b>Interest Received</b></p> <ul style="list-style-type: none"> <li>? Interest actually received during the financial year shall be treated as a receipt under item 'Other Receipts'.</li> </ul>	17	<p><b>Loan Repayments</b></p> <p>Cash receipts from loans granted to other agencies and government shall be classified under loan repayments in the Statement of Receipts and Payments . Amount disclosed shall be actual amount received during the year.</p>
14	<p><b>Government Business Activities</b></p> <p>Cash Receipts from Trading Activities shall be received net (after deducting direct expenses) unless otherwise provided for by law or policy in force. Total receipts from all trading activities shall be disclosed in the Statement of Cash Receipts and Payments under 'Trading Activities' item.</p> <p>Where gross revenue is received, corresponding payments shall be charged under a corresponding payment item head ' Government Business Activities' in the Statement of Receipts and Payments.</p>	18	<p><b>Interest on Loans:</b></p> <ul style="list-style-type: none"> <li>▪ Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest payment in the Statement of Cash Receipts and Payments</li> </ul>



19	<p><b>Foreign Currency Transactions:</b></p> <ul style="list-style-type: none"> <li>▪ Foreign Currency Transactions throughout the year shall be converted into Nigerian Naira at the ruling (Central Bank of Nigeria –CBN) rate of exchange at the dates of the transactions. Foreign currency balances, as at the year end, shall be translated at the exchange rates prevailing on that date.</li> <li>▪ At the end of the financial year, additional amounts (in cash or at bank) arising out of Foreign Exchange Gains/Losses shall be recognised in the Statement of Cash Receipts and Payments either as Receipts / Payments respectively.</li> <li>▪ Hence the Bosso Local Government Council did not have foreign currency transactions during the two year.</li> </ul>
20	<p><b>Prepayments</b></p> <ul style="list-style-type: none"> <li>▪ Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.</li> <li>▪ The Local Governments did not make prepayment to contractors during the two year.</li> </ul>
21	<p><b>Cash Balances</b></p> <p>This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.</p>

**COUNCIL OFFICIALS**

- COUNCIL MEMBERS DESIGNATION:**

Honourable Abubakar Gomna	Executive Chairman
Honourable Garba Geoji	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, 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, 2021 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 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 Bosso Local Government during the year ended December 31st, 2021.



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



**STATEMENT NO. 1  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ANNUAL BUDGET 2021 N		COA	NOTES	ACTUAL YEAR 2021	PREVIOUS YEAR 2020
				N	N
	<b>CashFlows from Operating Activities:</b>				
	<u>Receipts:</u>				
1,492,998,252.00	Statutory Allocations:FAAC		1	1,200,915,238.44	1,761,821,190.01
520,123,154.00	Value Added Tax Allocation		1	662,618,243.58	-
<b>2,013,121,406.00</b>	<b>Sub-total - Statutory Allocation</b>			<b>1,863,533,482.02</b>	<b>1,761,821,190.01</b>
860,000.00	Direct Taxes		2	-	-
69,910,000.00	Licences		2	16,729,312.00	19,766,499.77
-	Mining Rents:		2	-	-
-	Royalties		2	-	-
-	Fees:		2	-	-
-	Fines		2	-	-
-	Sales		2	-	-
12,920,000.00	Earnings :		2	3,290,050.00	5,995,940.00
250,000.00	Sales/Rent of Government Buildings:		2	-	-
-	Sale/Rent on Lands and Others:		2	-	-
20,232,000.00	Rates		2	5,279,700.00	5,895,200.00
-	Investment Income		2	-	-
190,000.00	Interest Earned		2	-	-
147,447,704.00	10% IGR From State		2	25,723,459.41	22,002,508.32
<b>251,809,704.00</b>	<b>Sub-total - Independent Revenue</b>			<b>51,022,521.41</b>	<b>53,660,148.09</b>
	<b>Other Revenue Sources of L/Government</b>				
-	Domrstic Grants		3	-	21,747,549.18
450,000,000.00	Grants From other LGs		3	968,709,341.93	533,678,406.27
				-	
<b>2,714,931,110.00</b>	<b>Total Receipts</b>			<b>2,883,265,345.36</b>	<b>2,370,907,293.55</b>
	<u>Payments:</u>				
2,116,991,548.00	Personnel Costs ( Including Salaries on CRF Charges):		4	1,412,245,815.47	1,491,693,753.55
-	Federa/ States/ LGC Govt Contribution to Pension:		5	-	-
254,272,189.00	Overhead Charges:		6	179,785,931.60	189,625,206.87
168,372,090.00	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)		7	158,717,423.62	116,479,344.16
28,800,000.00	Subvention to Parastatals:		8	28,800,000.00	102,000,000.00
328,025,784.00	Other Operating Activities		9	773,510,320.00	309,068,960.38
88,800,000.00	Other Transfers		10	88,800,000.00	68,080,000.00
<b>2,985,261,611.00</b>	<b>Total Payments</b>			<b>2,641,859,490.69</b>	<b>2,276,947,264.96</b>
<b>-270,330,501.00</b>	<b>Net Cash Flow from Operating Activities</b>			<b>241,405,854.67</b>	<b>93,960,028.59</b>



	<b>CashFlows from Investment Activities:</b>				
96,625,321.00	Capital Expenditure:Administrative Sector:		12	894,414.00	27,700,000.00
95,754,605.00	Capital Expenditure: Economic Sector:		12	106,369,000.00	192,230,750.00
-	Capital Expenditure: Law and Justice:		12	-	-
-	Capital Expenditure:Regional Development		12	-	-
172,080,343.00	capital expenditure: Social Service Sector:		12	62,769,000.00	27,824,850.00
-	Capital Expenditure: Funded from Aid and Grants:		11	-	-
<b>364,460,269.00</b>	<b>Net Cash Flow from Investment Activities:</b>			<b>170,032,414.00</b>	<b>247,755,600.00</b>
	<b>CashFlows from Financing Activities:</b>				
-	Proceeds from Aid and Grants		11	-	-
-	Proceeds from Exernal Loan :		20	-	-
-	Proceeds from Internal Loans: FGN/Treasury Bonds :		21	-	-
24,000,000.00	Proceeds from Internal Loan		22	24,000,000.00	150,000,000.00
-	Proceeds from Development of Nat Resources		23	-	-
-	Proceeds of Loans from Other Funds		24	-	-
-	Repayment of External Loans ( Including Servicing)		20	-	-
-	Repayment of FGN/Treasury Bonds :		21	-	-
96,000,000.00	Repayment of Internal Loan		22	96,000,000.00	40,000,000.00
-	Repayment of Loans from Development of Nat Resources		23	-	-
-	Repayment of Loans from Other Funds		24	-	-
<b>120,000,000.00</b>	<b>Net Cash Flow from Financing Activities:</b>			<b>-72,000,000.00</b>	<b>110,000,000.00</b>
	<b>Movement in Other Cash Equivalent Accounts</b>				
-	(Increase)/ Decrease in Investments			-	-
-	Net (Increase)/Decrease in Other Cash Equivalent:			-	-
-	<b>Total Cashflow from other Cash equivalent Accounts</b>			-	-
-	Net Cash for the year			626,559.33	43,795,571.41
-	Cash & Its Equivalent as at 1st January, 2021			3,259,849.48	47,055,420.89
-	Cash & Its Equivalent as at 31st December, 2021			<b>2,633,290.15</b>	<b>3,259,849.48</b>



**STATEMENT NO. 2  
STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	NOTES	CURRENT YEAR 2021 N	PREVIOUS YEAR 2020 N
<b><u>ASSETS:-</u></b>			
<b><u>Liquid Assets:-</u></b>			
Cash Held by AGF:			
-CRF Bank Balance(CBN/ CRF Bank):		-	-
-Pension Account (CBN/ Bank):		-	-
-Other Bank of the Treasury		-	-
-Cash Balances of Trust & Other Funds of the FGN/ States/LGC:		-	-
-Cash Balances with Federal Pay Offices/ Sub-Treasury:		-	-
Cash Held by Agaie Local Government	15	2,633,290.15	3,259,849.48
<b>TOTAL LIQUID ASSETS</b>		<b>2,633,290.15</b>	<b>3,259,849.48</b>
<b><u>Investments and Other Cash Assets:</u></b>			
Federal/ State/ Local Government Investments	16	-	-
Imprests:-	17	-	-
Advances:-	18	-	-
Revolving Loans Granted:-	19	-	-
Intangible Assets		-	-
<b>TOTAL INVESTMENTS AND OTHER CASH ASSETS</b>		-	-
<b>TOTAL ASSETS</b>		<b>2,633,290.15</b>	<b>3,259,849.48</b>
<b>LIABILITIES OVER ASSETS</b>		<b>78,499,685.84</b>	<b>170,478,138.54</b>
<b>TOTAL</b>		<b>81,132,975.99</b>	<b>173,737,988.02</b>
<b><u>LIABILITIES:-</u></b>			
<b><u>PUBLIC FUNDS</u></b>			
Consolidated Revenue Fund:		2,633,290.15	39,464,278.07
Capital Development Fund:		-	-
Trust & Other Public Funds:		-	-
Police Reward Fund		-	-
<b>TOTAL PUBLIC FUNDS</b>		<b>2,633,290.15</b>	<b>39,464,278.07</b>
<b><u>EXTERNAL AND INTERNAL LOANS</u></b>			
External Loans:FGN/States/ LGC	20	-	-
FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-
Internal Loans	22	38,000,000.00	110,000,000.00
Development Loan Stock	23	-	-
Loan From other Funds	24	-	-
Internal Loans from Other Funds		-	-
<b>TOTAL EXTERNAL AND INTERNAL LOANS</b>		<b>38,000,000.00</b>	<b>110,000,000.00</b>
<b><u>OTHER LIABILITIES</u></b>			
Deposits:-	25	40,499,685.84	24,273,709.95
Overdrawn accounts	26	-	-
<b>TOTAL LIABILITIES</b>		<b>81,132,975.99</b>	<b>173,737,988.02</b>



**STATEMENT NO. 3**  
**STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ACTUAL PREVIOUS YEAR(2020)		NOTES	ACTUAL YEAR 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021
			N	N	N
47,055,420.89	Opening Balance:		3,259,849.48		
	<b>ADD: REVENUE</b>				
1,761,821,190.01	Statutory Allocations:FAAC	1	1,200,915,238.44	1,492,998,252.00	1,492,998,252.00
-	Value Added Tax Allocation	1	662,618,243.58	520,123,154.00	520,123,154.00
<b>1,808,876,610.90</b>	<b>Sub-Total - Statutory Allocation</b>		<b>1,863,533,482.02</b>	<b>2,013,121,406.00</b>	<b>2,013,121,406.00</b>
-	Direct Taxes	2	-	860,000.00	860,000.00
19,766,499.77	Licences	2	16,729,312.00	69,910,000.00	69,910,000.00
-	Mining Rents:	2	-	-	-
-	Royalties	2	-	-	-
-	Fees:	2	-	-	-
-	Fines	2	-	-	-
-	Sales	2	-	-	-
5,995,940.00	Earnings :	2	3,290,050.00	12,920,000.00	12,920,000.00
-	Sales/Rent of Government Buildings:	2	-	250,000.00	250,000.00
-	Sale/Rent on Lands and Others:	2	-	-	-
5,895,200.00	RATES	2	5,279,700.00	20,232,000.00	20,232,000.00
-	Investment Income	2	-	-	-
-	Interest Earned	2	-	190,000.00	190,000.00
22,002,508.32	10% IGR From State	2	25,723,459.41	147,447,704.00	147,447,704.00
<b>53,660,148.09</b>	<b>Sub-Total - Independent Revenue</b>		<b>51,022,521.41</b>	<b>250,949,704.00</b>	<b>250,949,704.00</b>
	<b>Other Revenue Sources of L/Government</b>				
21,747,549.18	Domrstic Grants	3	-	-	21,747,549.18
533,678,406.27	Grants From other LGs	3	968,709,341.93	450,000,000.00	450,000,000.00
<b>2,417,962,714.44</b>	<b>TOTAL REVENUE:</b>		<b>2,886,525,194.84</b>	<b>2,264,931,110.00</b>	<b>2,264,931,110.00</b>
	<b>LESS:EXPENDITURE</b>				
1,491,693,753.55	Personnel Costs ( Including Salaries on CRF Charges):	4	1,412,245,815.47	2,116,991,548.00	2,116,991,548.00
-	Federa/ States/ LGC Govt Contribution to Pension:	5	-	-	-
189,625,206.87	Overhead Charges:	6	179,785,931.60	254,272,189.00	254,272,189.00
116,479,344.16	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)	7	158,717,423.62	168,372,090.00	168,372,090.00
102,000,000.00	Subvention to Parastatals:	8	28,800,000.00	28,800,000.00	28,800,000.00
309,068,960.38	Other Operating Activities	9	773,510,320.00	328,025,784.00	328,025,784.00
68,080,000.00	Other Transfers	10	88,800,000.00	88,800,000.00	88,800,000.00
<b>2,276,947,264.96</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,641,859,490.69</b>	<b>2,985,261,611.00</b>	<b>2,985,261,611.00</b>
	<b>OTHER RECURRENT PAYMENTS/EXPENDITURE:</b>				
-	Repayments:External Loans:FGN/States/ LGC	19	-	-	-
-	Repayments:FGN/ States/LGC Bonds & Treasury Bonds.	20	-	-	-
-	Repayments :Nigerian Treasury Bills (NTB)	21	-	-	-
40,000,000.00	Repayments:Internal Loans	22	96,000,000.00	96,000,000.00	96,000,000.00
-	Repayments: Internal Development Loans Stock	23	-	-	-
-	Repayments:Other Internal Loans( Promissory Notes)	24	-	-	-
<b>2,316,947,264.96</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,737,859,490.69</b>	<b>3,081,261,611.00</b>	<b>3,081,261,611.00</b>
<b>101,015,449.48</b>	<b>OPERATING BALANCE:</b>		<b>148,665,704.15</b>	<b>- 816,330,501.00</b>	<b>- 816,330,501.00</b>
	<b>APPROPRIATIONS/TRANSFERS:</b>				
97,755,600.00	Transfer to Capital Development Fund:		146,032,414.00	364,460,269.00	364,460,269.00
<b>3,259,849.48</b>	<b>Closing Balance:</b>		<b>2,633,290.15</b>		



NIGER STATE



**STATEMENT NO. 4  
STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ACTUAL PREVIOUS YEAR(2020)		NOTES	TOTAL CAPITAL EXPENDITURE 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021
N			N		N
-	<b>Opening Balance:</b>		-		
	<b><u>ADD: REVENUE</u></b>				
97,755,600.00	Transfer from Consolidated Revenue Fund:		146,032,414.00	364,460,269.00	364,460,269.00
-	Aid and Grants	11	-	-	-
-	External Loans:FGN/States/ LGC	20	-	-	-
-	FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-	-
174,000,000.00	Internal Loan	22	24,000,000.00	24,000,000.00	24,000,000.00
-	Development Loan Stock	23	-	-	-
-	Loan From Other Funds	24	-	-	-
					-
					-
					-
<b>271,755,600.00</b>	<b>TOTAL REVENUE AVAILABLE:</b>		<b>170,032,414.00</b>	<b>388,460,269.00</b>	388,460,269.00
	<b><u>LESS: CAPITAL EXPENDITURE</u></b>				
27,700,000.00	Capital Expenditure:Administrative Sector:	12	894,414.00	96,625,321.00	96,625,321.00
192,230,750.00	Capital Expenditure: Economic Sector:	12	106,369,000.00	95,754,605.00	95,754,605.00
-	Capital Expenditure: Law and Justice:	12	-	-	-
-	Capital Expenditure:Regional Development	12	-	-	-
51,824,850.00	Capital Expenditure: Social Service Sector:	12	62,769,000.00	172,080,343.00	172,080,343.00
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-	-
					-
<b>271,755,600.00</b>	<b>TOTAL CAPITAL EXPENDITURE:</b>		<b>170,032,414.00</b>	<b>364,460,269.00</b>	<b>364,460,269.00</b>
	Intangible Assets		-		
-	<b>CLOSING BALANCE:</b>		-		



**NOTE TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

<b>NOTE 1</b>	<b>Ref. Note</b>	<b>Amount</b>	<b>Amount</b>	
<b>A- Share of Statutory Allocation from FAAC</b>		<b>N</b>	<b>N</b>	
Net Share of Statutory Allocation from FAAC	<b>A</b>	1,126,512,771.51		
Add :Deduction at source for Loan Repayment	<b>B</b>	-		
Share of Exchange Gain Differencial	<b>C</b>	4,449,877.56		
Share of Federal Accounts Allocation- Excess Crude Oil	<b>D</b>	33,313,548.47		
<b>Non-oil Revenue</b>	<b>E</b>	36,639,040.90		
<b>Total FAAC Allocation to LG</b>			<b>1,200,915,238.44</b>	
<b>B. Value Added Tax</b>				
Share of Value Added Tax (VAT)		662,618,243.58	662,618,243.58	
<b>Total Statutory Allocation to LG</b>			<b>1,863,533,482.02</b>	

**NOTE 2**

<b>Internally Generated Revenue (Independent Revenue)</b>		<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
<b>Direct Taxes</b>				
Bosso local government Internal Revenue		-	860,000.00	860,000.00
<b>Total - Direct Taxes</b>		-	<b>860,000.00</b>	<b>860,000.00</b>
<b>Licences</b>				
Bosso local government Internal Revenue		16,729,312.00	69,910,000.00	53,180,688.00
<b>Total Licences</b>		<b>16,729,312.00</b>	<b>69,910,000.00</b>	<b>53,180,688.00</b>
<b>Mining Rents</b>				
Bosso local government Internal Revenue		-	-	-
<b>Total Mining Rents</b>		-	-	-
<b>Royalties</b>				
Bosso local government Internal Revenue		-	-	-
<b>Total Royalties</b>		-	-	-
<b>Fees</b>				
Bosso local government Internal Revenue		-	-	-
<b>Total Fees</b>		-	-	-
<b>Fines</b>				
Bosso local government Internal Revenue		-	-	-
<b>Total Fines</b>		-	-	-



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<b>Sales</b>				
Bosso local government Internal Revenue		-	-	-
<b>Total Sales</b>		-	-	-
<b>Earnings</b>				
Bosso local government Internal Revenue		3,290,050.00	12,920,000.00	9,629,950.00
<b>Total Earnings</b>		<b>3,290,050.00</b>	<b>12,920,000.00</b>	<b>9,629,950.00</b>
<b>Sales/Rent of Government Buildings</b>				
Bosso local government Internal Revenue		-	250,000.00	250,000.00
<b>Total Sales/Rent of Government Buildings</b>		-	<b>250,000.00</b>	<b>250,000.00</b>
<b>Sale/Rent on Lands and Others:</b>				
Bosso local government Internal Revenue		-	-	-
<b>Total Sale/Rent on Lands and Others</b>		-	-	-
<b>Rates</b>				
Bosso local government Internal Revenue		5,279,700.00	20,232,000.00	14,952,300.00
<b>Total Rates</b>		<b>5,279,700.00</b>	<b>20,232,000.00</b>	<b>14,952,300.00</b>
<b>Investment Income</b>				
Bosso local government Internal Revenue		-	-	-
<b>Total Investment Income</b>		-	-	-
<b>Interest Earned</b>				
Bosso local government Internal Revenue		-	190,000.00	190,000.00
<b>Total Interest Earned</b>		-	<b>190,000.00</b>	<b>190,000.00</b>
<b>10% IGR From State</b>				
Bosso local government Internal Revenue		25,723,459.41	147,447,704.00	121,724,244.59
<b>Total 10% IGR From State</b>		<b>25,723,459.41</b>	<b>147,447,704.00</b>	<b>121,724,244.59</b>
<b>Total - Independent Revenue</b>		<b>51,022,521.41</b>	<b>251,809,704.00</b>	<b>200,787,182.59</b>



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<b>NOTE 3</b>				
<b>Other Revenue Sources of L/Govt:</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Domestic Grants		-	-	-
<b>Total Domestic Grants</b>		-	-	-
Grant from other LGs		968,709,341.93	450,000,000.00	- 518,709,341.93
<b>Total Grant from other LGS</b>		<b>968,709,341.93</b>	<b>450,000,000.00</b>	<b>- 518,709,341.93</b>
<b>NOTE 4</b>				
<b>A - Total Personnel Costs ( Including Salaries directly charged to CRF in Note 4B below):</b>				
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Office Of The Chairman		4,542,633.03	98,470,056.00	93,927,422.97
The Council		16,839,729.45	66,075,637.00	49,235,907.55
Office Of The Secretary		1,537,316.19	3,309,300.00	1,771,983.81
Personnel Management		41,248,315.35	58,325,396.00	17,077,080.65
<b>TOTAL Personnel Cost Administrative Sector</b>		<b>64,167,994.02</b>	<b>226,180,389.00</b>	<b>162,012,394.98</b>
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Finance And Supply		54,848,100.34	91,902,799.00	37,054,698.66
Budget, Planning & Research		-	-	-
Works And Housing		42,256,558.07	69,213,252.00	26,956,693.93
Agriculture And Natural Resources		35,610,846.30	60,233,597.00	24,622,750.70
<b>TOTAL Personnel Cost Economic Sector</b>		<b>132,715,504.71</b>	<b>221,349,648.00</b>	<b>88,634,143.29</b>
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Adult Education		1,044,904,246.82	1,266,359,041.00	221,454,794.18
Primary Health Cure		165,235,033.86	379,130,859.00	213,895,825.14
Social Development		-	-	-
Traditional Council		5,223,036.06	23,971,611.00	18,748,574.94
<b>Total Personnel Cost Social Sector</b>		<b>1,215,362,316.74</b>	<b>1,669,461,511.00</b>	<b>454,099,194.26</b>
<b>Total Personnel Cost For All Sectors</b>		<b>1,412,245,815.47</b>	<b>2,116,991,548.00</b>	<b>704,745,732.53</b>
<b>B- Salaries directly charged to CRF( included in Note 4A above)</b>				
<b>List of Parastatals and Agencies:</b>				
Judges of Supreme Court of Nigeria		-	-	-
Judges of Court of Appeal		-	-	-
other Judges of Court in Nigeria		-	-	-
Auditor -General for Federation		-	-	-
Auditor -General for State		-	-	-
Auditor -General for Local Government		-	-	-
INEC Chairman and Commissioners		-	-	-
e.t.c.		-	-	-
<b>Total</b>		<b>1,412,245,815.47</b>	<b>2,116,991,548.00</b>	<b>704,745,732.53</b>



<b>NOTE 5</b>				
<b>Employers Contribution to Pension according to Sector</b>				
Administrative Sector		-	-	-
Economic Sector		-	-	-
Law and Justice Sector		-	-	-
Regional Sector		-	-	-
Social Sector		-	-	-
<b>Total Employers Contribution to Pension</b>		-	-	-
<b>NOTE 6</b>				
<b>Overhead Costs</b>				
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Office Of The Chairman		114,172,960.08	108,009,387.00	- 6,163,573.08
The Council		12,720,287.28	24,500,000.00	11,779,712.72
Office Of The Secretary		16,367,712.76	6,200,000.00	- 10,167,712.76
Personnel Management		10,428,505.38	12,500,000.00	2,071,494.62
<b>Total Overhead Cost Administrative Sector</b>		<b>153,689,465.50</b>	<b>151,209,387.00</b>	<b>- 2,480,078.50</b>
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Finance And Supply		6,211,193.88	49,312,802.00	43,101,608.12
Budget, Planning & Research		1,040,000.00	3,700,000.00	2,660,000.00
Works And Housing		5,901,000.00	15,250,000.00	9,349,000.00
Agriculture And Natural Resources		1,326,799.20	8,000,000.00	6,673,200.80
<b>TOTAL Overhead Cost Economic Sector</b>		<b>14,478,993.08</b>	<b>76,262,802.00</b>	<b>61,783,808.92</b>
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Adult Education		9,064,896.02	8,300,000.00	- 764,896.02
Primary Health Cure		2,552,577.00	14,500,000.00	11,947,423.00
Social Development		-	-	-
Traditional Council		-	4,000,000.00	4,000,000.00
<b>Total Overhead Cost Social Sector</b>		<b>11,617,473.02</b>	<b>26,800,000.00</b>	<b>15,182,526.98</b>
<b>Total Overhead Cost For All Sectors</b>		<b>179,785,931.60</b>	<b>254,272,189.00</b>	<b>74,486,257.40</b>
<b>NOTE 7</b>				
<b>Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Monthly Pension		158,717,423.62	168,372,090.00	9,654,666.38
<b>Total Consolidated Revenue Fund Charges</b>		<b>158,717,423.62</b>	<b>168,372,090.00</b>	<b>9,654,666.38</b>



<b>NOTE 8</b>				
<b>Subventions to Parastatals (According to Sectors-List)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Administrative Sector		28,800,000.00	28,800,000.00	-
Economic Sector		-	-	-
Law and Justice Sector		-	-	-
Regional Sector		-	-	-
Social Sector		-	-	-
<b>Total Subventions to Parastatals</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>
<b>NOTE 9</b>				
<b>Other Operating Activities</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Administrative Sector		654,530,320.00	217,661,305.00	- 436,869,015.00
Economic Sector		-	-	-
Law and Justice Sector		-	-	-
Regional Sector		-	-	-
Social Sector		118,980,000.00	110,364,479.00	- 8,615,521.00
<b>Total Other Operating Activities</b>		<b>773,510,320.00</b>	<b>328,025,784.00</b>	<b>- 445,484,536.00</b>
<b>NOTE 10</b>				
<b>Other Transfer</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Administrative Sector		19,200,000.00	19,200,000.00	-
Economic Sector		-	-	-
Law and Justice Sector		-	-	-
Regional Sector		-	-	-
Social Sector		69,600,000.00	69,600,000.00	-
<b>Total Other Transfer</b>		<b>88,800,000.00</b>	<b>88,800,000.00</b>	<b>-</b>
<b>NOTE 11</b>				
<b>Details of Aid &amp; Grants Received</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
<b>Bilateral</b>		-	-	-
<b>Multi Lateral</b>		-	-	-
<b>ETC</b>		-	-	-
<b>Total Details of Aid &amp; Grants Received</b>		<b>-</b>	<b>-</b>	<b>-</b>



<b>NOTE 12</b>				
<b>A - Details of Total Capital Expenditures (According to Sectors)</b>				
		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Administrative Sector		894,414.00	96,625,321.00	95,730,907.00
Economic Sector		106,369,000.00	95,754,605.00	- 10,614,395.00
Law and Justice Sector		-	-	-
Regional Sector		-	-	-
Social Sector		62,769,000.00	172,080,343.00	109,311,343.00
<b>Total Details of Capital Expenditures</b>		<b>170,032,414.00</b>	<b>364,460,269.00</b>	<b>194,427,855.00</b>
<b>NOTE 12</b>				
<b>B - Details of Capital Expenditures of Parastatals (Included in 12A above)</b>				
		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Administrative Sector		-	-	-
Economic Sector		-	-	-
Law and Justice Sector		-	-	-
Regional Sector		-	-	-
Social Sector		-	-	-
<b>Total Details of Capital Expenditures of Parastatals</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>NOTE 13</b>				
<b>CLOSING BOOK BALANCES OF OTHER FUNDS OF THE GOVERNMENT</b>				
		<b>Amount 2021</b>	<b>Amount 2020</b>	
List all the Other Funds Cash Book Balances		-	-	
<b>NOTE 14</b>				
<b>CLOSING CASH BOOK BALANCE OF FEDERAL PAY OFFICES/SUB-TREASURY OFFICES</b>				
		<b>Amount 2021</b>	<b>Amount 2020</b>	
List all the FPO/Sub-Treasuries Cash Book Balances		-	-	
<b>NOTE 15</b>				
<b>CLOSING CASH BOOK BALANCE OF BOSSO LOCAL GOVERNMENT</b>				
		<b>Amount 2021</b>	<b>Amount 2020</b>	
Bosso Local Government		2,633,290.15	3,259,849.48	
<b>Total Details of Cash Book Balances</b>		<b>2,633,290.15</b>	<b>3,259,849.48</b>	



<b>NOTE 16</b>				
<b>INVESTMENTS</b>		<b>Amount 2021</b>	<b>Amount 2020</b>	
Investments in Quoted Companies		-	-	
Investments in unQuoted Companies		-	-	
Loans to Government Companies		-	-	
Loans to Other Government		-	-	
<b>Total Investments</b>		-	-	
<b>NOTE17</b>				
<b>LIST OF OUTSTANDING IMPRESTS</b>		<b>Amount 2021</b>	<b>Amount 2020</b>	
Administrative Sector		-	-	
Economic Sector		-	-	
Law and Justice Sector		-	-	
Regional Sector		-	-	
Social Sector		-	-	
<b>Total Outstanding Imprests</b>		-	-	
<b>NOTE 18</b>				
<b>LIST OF OUTSTANDING ADVANCES</b>		<b>Amount 2021</b>	<b>Amount 2020</b>	
Administrative Sector		-	-	
Economic Sector		-	-	
Law and Justice Sector		-	-	
Regional Sector		-	-	
Social Sector		-	-	
<b>Total Outstanding Advances</b>		-	-	
<b>NOTE 19</b>				
<b>Revolving Loan Account</b>				
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>
Loan 1		-	-	-
Loan 2		-	-	-
Loan 3		-	-	-
Loan 4		-	-	-
<b>Total</b>		-	-	-
<b>NOTE 20</b>				
<b>External Loans:FGN/States/ LGC</b>				
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>
Loan 1		-	-	-
Loan 2		-	-	-
Loan 3		-	-	-
Loan 4		-	-	-
<b>Total</b>		-	-	-





<b>NOTE 21</b>				
<b>FGN/ States/LGC Bonds &amp; Treasury Bonds.</b>				
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>
Loan 1		-	-	-
Loan 2		-	-	-
Loan 3		-	-	-
Loan 4		-	-	-
<b>Total</b>		-	-	-
<b>NOTE 22</b>				
Internal Loan		<b>Amount 2021</b>	<b>Amount 2020</b>	
<b>Opening balance at as 1st january, 2021</b>		110,000,000.00	-	
Add: Additional Loan Issued		24,000,000.00	150,000,000.00	
Less: Repaid		96,000,000.00	40,000,000.00	
<b>Loans as at 31st December, 2021</b>		<b>38,000,000.00</b>	<b>110,000,000.00</b>	

<b>NOTE 23</b>				
<b>Development Loan Stock</b>				
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>
Loan 1		-	-	-
Loan 2		-	-	-
Loan 3		-	-	-
Loan 4		-	-	-
<b>Total</b>		-	-	-

<b>NOTE 24</b>				
<b>Internal Loans from Other Funds</b>				
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>
Loan 1		-	-	-
Loan 2		-	-	-
Loan 3		-	-	-
Loan 4		-	-	-
<b>Total</b>		-	-	-



<b>NOTE 25</b>			
<b>Schedule of Deposit</b>		<b>Amount 2021</b>	<b>Amount 2020</b>
Bosso Local Government		40,499,685.84	24,273,709.95
<b>Total Outstanding Deposits</b>		<b>40,499,685.84</b>	<b>24,273,709.95</b>
<b>Details Of Deposits</b>			
5% Withholding Tax		17,196,466.44	11,186,845.74
5% VAT (Value Added Tax)		20,205,266.79	11,186,845.74
Mohammed Garba		11,175.48	11,175.48
1% Stamp Duty Charges		2,675,490.14	1,477,556.00
RETENTION FEE		411,286.99	411,286.99
<b>TOTAL</b>		<b>40,499,685.84</b>	<b>24,273,709.95</b>
<b>NOTE 26</b>			
<b>Schedule of Overdrawn accounts</b>		<b>Amount 2021</b>	<b>Amount 2020</b>
Bosso Local Government		-	-
<b>Total Overdrawn account</b>		<b>-</b>	<b>-</b>
<b>NOTE 27</b>			
<b>CONTINGENT LIABILITES AS AT YEAR END</b>		<b>Amount 2021</b>	<b>Amount 2020</b>
<b>E.G.</b>			
... Pension and Gratuity Due		-	-
....Outstanding Contractors Liabilities ( According to MDA)		-	-
.....Pending Litigations ( According to MDA)		-	-
.....Guarantees ( According to MDA)		-	-
..... Others		-	-
<b>Total Contigent Liabilities</b>		<b>-</b>	<b>-</b>



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1 GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)			
		2021	2020
MONTH		TOTAL	TOTAL
	JANUARY	138,419,195.77	163,040,330.78
	FEBRUARY	145,742,577.74	150,492,796.19
	MARCH	118,990,808.39	134,661,872.69
	APRIL	136,008,499.46	153,272,443.05
	MAY	149,652,773.38	141,881,447.41
	JUNE	145,017,267.45	128,551,784.27
	JULY	170,186,477.07	156,122,026.86
	AUGUST	170,186,477.07	160,191,123.49
	SEPTEMBER	171,074,159.63	158,581,169.38
	OCTOBER	178,852,715.97	148,325,531.08
	NOVEMBER	170,393,927.54	133,891,919.92
	DECEMBER	169,008,602.55	132,808,744.89
	<b>TOTAL</b>	<b>1,863,533,482.02</b>	<b>1,761,821,190.01</b>

INTERNELLY GENERATED REVENUE 2021	
DETAILS	AMOUNT
Taxes	-
Rates	5,279,700.00
Lincences	16,729,312.00
Earning	3,290,050.00
Rent	-
interest	-
10% IGR From State	25,723,459.41
<b>TOTAL</b>	<b>51,022,521.41</b>

**MANAGEMENT LETTER****1.1 INTRODUCTION**

In compliance with the provision of section 125 (2) of 1999 Constitution of the Federal Republic of Nigeria and Niger State Local Government Law (N.S.L.N. No. 14) of 2001, I have examined the Accounts and Financial Statement of Bosso Local Governments for the year ended 31<sup>st</sup> December, 2021 in accordance with the Public Finance (Control Management Act. 1958).

I have therefore certified the accounts as correct subject to various observations raised and contained in this report while the irregularities discovered thereon had been forwarded through Audit Inspection reports to the attached Accounting officers for their comments and necessary actions

**2.0 FINANCIAL HIGHLIGHTS**

<b>RECEIPTS DESCRIPTION</b>	<b>AMOUNT (₦)</b>	<b>PERCENTAGE</b>
Internally Generated Revenue	25,299,062.00	0.88%
10% IGR	25,723,459.41	0.89%
VAT	662,618,243.58	22.98%
Exchange Gain Deferential	4,449,877.56	0.15%
Excess Crude	33,313,548.47	1.16%
Non-Oil Revenue	36,639,040.90	1.27%
Grant from Other LGs	968,709,341.93	33.60%
Statutory Allocation	1,126,512,771.51	39.07%
	<b><u>₦ 2,883,265,345.36</u></b>	<b><u>100.00%</u></b>

**2.1 ANALYSIS OF REVENUE AND EXPENDITURE****2.1.1 REVENUE**

The sum of ₦ 2,883,265,345.36 accrued to the Bosso Local Government Councils as total receipts for the year ended 31<sup>st</sup> December, 2021

**2.1.1.1 INTERNALLY GENERATED REVENUE**

Bosso Local Government Council generated the sum of ₦ 25,299,062.00 and ₦ 25,723,459.41 as Internally Generated Revenue and 10% IGR from State respectively. The Local Government council also received ₦ 968,709,341.93 as grant from Other Local Governments this amounted to a total of ₦ 1,019,731,863.34 only for the year ended 31<sup>st</sup> December, 2021 which represented 35.37% of the total accrued revenue of ₦ 2,883,265,345.36. This shows that the Council solely depends on statutory allocation from the Federation Account and grants from other sources for survival despite my several advices to improve and explore other sources of revenue for the Council. This could result to non-survival of the councils if there is a decline of revenue from the Federation Account.

I advise that the Council should make up extra efforts to generate more in the years ahead.



**BOSSO LOCAL GOVERNMENT COUNCIL**

I advise that the Council should make up extra efforts to generate more in the years ahead.

**2.1.1.2 FEDERAL STATUTORY ALLOCATION**

The sum of ₦ 1,126,512,771.51 which is 39.07% of the total receipts of ₦ 2,883,265,345.36 was disbursed to Bosso Local Government Council for the year under review. This sum comprises the followings:

- i. VAT
- ii. Exchange Gain Deferral
- iii. Excess Crude
- iv. Non-Oil Revenue
- v. Statutory Allocation

**2.1.2 EXPENDITURE****2.1.2.1 ANALYSIS OF EXPENDITURE**

The total sum of ₦ 2,883,265,345.36 was allocated directly to Local Government Council and expended as follows:

DETAILS		AMOUNT (₦)	PERCENTAGE
i.	Personnel cost	1,412,245,815.47	48.98%
ii.	Overhead cost	179,785,931.60	6.23%
iii.	Consolidated Fund charges	158,717,423.62	5.50%
iv.	Operating Activities	773,510,320.00	26.82%
v.	Other Transfers	88,800,000.00	3.08%
vi.	Contributions	28,800,000.00	1.00%
vii.	Loan Repayment	96,000,000.00	3.33%
viii.	Capital Expenditure	146,032,414.00	5.06%
		<b><u>2,883,891,904.69</u></b>	<b><u>100.00%</u></b>

**3.0 WEAKNESSES IN THE INTERNAL CONTROL SYSTEM**

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

**3.1 Unsupported payments by third party documentation**

I observed that most of the payment vouchers raised were not having documentary evidences such as delivery notes, Stores Received Vouchers, Stores Issues Vouchers, receipts etc. to justify the payments made. This implies some of the payments were made for goods not delivered or services not rendered.

I advised the Councils to ensure that all payments are supported appropriately.



NIGER STATE

**3.1. Unremitted WHT, VAT and STAMP DUTIES Deductions**

During the course of my audit I observed that Bosso Local Government Council had not remitted N40,077,223.37 to the appropriate authorities as at 31 December 2021. The outstanding amount comprises of N17,196,466.44 in respect of WHT and N20,205,266.79 in respect of VAT and ? 2,675,490.14 in respect of Stamp duty.

This exposes the Local Government Council to the risk of payment of fines and penalties for late remittance.

I advised the Council to remit the outstanding deductions immediately and in future, the Council should ensure all deductions are made and remitted in accordance with the relevant guidelines.

**3.2. Payment Vouchers not checked nor passed by the Internal Audit Unit.**

During the course of our audit exercise, it was observed that despite being raised in our previous reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued in some cases which contravene chapter 14 section 1-19 of Model Financial Memoranda. The non-compliance was evidenced by the Payment Vouchers which were prepared and paid out without endorsement by the Internal Audit Unit and Officer Controlling the Vote and Checks by the Accounting Officer. This exposes the Council to fraudulent practices.

I advised the Council to adhere strictly to the provisions of the Model Financial Memoranda.

**3.3. Non-maintenance of Fixed/Moveable Asset register.**

A Fixed Assets Register is a management tool to monitor and control use of assets. However, as pointed out in my previous reports, Bosso Local Council did not maintain an up-to-date Fixed Assets Register during the year under review.

I advised the Council to ensure that an up-to-date Fixed Assets/Movable Assets Register is maintained.

**3.4. Non-maintenance of Loan/Overdraft Register/Ledger.**

We observed that Bosso Local Government Council did not maintain Loans/Overdraft Register/Ledger during the year.

The risk is that the Council may not be able to reconcile loan balances with the lenders leading to overpayments or fines and penalties for under payments.

We recommend that the Council should immediately open and maintain Loans Register. In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that all issues raised above in this section should be addressed before my next audit

**4.0 BUDGETARY CONTROL**

**4.1 REVENUE COMPARISON**

During the year under review, there was a shortfall in the target of Internally Generated Revenue in Bosso Local Government Council in all revenue codes as shown below:

**BOSSO LOCAL GOVERNMENTS BUDGETED INTERNALLY GENERATED REVENUE COMPARED WITH ACTUAL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**

S/N	CODES	DETAILS	BUDGET ?	ACTUAL ?	SHORTFALL ?
1	12010000	Taxes	860,000.00	-	(860,000.00)
2	12021700	Rates	20,232,000.00	5,279,700.00	(14,952,300.00)
3	12021300	Local Licenses, Fees, and Fine	69,910,000.00	16,729,312.00	(53,180,688.00)
4	12021500	Earning from Commercial undertakings	12,920,000.00	3,290,050.00	(9,629,950.00)
5	12021600	Rent on Local Government Properties	250,000.00	-	(250,000.00)
6	12021100	Interest	190,000.00	-	(190,000.00)
<b>TOTAL</b>			<b>104,362,000.00</b>	<b>25,299,062.00</b>	<b>(79,062,938.00)</b>

From the above table, it clearly shows that the Council rely solely on Statutory Allocation from the Federation Account for its survival when comparing the total budgeted amount of ? 104,362,000.00 with actual Internally Generated Revenue of ? 25,299,062.00 leaving a short fall of ? 79,062,938.00 during the year under review.

This implies that the Council could not fully implement its planned programs during the financial year or the budget was not realistic.

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

- i. Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- ii. Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- iii. Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- iv. Control over issuance of revenue receipts
- v. Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.
- vi. The Council should ensure that realistic budgets are prepared.

**4.2 RECURRENT EXPENDITURE****4.2.1 PERSONNEL COST**

As regards to the personnel cost, it was observed that, the sum of ? 1,491,693,753.55 and ? 1,412,245,815.47 was spent as personnel cost in 2020 and 2021 respectively with an increase of ? 79,447,938.08 against the previous year. The decrease represents 5.63% of personnel cost for the year under review. The decrease was due to retirements and death of personnel and inability of the Council to pay 100% salaries during the year under review.

**4.2.2 CAPITAL EXPENDITURE****4.2.2.1 CAPITAL PROJECT**

During the year under review it was observed that the sum of ? 146,032,414.00 was spent on capital project by Bosso local Government Council. This was made by the council to boost the developmental activities in the Rural areas in which various Project were executed and



some were still in progress. Though the approved Capital Expenditure Estimate was ₦ 364,460,269.00 and only the sum of ₦ 146,032,414.00 representing 40.07% was Expended leading to a variance of ₦ 218,427,855.00.

I advised the council to ensure that estimate should be based on realistic and cognizance of Environmental factor, and the cashflow should be adequately monitored in order to reduce unnecessary expenses in overhead and give priority to capital project execution.

## 5.0 ANALYSIS OF ASSETS AND LIABILITIES

### 5.1 ASSETS

#### 5.1.1 CASH AND ITS EQUIVALENTS

The closing cash and its equivalents amounted to the sum of ₦ 2,633,290.15 for Bosso Local Government as at 31<sup>st</sup> December, 2021.

### 5.2. LIABILITIES

#### 5.2.1. DEPOSITS

Deposits comprise unremitted statutory deductions and bank overdrafts as explained below.

· Statutory Deposits	₦ 40,077,223.37
· Non statutory Deposits	₦ 422,462.47
<b>TOTAL</b>	<b>₦ 40,499,685.84</b>

#### 5.2.1.1 UNREMITTED DEDUCTIONS

The balance on the unremitted deductions account was ₦ 40,499,685.84 as at 31<sup>st</sup> December, 2021. The unremitted deductions include deductions from payments made on behalf of Government Agencies and various other bodies by the Local Government which ought to be promptly remitted to the appropriate authorities.

The management of Bosso Local Government Council has been advised to ensure that all Deposits are remitted timely to avoid accumulating liabilities and attracting fines and penalties for the Local Government.

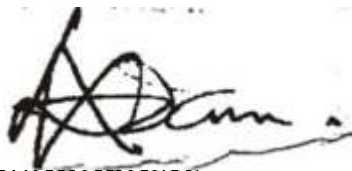
#### 5.2.1.2. BANK OVERDRAFTS

The Council did not have any bank overdrafts at the end of the financial year under review.

## 6.0 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.



*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, 2021

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



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# BORGU LOCAL GOVERNMENT COUNCIL

Local Government Secretariat,  
P. M. B. 220,  
New Bussa, Niger State,  
Nigeria.

Our Ref: \_\_\_\_\_

Your Ref: \_\_\_\_\_

Date: 4/2/2022

## BORGU LOCAL GOVERNMENT COUNCIL STATEMENT OF FINANCIAL RESPONSIBILITY, STATEMENT NO. 1

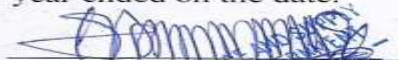
These Financial Statements have been prepared by the Director Finance and Supply of Borgu Local Government Council in accordance with the provisions of the Finance (Control and Management) Act.1958 as amended. The Financial Statements Complied with generally accepted accounting practices. The treasury 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.

Signed:  
Treasurer Borgu LG

Date: 4/2/2022

We accept responsibility of these Financial Statements, the information they contain 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 Government as at 31<sup>st</sup> December,2021 and its operations for the year ended on the date.

  
Ahmed Alhaji Mohammed  
Treasurer Borgu LG

Date: 4/2/2022

  
Office of The Executive Chairman  
Hon. Ahmed Baba Sulaiman  
Executive Chairman Borgu LG

Date: 4/2/2022



NIGER STATE

# NIGER STATE GOVERNMENT

## BORGU LOCAL GOVERNMENT COUNCIL ACCOUNTING POLICIES (IPSAS CASH)

**ISSUED BY**

**OFFICE OF THE DIRECTOR FINANCE**

**BORGU LOCAL GOVERNMENT COUNCIL**

**2021**



## List of Abbreviations/Acronyms

Abbreviation/Term	Description
CBN	Central Bank of Nigeria
COA	Chart of Account
FAAC	Federation Accounts Allocation Committee
FGN	Federal Government of Nigeria
FRC	Financial Reporting Council
GAAP	Generally Accepted Accounting Principles
GPFS	General Purpose Financial Statement
IPSAS	International Public Sector Accounting Standards
LFN	Law of the Federal Republic of Nigeria
LGC	Local Government Council
NCOA	National Chart of Account
GBE	Government Business Enterprises
FRCON	Financial Reporting Council of Nigeria
PPE	Properties, Plants and Equipment



### **Introduction**

In line with the adoption of the International Public Sector Accounting Standards (IPSAS) in Nigeria, a Standardised Chart of Account (COA) alongside a set of General Purpose Financial Statements (GPFS) have been designed and introduced by FAAC for adoption by all tiers of Government in Nigeria.

The standardised COA and the GPFS is hereby adopted by Borgu Local Government Council to comply with FAAC directive to harmonise public sector accounts reporting in Nigeria.

In order to ensure an effective and efficient utilisation of the COA and GPFS, the Accounting Policies have been developed as a set of guidelines to direct the Processes and Procedures relating to financial reporting in Borgu Local Government Council.

These policies shall form part of the universally agreed framework for financial reporting in Borgu Local Government Council.

### **IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when Cash (including Cash Equivalents) is received or paid by the Local Government. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of Cash raised during the period, the purposes for which Cash was used and the Cash balances at the reporting date. The measurement focus in the GPFS balances are Cash and changes during the period. Therefore, Bank Reconciliation Statement shall form integral part of periodic Reports in Borgu Local Government Council.

Notes to the GPFS provide additional information about liabilities, including payables and borrowings, and non-cash assets that include receivables, investments and property, plant and equipment.

This Accounting Policy addresses the following fundamental accounting issues:

1. Definition of Accounting Terminologies
2. Recognition of Accounting Items
3. Measurement of Accounting Items
4. Treatment of Accounting items

The Accounting Policy is subject to periodic reviews and updates as shall be deemed necessary by the Director Finance, Borgu Local Government Council.





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S/N	Accounting Policies:	
1	<p><b>Accounting Terminologies / Definitions</b></p> <ol style="list-style-type: none"> <li>I. <b>Accounting policies</b> are the specific principles, bases, conventions, rules and practices adopted by Borgu Local Government Council in preparing and presenting Financial Statements.</li> <li>II. <b>Cash:</b> Cash comprises cash in hand, demand deposits in financial institutions and cash equivalents.</li> <li>III. <b>Cash equivalents</b> are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.</li> <li>IV. <b>Cash basis</b> means a basis of accounting that recognizes transactions and other events only when cash is received or paid.</li> <li>V. <b>Cash flows</b> are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.</li> <li>VI. <b>Cash receipts</b> are cash inflows.</li> <li>VII. <b>Cash payments</b> are cash outflows.</li> <li>VIII. <b>Cash Controlled by Borgu Local Government Council</b> :Cash is deemed to be controlled by Borgu Local Government Council when the government can freely use the available cash for the achievement of its objectives or enjoy benefit from the cash, and can also exclude or regulate the access of others to that benefit. Cash collected by, or appropriated or granted to the government which the government can freely use to fund its operating objectives, such as acquiring of capital assets or repaying its debt is controlled by the government.</li> <li>IX. <b>Notes to the GPFs</b> shall include narrative descriptions or more detailed schedules or analyses of amounts shown on the face of the GPFs, as well as additional information</li> </ol>	<p>2 <b>General Purpose Financial Statements (GPFS)</b></p> <p>The GPFS comprise of Statement of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by Borgu Local Government Council and Accounting Policies and Notes to the Financial Statements. In Borgu Local Government Council, the GPFS Accounting Policy include the following:</p> <ol style="list-style-type: none"> <li>I. Statement 1 - Cash Flow Statements: Statement of Cash Receipts and Payments which:             <ul style="list-style-type: none"> <li>▪ recognizes all Cash Receipts, Cash Payments and Cash Balances controlled by Borgu Local Government Council; and</li> <li>▪ separately identifies payments made by third parties on behalf of Borgu Local Government Council.</li> </ul> </li> <li>II. Statement 2 - Statement of Assets and Liabilities: Statement of Financial Position (also known as Balance Sheet);</li> <li>III. Statement 3 - Statement of Consolidated Revenue Fund: Statement of Recurrent Financial Performance (also known as Profit &amp; Loss Account);</li> <li>IV. Statement 4- Statement of Capital Development Fund: Statement of Capital Financial Performance (also known as Capital Expenditure);</li> <li>V. Notes to the Accounts: Additional disclosures to explain the GPFS; and</li> <li>VI. Accounting Policies and Explanatory Notes.</li> </ol>



<p><b>3 Basis of Preparation and Legal Provisions</b></p> <p>The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, GPFS are in compliance with the provisions of other financial regulations of Borgu Local Government Council</p>	<p><b>6 Reporting Currency</b></p> <p>The General Purpose GPFS are prepared in Nigerian Naira.</p>
<p><b>4 Fundamental Accounting Concepts</b></p> <p>The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in Borgu Local Government Council</p> <ul style="list-style-type: none"> <li>? Cash Basis of Accounting;</li> <li>? Understability;</li> <li>? Materiality,</li> <li>? Relevance;</li> <li>? Going Concern Concept;</li> <li>? Consistency Concept</li> <li>? Prudence</li> <li>? Completeness, etc.</li> </ul>	<p><b>7 LGC for Consolidation</b></p> <ul style="list-style-type: none"> <li>▪ The Consolidation of the GPFS are based on the Cash transactions of Borgu Local Government Council except Government Business Enterprises (GBEs).</li> </ul>
<p><b>5 Accounting Period</b></p> <p>The accounting year (fiscal year) is from 1<sup>st</sup> January to 31<sup>st</sup> December. Each accounting year is divided into 12 calendar months (periods) and shall be set up as such in the accounting system.</p>	<p><b>8 Comparative Information</b></p> <ul style="list-style-type: none"> <li>▪ The General Purpose GPFS shall disclose all numerical information relating to previous period (at least one year).</li> </ul>
	<p><b>9 Budget Figures</b></p> <ul style="list-style-type: none"> <li>▪ These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation Law of Niger State.</li> </ul>
	<p><b>10 Receipts</b></p> <ul style="list-style-type: none"> <li>? These are Cash inflows within the Financial Year. They comprise of receipts from Statutory Allocations (FAAC monthly disbursement), Taxes, External Assistance (from Bilateral and Multilateral Agencies), Other Aid and Grants, Other Borrowings, Capital Receipts (Sale of Government Assets, etc), Receipts from Trading activities and Other Cash Receipts.</li> <li>? These items shall be disclosed at the face of the Statement of Cash Receipts and Payment for the year in accordance with the standardised GPFS. Notes shall be provided as per standardised Notes to GPFS.</li> </ul>





<p><b>11 External Assistance</b></p> <ul style="list-style-type: none"> <li>? Receipts from Loans are Funds received from external sources to be paid back at an agreed period of time. They are categorised either as Bilateral or Multilateral.</li> <li>? External Loans receipts shall be disclosed separately under Statement of Cash Receipts and Payment for the year.</li> <li>? The Local Governments did not receive external assistance during the two year.</li> </ul>	<p><b>15 Payments</b></p> <ul style="list-style-type: none"> <li>▪ These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorised either by Function and/or by Sector in the Statement of Cash Receipts and Payment.</li> <li>▪ Payments for purchase of items of capital nature( e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.</li> </ul>
<p><b>12 Other Borrowings / Grants&amp; Aid Received</b></p> <ul style="list-style-type: none"> <li>▪ These shall be categorised as either Short or Long term Loans.Short-Term Loans are those repayable within one calendar year (12 months), while Long - Term Loans and Debts shall fall due beyond one calendar year (above 12 months).Loans shall be disclosed separately and Grants shall also be separately disclosed under Statement of Cash Receipts and Payment for the year.</li> </ul>	<p><b>16 Loans Granted:</b></p> <ul style="list-style-type: none"> <li>▪ Payments to other Government and Agencies in form of Loans during the year shall be shown separately in the Statement of Receipts and Payments. Amount disclosed shall be actual amount paid during the year.</li> <li>▪ The Local Governments did not give any loan during the two year.</li> </ul>
<p><b>13 Interest Received</b></p> <ul style="list-style-type: none"> <li>? Interest actually received during the financial year shall be treated as a receipt</li> </ul>	<p><b>17 Loan Repayments</b></p> <p>Cash receipts from loans granted to other agencies and government shall be classified under loan repayments in the Statement of Receipts and Payments . Amount disclosed shall be actual amount received during the year.</p>
<p><b>14 Government Business Activities</b></p> <p>Cash Receipts from Trading Activities shall be received net (after deducting direct expenses) unless otherwise provided for by law or policy in force. Total receipts from all trading activities shall be disclosed in the Statement of Cash Receipts and Payments under 'Trading Activities' item.</p> <p>Where gross revenue is received, corresponding payments shall be charged under a corresponding payment item head ' Government Business Activities' in the Statement of Receipts and Payments.</p>	<p><b>18 Interest on Loans:</b></p> <ul style="list-style-type: none"> <li>▪ Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest payment in the Statement of Cash Receipts and Payments</li> </ul>



<p>19</p>	<p><b>Foreign Currency Transactions:</b></p> <ul style="list-style-type: none"> <li>▪ Foreign Currency Transactions throughout the year shall be converted into Nigerian Naira at the ruling (Central Bank of Nigeria –CBN) rate of exchange at the dates of the transactions. Foreign currency balances, as at the year end, shall be translated at the exchange rates prevailing on that date.</li> <li>▪ At the end of the financial year, additional amounts (in cash or at bank) arising out of Foreign Exchange Gains/Losses shall be recognised in the Statement of Cash Receipts and Payments either as Receipts / Payments respectively.</li> <li>▪ Hence the Borgu Local Government Council did not have foreign currency transactions during the two year.</li> </ul>
<p>20</p>	<p><b>Prepayments</b></p> <ul style="list-style-type: none"> <li>▪ Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.</li> <li>▪ The Local Governments did not make prepayment to contractors during the two year.</li> </ul>
<p>21</p>	<p><b>Cash Balances</b></p> <p>This includes Cash in Hand, at Bank and Cash Equivalentents at the end of the Financial year.</p>

**COUNCIL OFFICIALS****1. COUNCIL MEMBERS DESIGNATION:**

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

**2. HEAD OF DEPARTMENTS:**

<b>NAMES:</b>	<b>DEPARTMENTS</b>	<b>DESIGNATION</b>
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**

	<b>ADDRESS</b>
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.



**AUDIT CERTIFICATE**

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, 2020 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 State Local Government Joint Account Allocation Committee are indicated in the Supplementary Note 1 to the Accounts. In my opinion, the Supplementary Note 1 to accounts presents fairly, in all material respects, the revenue from Federation Account received by Borgu Local Government during the year ended December 31st, 2020. In my opinion, the Financial Statements which are in agreement with the books of accounts and record shows a true and fair view of the financial position of the Borgu Local Government for the year ended 31st December, 2020 and the transactions for the year ended at that date.



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

**STATEMENT NO. 1**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ANNUAL BUDGET 2021 N		COA	NOTES	ACTUAL YEAR 2021 N	PREVIOUS YEAR 2020 N
	<b>CashFlows from Operating Activities:</b>				
	<b>Receipts:</b>				
2,171,124,017.00	Statutory Allocations:FAAC		1	2,041,698,482.95	2,663,185,895.81
547,932,485.00	Value Added Tax Allocation		1	697,760,395.29	-
<b>2,719,056,502.00</b>	<b>Sub-total - Statutory Allocation</b>			<b>2,739,458,878.24</b>	<b>2,663,185,895.81</b>
-	Direct Taxes		2	-	-
10,190,000.00	Licences		2	3,151,090.00	2,549,900.00
-	Mining Rents:		2	-	-
-	Royalties		2	-	-
-	Fees:		2	-	-
-	Fines		2	-	-
-	Sales		2	-	-
24,060,100.00	Earnings :		2	6,024,928.20	4,095,245.11
3,669,900.00	Sales/Rent of Government Buildings:		2	1,555,000.00	920,000.00
-	Sale/Rent on Lands and Others:		2	-	-
27,080,000.00	Rates		2	13,194,000.00	734,500.00
-	Investment Income		2	-	-
-	Interest Earned		2	-	-
147,447,704.00	10% IGR From State		2	25,723,459.41	22,002,508.32
<b>212,447,704.00</b>	<b>Sub-total - Independent Revenue</b>			<b>49,648,477.61</b>	<b>30,302,153.43</b>
	<b>Other Revenue Sources of L/Government</b>				
-	Domrstic Grants		3	-	21,747,549.18
	Grants From other LGs		3	-	-
<b>2,931,504,206.00</b>	<b>Total Receipts</b>			<b>2,789,107,355.85</b>	<b>2,715,235,598.42</b>
	<b>Payments:</b>				
1,517,500,797.00	Personnel Costs ( Including Salaries on CRF Charges):		4	1,338,261,350.07	1,322,976,588.85
-	Federa/ States/ LGC Govt Contribution to Pension:		5	-	-
501,001,183.00	Overhead Charges:		6	338,477,204.60	112,196,771.65
238,892,726.00	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)		7	218,838,290.70	175,811,252.45
28,800,000.00	Subvention to Parastatals:		8	28,800,000.00	102,000,000.00
666,181,891.00	Other Operating Activities		9	664,960,853.46	292,225,102.97
28,800,000.00	Other Transfers		10	79,651,995.93	687,800,959.87
<b>2,981,176,597.00</b>	<b>Total Payments</b>			<b>2,668,989,694.76</b>	<b>2,693,010,675.79</b>
<b>-49,672,391.00</b>	<b>Net Cash Flow from Operating Activities</b>			<b>120,117,661.09</b>	<b>22,224,922.63</b>



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	<b>CashFlows from Investment Activities:</b>				
181,943,268.00	Capital Expenditure:Administrative Sector:		12	600,000.00	57,012,000.00
57,400,283.00	Capital Expenditure: Economic Sector:		12	-	99,464,500.00
-	Capital Expenditure: Law and Justice:		12	-	-
-	Capital Expenditure:Regional Development		12	-	-
219,874,086.00	capital expenditure: Social Service Sector:		12	23,400,000.00	87,035,500.00
-	Capital Expenditure: Funded from Aid and Grants:		11	-	-
<b>459,217,637.00</b>	<b>Net Cash Flow from Investment Activities:</b>			<b>24,000,000.00</b>	<b>243,512,000.00</b>
	<b>CashFlows from Financing Activities:</b>				
-	Proceeds from Aid and Grants		11	-	-
-	Proceeds from Exernal Loan :		20	-	-
-	Proceeds from Internal Loans: FGN/Treasury Bonds :		21	-	-
-	Proceeds from Internal Loan		22	-	-
-	Proceeds from Development of Nat Resources		23	-	-
-	Proceeds of Loans from Other Funds		24	-	-
-	Repayment of External Loans ( Including Servicing)		20	-	-
-	Repayment of FGN/Treasury Bonds :		21	-	-
96,000,000.00	Repayment of Internal Loan		22	96,000,000.00	-
-	Repayment of Loans from Development of Nat Resources		23	-	-
	Repayment of Loans from Other Funds		24	-	-
<b>96,000,000.00</b>	<b>Net Cash Flow from Financing Activities:</b>			<b>96,000,000.00</b>	<b>-</b>
	<b>Movement in Other Cash Equivalent Accounts</b>				
-	(Increase)/ Decrease in Investments			-	-
-	Net (Increase)/Decrease in Other Cash Equivalents:			-	-
-	<b>Total Cashflow from other Cash equivalent Accounts</b>			<b>-</b>	<b>-</b>
-	Net Cash for the year			117,661.09	- 37,287,077.37
-	Cash & Its Equivalent as at 1st January, 2021			524,983.06	37,812,060.43
-	Cash & Its Equivalent as at 31st December, 2021			<b>642,644.15</b>	<b>524,983.06</b>

**STATEMENT NO. 2  
STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	NOTES	CURRENT YEAR 2021	PREVIOUS YEAR 2020
		N	N
<b><u>ASSETS:-</u></b>			
<b><u>Liquid Assets:-</u></b>			
Cash Held by AGF:			
-CRF Bank Balance(CBN/ CRF Bank):		-	-
-Pension Account (CBN/ Bank):		-	-
-Other Bank of the Treasury		-	-
-Cash Balances of Trust & Other Funds of the FGN/ States/LGC:		-	-
-Cash Balances with Federal Pay Offices/ Sub-Treasury:		-	-
Cash Held by Agaie Local Government	15	642,644.15	524,983.06
<b>TOTAL LIQUID ASSETS</b>		<b>642,644.15</b>	<b>524,983.06</b>
<b><u>Investments and Other Cash Assets:</u></b>			
Federal/ State/ Local Government Investments	16	-	-
Imprests:-	17	-	-
Advances:-	18	-	-
Revolving Loans Granted:-	19	-	-
Intangible Assets		-	-
<b>TOTAL INVESTMENTS AND OTHER CASH ASSETS</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>642,644.15</b>	<b>524,983.06</b>
<b>LIABILITIES OVER ASSETS</b>		<b>93,005,652.92</b>	<b>188,993,152.92</b>
<b>TOTAL</b>		<b><u>93,648,297.07</u></b>	<b><u>189,518,135.98</u></b>
<b><u>LIABILITIES:-</u></b>			
<b><u>PUBLIC FUNDS</u></b>			
Consolidated Revenue Fund:		642,644.15	524,983.06
Capital Development Fund:		-	-
Trust & Other Public Funds:		-	-
Police Reward Fund		-	-
<b>TOTAL PUBLIC FUNDS</b>		<b>642,644.15</b>	<b>524,983.06</b>
<b><u>EXTERNAL AND INTERNAL LOANS</u></b>			
External Loans:FGN/States/ LGC	20	-	-
FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-
internal Loans	22	88,000,000.00	184,000,000.00
Development Loan Stock	23	-	-
Loan From other Funds	24	-	-
Internal Loans from Other Funds		-	-
<b>TOTAL EXTERNAL AND INTERNAL LOANS</b>		<b>88,000,000.00</b>	<b>184,000,000.00</b>
<b><u>OTHER LIABILITIES</u></b>			
Deposits:-	25	5,005,652.92	4,993,152.92
Overdrawn accounts	26	-	-
<b>TOTAL LIABILITIES</b>		<b><u>93,648,297.07</u></b>	<b><u>189,518,135.98</u></b>



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STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021

ACTUAL PREVIOUS YEAR(2020)		NOTES	ACTUAL YEAR 2021 N	FINAL BUDGET 2021 N	INITIAL/ORIGINAL BUDGET 2021 N	SUPPLEMENTARY BUDGET 2021 N	VARIANCE ON FINAL BUDGET %
37,812,060.43	Opening Balance:		524,983.06				
	<b>ADD: REVENUE</b>						
2,663,185,895.81	Statutory Allocations:FAAC	1	2,041,698,482.95	2,171,124,017.00	2,171,124,017.00	-	94.04
-	Value Added Tax Allocation	1	697,760,395.29	547,932,485.00	547,932,485.00	-	-
<b>2,700,997,956.24</b>	<b>Sub-Total - Statutory Allocation</b>		<b>2,739,458,878.24</b>	<b>2,719,056,502.00</b>	<b>2,719,056,502.00</b>	-	-
-	Direct Taxes	2	-	-	-	-	-
2,549,900.00	Licences	2	3,151,090.00	10,190,000.00	10,190,000.00	-	30.92
-	Mining Rents:	2	-	-	-	-	-
-	Royalties	2	-	-	-	-	-
-	Fees:	2	-	-	-	-	-
-	Fines	2	-	-	-	-	-
-	Sales	2	-	-	-	-	-
4,095,245.11	Earnings :	2	6,024,928.20	24,060,100.00	24,060,100.00	-	25.04
920,000.00	Sales/Rent of Government Buildings:	2	1,555,000.00	3,669,900.00	3,669,900.00	-	-
-	Sale/Rent on Lands and Others:	2	-	-	-	-	-
734,500.00	RATES	2	13,194,000.00	27,080,000.00	27,080,000.00	-	48.72
-	Investment Income	2	-	-	-	-	-
-	Interest Earned	2	-	-	-	-	-
22,002,508.32	10% IGR From State	2	25,723,459.41	147,447,704.00	147,447,704.00	-	-
<b>30,302,153.43</b>	<b>Sub-Total - Independent Revenue</b>		<b>49,648,477.61</b>	<b>212,447,704.00</b>	<b>212,447,704.00</b>	-	23.37
-	<b>Other Revenue Sources of L/Government</b>		-	-	-	-	-
21,747,549.18	Domestic Grants	3	-	-	21,747,549.18	-	-
-	Grants From other LGs	3	-	-	-	-	-
<b>2,753,047,658.85</b>	<b>TOTAL REVENUE:</b>		<b>2,789,632,338.91</b>	<b>2,931,504,206.00</b>	<b>2,931,504,206.00</b>	-	-
	<b>LESS:EXPENDITURE</b>						
1,322,976,588.85	Personnel Costs ( Including Salaries on CRF Charges):	4	1,338,261,350.07	1,517,500,797.00	1,517,500,797.00	-	88.19
-	Federal/ States/ LGC Govt Contribution to Pension:	5	-	-	-	-	-
112,196,771.65	Overhead Charges:	6	338,477,204.60	501,001,183.00	501,001,183.00	-	67.56
175,811,252.45	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)	7	218,838,290.70	238,892,726.00	238,892,726.00	-	91.61
102,000,000.00	Subvention to Parastatals:	8	28,800,000.00	28,800,000.00	28,800,000.00	-	100.00
292,225,102.97	Other Operating Activities	9	664,960,853.46	666,181,891.00	666,181,891.00	-	99.82
687,800,959.87	Other Transfers	10	79,651,995.93	28,800,000.00	28,800,000.00	-	276.57
<b>2,693,010,675.79</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,668,989,694.76</b>	<b>2,981,176,597.00</b>	<b>2,981,176,597.00</b>	-	89.53
	<b>OTHER RECURRENT PAYMENTS/EXPENDITURE:</b>						
-	Repayments:External Loans:FGN/States/ LGC	19	-	-	-	-	-
-	Repayments:FGN/ States/LGC Bonds & Treasury Bonds.	20	-	-	-	-	-
-	Repayments :Nigerian Treasury Bills (NTB)	21	-	-	-	-	-
40,000,000.00	Repayments:Internal Loans	22	96,000,000.00	96,000,000.00	96,000,000.00	-	-
-	Repayments: Internal Development Loans Stock	23	-	-	-	-	-
-	Repayments:Other Internal Loans( Promissory Notes)	24	-	-	-	-	-
<b>2,733,010,675.79</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,764,989,694.76</b>	<b>3,077,176,597.00</b>	<b>3,077,176,597.00</b>	-	-
<b>20,036,983.06</b>	<b>OPERATING BALANCE:</b>		<b>24,642,644.15</b>	<b>145,672,391.00</b>	<b>145,672,391.00</b>	-	-
	<b>APPROPRIATIONS/TRANSFERS:</b>						
19,512,000.00	Transfer to Capital Development Fund:		24,000,000.00	459,217,637.00	459,217,637.00	-	5.23
<b>524,983.06</b>	<b>Closing Balance:</b>		<b>642,644.15</b>				



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**STATEMENT NO. 4  
STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ACTUAL PREVIOUS YEAR(2020)		NOTES	TOTAL CAPITAL EXPENDITURE 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	PERFORMANCE ON TOTAL
N			N		N		%
-	<b>Opening Balance:</b>		-				
	<b><u>ADD: REVENUE</u></b>						
19,512,000.00	Transfer from Consolidated Revenue Fund:		24,000,000.00	459,217,637.00	459,217,637.00	-	5.23
-	Aid and Grants	11	-	-	-	-	-
-	External Loans:FGN/States/ LGC	20	-	-	-	-	-
-	FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-	-	-	-
224,000,000.00	Internal Loan	22	-	-	-	-	#DIV/0!
-	Development Loan Stock	23	-	-	-	-	-
-	Loan From Other Funds	24	-	-	-	-	-
<b>243,512,000.00</b>	<b>TOTAL REVENUE AVAILABLE:</b>		<b>24,000,000.00</b>	<b>459,217,637.00</b>	<b>459,217,637.00</b>	<b>-</b>	<b>5.23</b>
	<b><u>LESS: CAPITAL EXPENDITURE</u></b>						
57,012,000.00	Capital Expenditure:Administrative Sector:	12	600,000.00	181,943,268.00	181,943,268.00	-	0.33
99,464,500.00	Capital Expenditure: Economic Sector:	12	-	57,400,283.00	57,400,283.00	-	-
-	Capital Expenditure: Law and Justice:	12	-	-	-	-	-
-	Capital Expenditure:Regional Development	12	-	-	-	-	-
87,035,500.00	Capital Expenditure: Social Service Sector:	12	23,400,000.00	219,874,086.00	219,874,086.00	-	10.64
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-	-	-	-
<b>243,512,000.00</b>	<b>TOTAL CAPITAL EXPENDITURE:</b>		<b>24,000,000.00</b>	<b>459,217,637.00</b>	<b>459,217,637.00</b>	<b>-</b>	<b>5.23</b>
	Intangible Assets		-				
-	<b>CLOSING BALANCE:</b>		-				



**NOTE TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

<i>Details</i>					
<b>NOTE 1</b>	<b>Ref. Note</b>	<b>Amount</b>		<b>Amount</b>	<b>Remarks</b>
<b>A- Share of Statutory Allocation from FAAC</b>		<b>N</b>		<b>N</b>	
<i>Net Share of Statutory Allocation from FAAC</i>	<b>A</b>	1,917,745,530.18			
<i>Add :Deduction at source for Loan Repayment</i>	<b>B</b>	-			
<i>Share of Exchange Gain Differencial</i>	<b>C</b>	7,413,302.91			
<i>Share of Federal Accounts Allocation- Excess Crude Oil</i>	<b>D</b>	55,498,928.71			
<b>Non-oil Revenue</b>	<b>E</b>	61,040,721.15			
<b>Total FAAC Allocation to LG</b>				<b>2,041,698,482.95</b>	
<b>B. Value Added Tax</b>					
<i>Share of Value Added Tax (VAT)</i>		697,760,395.29		697,760,395.29	
<b>Total Statutory Allocation to LG</b>				<b>2,739,458,878.24</b>	

**NOTE 2**

<b>Internally Generated Revenue (Independent Revenue)</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	
<b>Direct Taxes</b>				
<i>Borgu local government Internal Revenue</i>	-	-	-	
<b>Total - Direct Taxes</b>	-	-	-	
<b>Licences</b>				
<i>Borgu local government Internal Revenue</i>	3,151,090.00	10,190,000.00	7,038,910.00	
<b>Total Licences</b>	<b>3,151,090.00</b>	<b>10,190,000.00</b>	<b>7,038,910.00</b>	
<b>Mining Rents</b>				
<i>Borgu local government Internal Revenue</i>	-	-	-	
<b>Total Mining Rents</b>	-	-	-	
<b>Royalties</b>				
<i>Borgu local government Internal Revenue</i>	-	-	-	
<b>Total Royalties</b>	-	-	-	
<b>Fees</b>				
<i>Borgu local government Internal Revenue</i>	-	-	-	
<b>Total Fees</b>	-	-	-	
<b>Fines</b>				
<i>Borgu local government Internal Revenue</i>	-	-	-	
<b>Total Fines</b>	-	-	-	



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<b>Sales</b>				
Borgu local government Internal Revenue		-	-	-
<b>Total Sales</b>		-	-	-
<b>Earnings</b>				
Borgu local government Internal Revenue		6,024,928.20	24,060,100.00	18,035,171.80
<b>Total Earnings</b>		<b>6,024,928.20</b>	<b>24,060,100.00</b>	<b>18,035,171.80</b>
<b>Sales/Rent of Government Buildings</b>				
Borgu local government Internal Revenue		1,555,000.00	3,669,900.00	2,114,900.00
<b>Total Sales/Rent of Government Buildings</b>		<b>1,555,000.00</b>	<b>3,669,900.00</b>	<b>2,114,900.00</b>
<b>Sale/Rent on Lands and Others:</b>				
Borgu local government Internal Revenue		-	-	-
<b>Total Sale/Rent on Lands and Others</b>		-	-	-
<b>Rates</b>				
Borgu local government Internal Revenue		13,194,000.00	27,080,000.00	13,886,000.00
<b>Total Rates</b>		<b>13,194,000.00</b>	<b>27,080,000.00</b>	<b>13,886,000.00</b>
<b>Investment Income</b>				
Borgu local government Internal Revenue		-	-	-
<b>Total Investment Income</b>		-	-	-
<b>Interest Earned</b>				
Borgu local government Internal Revenue		-	-	-
<b>Total Interest Earned</b>		-	-	-
<b>10% IGR From State</b>				
Borgu local government Internal Revenue		25,723,459.41	147,447,704.00	121,724,244.59
<b>Total 10% IGR From State</b>		<b>25,723,459.41</b>	<b>147,447,704.00</b>	<b>121,724,244.59</b>
<b>Total - Independent Revenue</b>		<b>49,648,477.61</b>	<b>212,447,704.00</b>	<b>162,799,226.39</b>



<b>NOTE 3</b>					
<b>Other Revenue Sources of L/Govt:</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Domestic Grants		-	-	-	
<b>Total Domestic Grants</b>		-	-	-	
<b>Grant from other LGs</b>		-	-	-	
Total Grant from other LGS		-	-	-	
<b>NOTE 4</b>					
<b>A - Total Personnel Costs ( Including Salaries directly charged to CRF in Note 4B below):</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		4,096,545.07	10,943,561.00	6,847,015.93	
The Council		22,284,841.14	21,174,296.00	- 1,110,545.14	
Office Of The Secretary		2,058,694.82	2,997,430.00	938,735.18	
Personnel Management		88,981,290.39	91,402,242.00	2,420,951.61	
<b>TOTAL Personnel Cost Administrative Sector</b>		<b>117,421,371.42</b>	<b>126,517,529.00</b>	<b>9,096,157.58</b>	
					CRF Charges in Note 3
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		56,555,912.22	53,407,002.00	- 3,148,910.22	
Budget, Planning & Research		-	-	-	
Works And Housing		50,438,392.53	55,794,197.00	5,355,804.47	
Agriculture And Natural Resources		37,900,322.39	39,661,514.00	1,761,191.61	
<b>TOTAL Personnel Cost Economic Sector</b>		<b>144,894,627.14</b>	<b>148,862,713.00</b>	<b>3,968,085.86</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		806,092,813.34	969,066,115.00	162,973,301.66	
Primary Health Cure		203,961,400.80	206,605,492.00	2,644,091.20	
Social Development		-	-	-	
Traditional Council		65,891,137.37	66,448,948.00	557,810.63	
<b>Total Personnel Cost Social Sector</b>		<b>1,075,945,351.51</b>	<b>1,242,120,555.00</b>	<b>166,175,203.49</b>	
<b>Total Personnel Cost For All Sectors</b>		<b>1,338,261,350.07</b>	<b>1,517,500,797.00</b>	<b>179,239,446.93</b>	



<b>B- Salaries directly charged to CRF( included in Note 4A above)</b>					
<b>List of Parastatals and Agencies:</b>					
Judges of Supreme Court of Nigeria		-	-	-	
Judges of Court of Appeal		-	-	-	
other Judges of Court in Nigeria		-	-	-	
Auditor -General for Federation		-	-	-	
Auditor -General for State		-	-	-	
Auditor -General for Local Government		-	-	-	
INEC Chairman and Commissioners		-	-	-	
e.t.c.		-	-	-	
<b>Total</b>		<b>1,338,261,350.07</b>	<b>1,517,500,797.00</b>	<b>179,239,446.93</b>	
<b>NOTE 5</b>					
<b>Employers Contribution to Pension according to Sector</b>					
Administrative Sector		-	-	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Employers Contribution to Pension</b>		<b>-</b>	<b>-</b>	<b>-</b>	
<b>NOTE 6</b>					
<b>Overhead Costs</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		79,108,500.00	87,968,923.00	8,860,423.00	
The Council		47,655,000.00	50,000,000.00	2,345,000.00	
Office Of The Secretary		5,085,000.00	6,000,000.00	915,000.00	
Personnel Management		7,033,460.00	10,600,000.00	3,566,540.00	
<b>Total Overhead Cost Administrative Sector</b>		<b>138,881,960.00</b>	<b>154,568,923.00</b>	<b>15,686,963.00</b>	
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		172,410,244.60	260,189,174.00	87,778,929.40	
Budget, Planning & Research		-	-	-	
Works And Housing		3,780,000.00	15,843,086.00	12,063,086.00	
Agriculture And Natural Resources		5,325,000.00	19,700,000.00	14,375,000.00	
<b>TOTAL Overhead Cost Economic Sector</b>		<b>181,515,244.60</b>	<b>295,732,260.00</b>	<b>114,217,015.40</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		7,390,000.00	11,000,000.00	3,610,000.00	
Primary Health Cure		3,300,000.00	27,000,000.00	23,700,000.00	
Social Development		-	-	-	
Traditional Council		7,390,000.00	12,700,000.00	5,310,000.00	
<b>Total Overhead Cost Social Sector</b>		<b>18,080,000.00</b>	<b>50,700,000.00</b>	<b>32,620,000.00</b>	
<b>Total Overhead Cost For All Sectors</b>		<b>338,477,204.60</b>	<b>501,001,183.00</b>	<b>162,523,978.40</b>	



<b>NOTE 7</b>					
<b>Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Monthly Pension		218,838,290.70	238,892,726.00	20,054,435.30	
<b>Total Consolidated Revenue Fund Charges</b>		<b>218,838,290.70</b>	<b>238,892,726.00</b>	<b>20,054,435.30</b>	
<b>NOTE 8</b>					
<b>Subventions to Parastatals (According to Sectors-List)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		28,800,000.00	28,800,000.00	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Subventions to Parastatals</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	
<b>NOTE 9</b>					
<b>Other Operating Activities</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		664,960,853.46	666,181,891.00	1,221,037.54	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Other Operating Activities</b>		<b>664,960,853.46</b>	<b>666,181,891.00</b>	<b>1,221,037.54</b>	
<b>NOTE 10</b>					
<b>Other Transfer</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		19,200,000.00	19,200,000.00	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		9,600,000.00	9,600,000.00	-	
<b>sub-total</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	
Transfers to other local governments		50,851,995.93	50,851,995.93	-	
<b>Total Other Transfer</b>		<b>79,651,995.93</b>	<b>79,651,995.93</b>	<b>-</b>	



<b>NOTE 11</b>					
<b>Details of Aid &amp; Grants Received</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Bilateral		-	-	-	
Multi Lateral		-	-	-	
ETC		-	-	-	
<b>Total Details of Aid &amp; Grants Received</b>		<b>-</b>	<b>-</b>	<b>-</b>	
<b>NOTE 12</b>					
<b>A - Details of Total Capital Expenditures (According to Sectors)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		600,000.00	181,943,268.00	32,882,850.00	
Economic Sector		-	95,177,216.00	57,400,283.00	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		23,400,000.00	219,874,086.00	50,206,785.00	
<b>Total Details of Capital Expenditures</b>		<b>24,000,000.00</b>	<b>496,994,570.00</b>	<b>140,489,918.00</b>	
<b>B - Details of Capital Expenditures of Parastatals (Included in 12A above)</b>					
		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		-	-	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Details of Capital Expenditures of Parastatals</b>		<b>-</b>	<b>-</b>	<b>-</b>	
<b>NOTE 13</b>					
<b>CLOSING BOOK BALANCES OF OTHER FUNDS OF THE GOVERNMENT</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the Other Funds Cash Book Balances		-	-		



<b>NOTE 14</b>					
<b>CLOSING CASH BOOK BALANCE OF FEDERAL PAY OFFICES/SUB-TREASURY OFFICES</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the FPO/Sub-Treasuries Cash Book Balances		-	-		
<b>NOTE 15</b>					
<b>CLOSING CASH BOOK BALANCE OF BORGU LOCAL GOVERNMENT</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Borgu Local Government		642,644.15	524,983.06		
<b>Total Details of Cash Book Balances</b>		<b>642,644.15</b>	<b>524,983.06</b>		
<b>NOTE 16</b>					
<b>INVESTMENTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Investments in Quoted Companies		-	-		
Investments in unQuoted Companies		-	-		
Loans to Government Companies		-	-		
Loans to Other Government		-	-		
<b>Total Investments</b>		<b>-</b>	<b>-</b>		
<b>NOTE17</b>					
<b>LIST OF OUTSTANDING IMPRESTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Imprests</b>		<b>-</b>	<b>-</b>		
<b>NOTE 18</b>					
<b>LIST OF OUTSTANDING ADVANCES</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Advances</b>		<b>-</b>	<b>-</b>		





<b>NOTE 19</b>					
<b>Revolving Loan Account</b>					
List the Loans		<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 20</b>					
<b>External Loans:FGN/States/ LGC</b>					
List the Loans		<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 21</b>					
<b>FGN/ States/LGC Bonds &amp; Treasury Bonds.</b>					
List the Loans		<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 22</b>					
<b>Internal Loan</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>Opening balance at as 1st january, 2021</b>		184,000,000.00	-		
Add: Additional Loan Issued		-	224,000,000.00		
Less: Repaid		96,000,000.00	40,000,000.00		
<b>Loans as at 31st December, 2021</b>		<b>88,000,000.00</b>	<b>184,000,000.00</b>		



**NOTE 23**

<b>Development Loan Stock</b>					
List the Loans	<i>Balance as at 1/1/2021</i>	<i>Additional Loan</i>	<i>Loan Paid Back</i>	<i>Balance as at 31/12/2021</i>	
Loan 1	-	-	-	-	-
Loan 2	-	-	-	-	-
Loan 3	-	-	-	-	-
Loan 4	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

**NOTE 24**

<b>Internal Loans from Other Funds</b>					
List the Loans	<i>Balance as at 1/1/2021</i>	<i>Additional Loan</i>	<i>Loan Paid Back</i>	<i>Balance as at 31/12/2021</i>	
Loan 1	-	-	-	-	-
Loan 2	-	-	-	-	-
Loan 3	-	-	-	-	-
Loan 4	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

**NOTE 25**

<b>Schedule of Deposit</b>	<b>Amount 2021</b>	<b>Amount 2020</b>
Borgu Local Government	5,005,652.92	4,993,152.92
<b>Total Outstanding Deposits</b>	<b>5,005,652.92</b>	<b>4,993,152.92</b>
<b>Details Of Deposits</b>		
5% VAT	2,636,813.46	2,363,719.46
Withholding Tax	2,248,719.46	2,509,313.46
1% Stamp Duty	120,120.00	120,120.00
<b>TOTAL</b>	<b>5,005,652.92</b>	<b>4,993,152.92</b>

**NOTE 26**

<b>Schedule of Overdrawn accounts</b>	<b>Amount 2021</b>	<b>Amount 2020</b>
Borgu Local Government	-	-
<b>Total Overdrawn account</b>	-	-

**NOTE 27**

<b>CONTINGENT LIABILITES AS AT YEAR END</b>	<b>Amount 2021</b>	<b>Amount 2020</b>	
<b>E.G.</b>			<b>List All the Contigent Liabilities</b>
... Pension and Gratuity Due	-	-	
....Outstanding Contractors Liabilities ( According to MDA)	-	-	
.....Pending Litigations ( According to MDA)	-	-	
.....Guarantees ( According to MDA)	-	-	
..... Others	-	-	
<b>Total Contigent Liabilities</b>	-	-	

**SUPPLEMENTARY NOTE**

1	<b>GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)</b>		
		<b>2021</b>	<b>2020</b>
	<b>MONTH</b>	<b>TOTAL</b>	<b>TOTAL</b>
	JANUARY	201,329,124.86	248,894,067.90
	FEBRUARY	211,698,882.46	230,270,095.35
	MARCH	176,563,623.34	204,926,933.39
	APRIL	195,074,553.52	231,704,665.37
	MAY	218,385,739.16	218,124,923.11
	JUNE	209,920,696.74	193,670,780.24
	JULY	257,185,715.58	234,888,655.18
	AUGUST	257,185,715.58	241,036,723.67
	SEPTEMBER	253,308,419.41	238,883,569.63
	OCTOBER	264,887,023.01	223,551,513.00
	NOVEMBER	251,442,717.98	201,970,519.06
	DECEMBER	242,476,666.60	195,263,449.91
	<b>TOTAL</b>	<b>2,739,458,878.24</b>	<b>2,663,185,895.81</b>

<b>INTERNELLY GENERATED REVENUE 2021</b>	
<b>AMOUNT</b>	<b>AMOUNT</b>
Taxes	-
Rates	13,194,000.00
Lincences	3,151,090.00
Earning	6,024,928.20
Rent	1,555,000.00
interest	-
10% IGR From State	25,723,459.41
<b>TOTAL</b>	<b>49,648,477.61</b>



NIGER STATE

**1.1 INTRODUCTION**

In compliance with the provision of section 125 (2) of 1999 Constitution of the Federal Republic of Nigeria and Niger State Local Government Law (N.S.L.N. No. 14) of 2001, I have examined the Accounts and Financial Statement of Borgu Local Governments for the year ended 31<sup>st</sup> December, 2021 in accordance with the Public Finance (Control Management Act. 1958).

I have therefore certified the accounts as correct subject to various observations raised and contained in this report while the irregularities discovered thereon had been forwarded through Audit Inspection reports to the attached Accounting officers for their comments and necessary actions

**2.0 FINANCIAL HIGHLIGHTS**

RECEIPTS DESCRIPTION	AMOUNT (?)	PERCENTAGE
Internally Generated Revenue	23,925,018.20	0.85%
10% IGR	25,723,459.41	0.92%
VAT	697,760,395.29	25.02%
Exchange Gain Differential	7,413,302.91	0.27%
Excess Crude Oil	55,498,928.71	1.99%
Non-Oil Revenue	61,040,721.15	2.19%
Statutory Allocation	1,917,745,530.18	68.76%
	<b><u>? 2,789,107,355.85</u></b>	<b><u>100.00%</u></b>

**2.1 ANALYSIS OF REVENUE AND EXPENDITURE****2.1.1 REVENUE**

The sum of ? 2,789,107,355.85 accrued to the Borgu Local Government Councils as total receipts for the year ended 31<sup>st</sup> December, 2021

**2.1.1.1 INTERNALLY GENERATED REVENUE**

Borgu Local Government Council generated the sum of ? 23,925,018.20 and ? 25,723,459.41 as Internally Generated Revenue and 10% IGR from State respectively. This amounted to a total of ? 49,648,477.61 only for the year ended 31<sup>st</sup> December, 2021 which represented 1.77% of the total accrued revenue of ? 2,789,107,355.85. This shows that the Council solely depends on statutory allocation from the Federation Account for survival despite my several advices to improve and explore other sources of revenue for the Council. This could result to non-survival of the councils if there is a decline of revenue from the Federation Account.

The Council promised to look for other ways of improving collections of its internally generated revenue.

I advise that the Council should make up extra efforts to generate more in the years ahead.

**2.1.1.2 FEDERAL STATUTORY ALLOCATION**

The sum of ? 1,917,745,530.18 which is 68.76% of the total receipts of ? 2,789,107,355.85 was disbursed to Borgu Local Government Council for the year under review. This sum comprises the followings:

- i. VAT
- ii. Exchange Gain Differential
- iii. Excess Crude
- iv. Non-Oil Revenue
- v. Statutory Allocation



**2.1.2 EXPENDITURE****2.1.2.1 ANALYSIS OF EXPENDITURE**

The total sum of ₦ 2,789,107,355.85 was allocated directly to Burgui Local Government Council and expended as follows:

DETAILS	AMOUNT (₦)	PERCENTAGE
i. Personnel cost	1,498,261,350.07	53.72%
ii. Overhead cost	338,477,204.60	12.14%
iii. Consolidated Fund charges	218,838,290.70	7.85%
iv. Operating Activities	504,960,853.46	18.11%
v. Other Transfers	79,651,995.93	2.85%
vi. Contributions	28,800,000.00	1.03%
vii. Loan Repayment	96,000,000.00	3.44%
viii. Capital Expenditure	24,000,000.00	0.86%
	<b><u>2,788,989,694.76</u></b>	<b><u>100.00%</u></b>

**3.0 WEAKNESSES IN THE INTERNAL CONTROL SYSTEM**

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

**3.1. Unsupported payments by third party documentation**

I observed that most of the payment vouchers raised were not having documentary evidences such as delivery notes, Stores Received Vouchers, Stores Issues Vouchers, receipts etc. to justify the payments made.

This implies that some of the payments were made for goods not delivered or services not rendered.

I advised the Councils to ensure that all payments are supported appropriately.

**3.2. Unremitted WHT, VAT and STAMP DUTIES Deductions**

During the course of my audit I observed that Borgui Local Government Council had not remitted ₦ 5,005,652.92 to the appropriate authorities as at 31 December 2021. The outstanding amount comprises of ₦2,248,719.46 in respect of WHT and ₦2,636,813.46. in respect of VAT and ₦ 120,120.00 in respect of Stamp duty.

This exposes the Local Government Council to the risk of payment of fines and penalties for late remittance.

I advised the Council to remit the outstanding deductions immediately and in future, the Council should ensure all deductions are made and remitted in accordance with the relevant guidelines.



**3.3. Payment Vouchers not checked nor passed by the Internal Audit Unit.**

During the course of our audit exercise, it was observed that despite being raised in our previous reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued in some cases which contravene chapter 14 section 1-19 of Model Financial Memoranda. The non-compliance was evidenced by the Payment Vouchers which were prepared and paid out without endorsement by the Internal Audit Unit and Officer Controlling the Vote and Checks by the Accounting Officer. This exposes the Council to fraudulent practices.

I advised the Council to adhere strictly to the provisions of the Model Financial Memoranda.

**3.4. Non-maintenance of Fixed/Moveable Asset register.**

A Fixed Assets Register is a management tool to monitor and control use of assets. However, as pointed out in my previous reports, Borgu Local Council did not maintain an up-to-date Fixed Assets Register during the year under review. The risk of non-maintenance of Fixed Assets Register is that the council may not be able to detect misuse and loss of its assets on time.

I advised the Council to ensure that an up-to-date Fixed Assets/Movable Assets Register is maintained.

**3.5. Non-maintenance of Loan/Overdraft Register/Ledger.**

We observed that Borgu Local Government Council did not maintain Loans/Overdraft Register/Ledger during the year.

The risk is that the Council may not be able to reconcile loan balances with the lenders leading to overpayments or fines and penalties for under payments.

We recommend that the Council should immediately open and maintain Loans Register. In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that all issues raised above in this section should be addressed before my next audit

**4.0 BUDGETARY CONTROL****4.1 REVENUE COMPARISON**

During the year under review, there was a shortfall in the target of Internally Generated Revenue in Borgu Local Government Council in all revenue codes as shown below:

**BORGU LOCAL GOVERNMENTS BUDGETED INTERNALLY GENERATED REVENUE COMPARED WITH ACTUAL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**

S/N	CODES	DETAILS	BUDGET ?	ACTUAL ?	SHORTFALL ?
1	12010000	Taxes	-	-	-
2	12020700	Rates	27,080,000.00	13,194,000.00	(13,886,000.00)
3	12020300	Local Licenses, Fees, and Fine	10,190,000.00	3,151,090.00	(7,038,910.00)
4	12020500	Earning from Commercial undertakings	24,060,100.00	6,024,928.20	(18,035,171.80)
5	12020600	Rent on Local Government Properties	3,669,900.00	1,555,000.00	(2,114,900.00)
6	12021100	Interest	-	-	-
<b>TOTAL</b>			<b>65,000,000.00</b>	<b>23,925,018.20</b>	<b>(41,074,981.80)</b>

From the above table, it clearly shows that the Council rely solely on Statutory Allocation from the Federation Account for its survival when comparing the total budgeted amount of ? 65,000,000.00 with actual Internally Generated Revenue of ? 23,925,018.20 leaving a short fall of ? 41,074,981.80 during the year under review.

This implies that the Council could not fully implement its planned programs during the financial year or the budget was not realistic.

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

- i. Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- ii. Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- iii. Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- iv. Control over issuance of revenue receipts
- v. Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.
- vi. The Council should ensure that realistic budgets are prepared.

## 4.2 RECURRENT EXPENDITURE

### 4.2.1 PERSONNEL COST

As regards to the personnel cost, it was observed that, the sum of ? 1,322,976,588.85 and ? 1,338,261,350.07 was spent as personnel cost in 2020 and 2021 respectively with an increase of ? 15,284,761.22 over the previous year. The increase represents 1.14% of personnel cost for the year under review. The increase was due to promotion and advancement of personnel during the year under review.



**4.2.2 CAPITAL EXPENDITURE**

**4.2.2.1 CAPITAL PROJECT**

During the year under review it was observed that the sum of ₦ 24,000,000.00 was spent on capital project by Borgui local Government Council. This was made by the council to boost the developmental activities in the Rural areas in which various Project were executed and some were still in progress. Though the approved Capital Expenditure Estimate was ₦ 459,217,637.00 and only the sum of ₦ 24,000,000.00 representing 5.23% was Expended leading to variance of ₦ 435,217,637.00.

I advised the council to ensure that estimates should be based on realistic and cognizance of Environmental factor, and the cashflow should be adequately monitored in order to reduce unnecessary expenses in overhead and give priority to capital project execution.

**5.0 ANALYSIS OF ASSETS AND LIABILITIES**

**5.1 ASSETS**

**5.1.1 CASH AND ITS EQUIVALENTS**

The closing cash and its equivalents amounted to the sum of ₦ 642,644.15k for Borgui Local Government as at 31<sup>st</sup> December, 2021.

**5.2. LIABILITIES**

**5.2.1. DEPOSITS**

Deposits comprise unremitted statutory deductions as shown below

Statutory Deposits                    ₦ 5005,652.92

**5.2.1.1 UNREMITTED DEDUCTIONS**

The balance on the unremitted deductions account was ₦ 5,005,652.92 as at 31<sup>st</sup> December, 2021. The unremitted deductions include deductions from payments made on behalf of Government Agencies and various other bodies by the Local Government which ought to be promptly remitted to the appropriate authorities.

The management of Borgui Local Government Council has been advised to ensure that all Deposits are remitted timely to avoid accumulating liabilities and attracting fines and penalties for the Local Government.

**5.2.1.2. BANK OVERDRAFTS**

The Council did not have any bank overdrafts at the end of the financial year under review.

**6.0 OUTSTANDING ISSUES FROM THE AUDIT INSPECTION REPORT**

The following are outstanding issues from Inspection Report for the period under review

AGX/F.O.21/TA/BOR/VOL/I	DATE =08/12/2021	
i. Payment made without Council Chairman Approval	=	₦ 1,790,000.00
ii. Outstanding Revenue receipt Booklets	=	₦ 380,000.00
iii. Undocumented payment vouchers	=	₦ 2,910,000.00
iv. Indiscriminate Granting of Duty Tour Allowance	=	₦ 2,630,000.00
v. Payment for the purchase of 200 Nos of rain coat by the council	=	₦ 1,200,000.00



NIGER STATE



vi.	Items alleged to have been purchased/supplied but not taken on charge in the store ledger	=	? 2,300,000.00
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**6.1 OUTSTANDING ISSUES ON PROJECT INSPECTION REPORT**

The following is the outstanding issue in respect of Project Inspection for the under review.

**AGX/D.129/VOL.9/1**

Suspicious payment made on clearing of Trees without indicating location, number of Trees cleared and other relevant document attached to the payment vouchers	=	? 4,500,000.00
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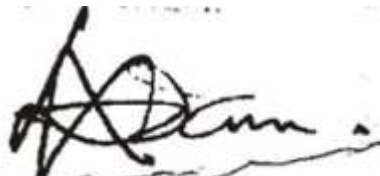
The management promised to follow up and address the issues above.

I advise management to resolve the issue and submit documents for verification.

**7.0 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  
EDATI LOCAL GOVERNMENT COUNCIL

**AUDITED ACCOUNTS**  
FOR THE YEAR ENDED 31ST DECEMBER, 2021

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



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NIGER STATE



**Office of Director Administration**  
**EDATI LOCAL GOVERNMENT COUNCIL**  
P.M.B. 4, Enagi, Niger State

Our Ref: \_\_\_\_\_

Your Ref: \_\_\_\_\_

Date: 28<sup>th</sup> - 02 - 2022

**STATEMENT NO. 1**  
**STATEMENT OF FINANCIAL RESPONSIBILITY**

The financial statement have been prepared by the Accountant of Edati Local Government Council in accordance with provision of the finance (Council and Management) Act. 1958 as amended. The financial statements comply with generally accepted accounting activities.

The treasury is responsible for the establishing and maintaining a system of internal controls, designed to provide reasonable assurance that the transactions seconded are within statutory authority and properly record the use of all public financial resources by the Local Government Council. To the best of my knowledge, his system of internal control has operated adequately throughout the reporting period.

Sign.

**Treasurer**

**Date**

We accepted responsibility for these financial statement, the information they contain and their compliance with the finance (Control and Management) Act. 1958 as amended.

In our option, these financial statement fairly reflect the financial position of Edati Local Government as at 31<sup>st</sup> December, 2021 and its operations for the year ended on the date.

**TREASURER**

Date:

28/02/22

**CHAIRMAN**

Date:

23/02/22



NIGER STATE

# NIGER STATE GOVERNMENT

## EDATI LOCAL GOVERNMENT COUNCIL ACCOUNTING POLICIES (IPSAS CASH)

**ISSUED BY**

**OFFICE OF THE DIRECTOR FINANCE**

**EDATI LOCAL GOVERNMENT COUNCIL**

**2021**



## List of Abbreviations/Acronyms

Abbreviation/Term	Description
CBN	Central Bank of Nigeria
COA	Chart of Account
FAAC	Federation Accounts Allocation Committee
FGN	Federal Government of Nigeria
FRC	Financial Reporting Council
GAAP	Generally Accepted Accounting Principles
GPFS	General Purpose Financial Statement
IPSAS	International Public Sector Accounting Standards
LFN	Law of the Federal Republic of Nigeria
LGC	Local Government Council
NCOA	National Chart of Account
GBE	Government Business Enterprises
FRCON	Financial Reporting Council of Nigeria
PPE	Properties, Plants and Equipment



**Introduction**

In line with the adoption of the International Public Sector Accounting Standards (IPSAS) in Nigeria, a Standardised Chart of Account (COA) alongside a set of General Purpose Financial Statements (GPFS) have been designed and introduced by FAAC for adoption by all tiers of Government in Nigeria.

The standardised COA and the GPFS is hereby adopted by Edati Local Government Council to comply with FAAC directive to harmonise public sector accounts reporting in Nigeria.

In order to ensure an effective and efficient utilisation of the COA and GPFS, the Accounting Policies have been developed as a set of guidelines to direct the Processes and Procedures relating to financial reporting in Edati Local Government Council.

These policies shall form part of the universally agreed framework for financial reporting in Edati Local Government Council.

**IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when Cash (including Cash Equivalents) is received or paid by the Local Government. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of Cash raised during the period, the purposes for which Cash was used and the Cash balances at the reporting date. The measurement focus in the GPFS balances are Cash and changes during the period. Therefore, Bank Reconciliation Statement shall form integral part of periodic Reports in Edati Local Government Council.

Notes to the GPFS provide additional information about liabilities, including payables and borrowings, and non-cash assets that include receivables, investments and property, plant and equipment.

This Accounting Policy addresses the following fundamental accounting issues:

1. Definition of Accounting Terminologies
2. Recognition of Accounting Items
3. Measurement of Accounting Items
4. Treatment of Accounting items

The Accounting Policy is subject to periodic reviews and updates as shall be deemed necessary by the Director Finance, Edati Local Government Council.





S/N	Accounting Policies:	2
1	<p><b>Accounting Terminologies / Definitions</b></p> <ol style="list-style-type: none"> <li>I. <b>Accounting policies</b> are the specific principles, bases, conventions, rules and practices adopted by Edati Local Government Council in preparing and presenting Financial Statements.</li> <li>II. <b>Cash:</b> Cash comprises cash in hand, demand deposits in financial institutions and cash equivalents.</li> <li>III. <b>Cash equivalents</b> are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.</li> <li>IV. <b>Cash basis</b> means a basis of accounting that recognizes transactions and other events only when cash is received or paid.</li> <li>V. <b>Cash flows</b> are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.</li> <li>VI. <b>Cash receipts</b> are cash inflows.</li> <li>VII. <b>Cash payments</b> are cash outflows.</li> <li>VIII. <b>Cash Controlled by Edati Local Government Council</b> :Cash is deemed to be controlled by Edati Local Government Council when the government can freely use the available cash for the achievement of its objectives or enjoy benefit from the cash, and can also exclude or regulate the access of others to that benefit. Cash collected by, or appropriated or granted to the government which the government can freely use to fund its operating objectives, such as acquiring of capital assets or repaying its debt is controlled by the government.</li> <li>IX. <b>Notes to the GPFs</b> shall include narrative descriptions or more detailed schedules or analyses of amounts shown on the face of the GPFs, as well as additional information</li> </ol>	<p><b>General Purpose Financial Statements (GPFS)</b></p> <p>The GPFS comprise of Statement of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by Edati Local Government Council and Accounting Policies and Notes to the Financial Statements. In Edati Local Government Council, the GPFS Accounting Policy include the following:</p> <ol style="list-style-type: none"> <li>I. Statement 1 - Cash Flow Statements: Statement of Cash Receipts and Payments which:             <ul style="list-style-type: none"> <li>▪ recognizes all Cash Receipts, Cash Payments and Cash Balances controlled by Edati Local Government Council; and</li> <li>▪ separately identifies payments made by third parties on behalf of Edati Local Government Council.</li> </ul> </li> <li>II. Statement 2 - Statement of Assets and Liabilities: Statement of Financial Position (also known as Balance Sheet);</li> <li>III. Statement 3 - Statement of Consolidated Revenue Fund: Statement of Recurrent Financial Performance (also known as Profit &amp; Loss Account);</li> <li>IV. Statement 4- Statement of Capital Development Fund: Statement of Capital Financial Performance (also known as Capital Expenditure);</li> <li>V. Notes to the Accounts: Additional disclosures to explain the GPFS; and</li> <li>VI. Accounting Policies and Explanatory Notes.</li> </ol>





<p><b>3 Basis of Preparation and Legal Provisions</b></p> <p>The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, GPFS are in compliance with the provisions of other financial regulations of Edati Local Government Council</p>	<p><b>6 Reporting Currency</b></p> <p>The General Purpose GPFS are prepared in Nigerian Naira.</p>
<p><b>4 Fundamental Accounting Concepts</b></p> <p>The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in Edati Local Government Council</p> <ul style="list-style-type: none"> <li>? Cash Basis of Accounting;</li> <li>? Understability;</li> <li>? Materiality,</li> <li>? Relevance;</li> <li>? Going Concern Concept;</li> <li>? Consistency Concept</li> <li>? Prudence</li> <li>? Completeness, etc.</li> </ul>	<p><b>7 LGC for Consolidation</b></p> <ul style="list-style-type: none"> <li>▪ The Consolidation of the GPFS are based on the Cash transactions of Edati Local Government Council except Government Business Enterprises (GBEs).</li> </ul>
<p><b>5 Accounting Period</b></p> <p>The accounting year (fiscal year) is from 1<sup>st</sup> January to 31<sup>st</sup> December. Each accounting year is divided into 12 calendar months (periods) and shall be set up as such in the accounting system.</p>	<p><b>8 Comparative Information</b></p> <ul style="list-style-type: none"> <li>▪ The General Purpose GPFS shall disclose all numerical information relating to previous period (at least one year).</li> </ul>
	<p><b>9 Budget Figures</b></p> <ul style="list-style-type: none"> <li>▪ These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation Law of Niger State.</li> </ul>
	<p><b>10 Receipts</b></p> <ul style="list-style-type: none"> <li>? These are Cash inflows within the Financial Year. They comprise of receipts from Statutory Allocations (FAAC monthly disbursement), Taxes, External Assistance (from Bilateral and Multilateral Agencies), Other Aid and Grants, Other Borrowings, Capital Receipts (Sale of Government Assets, etc), Receipts from Trading activities and Other Cash Receipts.</li> <li>? These items shall be disclosed at the face of the Statement of Cash Receipts and Payment for the year in accordance with the standardised GPFS. Notes shall be provided as per standardised Notes to GPFS.</li> </ul>



<p><b>11 External Assistance</b></p> <ul style="list-style-type: none"> <li>? Receipts from Loans are Funds received from external sources to be paid back at an agreed period of time. They are categorised either as Bilateral or Multilateral.</li> <li>? External Loans receipts shall be disclosed separately under Statement of Cash Receipts and Payment for the year.</li> <li>? The Local Governments did not receive external assistance during the two year.</li> </ul>	<p><b>15 Payments</b></p> <ul style="list-style-type: none"> <li>▪ These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorised either by Function and/or by Sector in the Statement of Cash Receipts and Payment.</li> <li>▪ Payments for purchase of items of capital nature( e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.</li> </ul>
<p><b>12 Other Borrowings / Grants&amp; Aid Received</b></p> <ul style="list-style-type: none"> <li>▪ These shall be categorised as either Short or Long term Loans.Short-Term Loans are those repayable within one calendar year (12 months), while Long - Term Loans and Debts shall fall due beyond one calendar year (above 12 months).Loans shall be disclosed separately and Grants shall also be separately disclosed under Statement of Cash Receipts and Payment for the year.</li> </ul>	<p><b>16 Loans Granted:</b></p> <ul style="list-style-type: none"> <li>▪ Payments to other Government and Agencies in form of Loans during the year shall be shown separately in the Statement of Receipts and Payments. Amount disclosed shall be actual amount paid during the year.</li> <li>▪ The Local Governments did not give any loan during the two year.</li> </ul>
<p><b>13 Interest Received</b></p> <ul style="list-style-type: none"> <li>? Interest actually received during the financial year shall be treated as a receipt</li> </ul>	<p><b>17 Loan Repayments</b></p> <p>Cash receipts from loans granted to other agencies and government shall be classified under loan repayments in the Statement of Receipts and Payments . Amount disclosed shall be actual amount received during the year.</p>
<p><b>14 Government Business Activities</b></p> <p>Cash Receipts from Trading Activities shall be received net (after deducting direct expenses) unless otherwise provided for by law or policy in force. Total receipts from all trading activities shall be disclosed in the Statement of Cash Receipts and Payments under 'Trading Activities' item.</p> <p>Where gross revenue is received, corresponding payments shall be charged under a corresponding payment item head ' Government Business Activities' in the Statement of Receipts and Payments.</p>	<p><b>18 Interest on Loans:</b></p> <ul style="list-style-type: none"> <li>▪ Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest payment in the Statement of Cash Receipts and Payments</li> </ul>



19	<p><b>Foreign Currency Transactions:</b></p> <ul style="list-style-type: none"><li>Foreign Currency Transactions throughout the year shall be converted into Nigerian Naira at the ruling (Central Bank of Nigeria –CBN) rate of exchange at the dates of the transactions. Foreign currency balances, as at the year end, shall be translated at the exchange rates prevailing on that date.</li><li>At the end of the financial year, additional amounts (in cash or at bank) arising out of Foreign Exchange Gains/Losses shall be recognised in the Statement of Cash Receipts and Payments either as Receipts / Payments respectively.</li><li>Hence the Edati Local Government Council did not have foreign currency transactions during the two year.</li></ul>
20	<p><b>Prepayments</b></p> <ul style="list-style-type: none"><li>Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.</li><li>The Local Governments did not make prepayment to contractors during the two year.</li></ul>
21	<p><b>Cash Balances</b></p> <p>This includes Cash in Hand, at Bank and Cash Equivalentents at the end of the Financial year.</p>

**COUNCIL OFFICIALS**

- COUNCIL MEMBERS DESIGNATION:**

Honourable Isah Mamma Zubairu	Executive Chairman
Honourable Ndagana Ladan	Secretary

- HEAD OF DEPARTMENTS:**

<b>NAMES:</b>	<b>DEPARTMENTS</b>	<b>DESIGNATION</b>
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.



NIGER STATE

**AUDIT CERTIFICATE**

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**

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 State Local Government Joint Account Allocation Committee are indicated in the Supplementary Note 1 to the Accounts. In my opinion, the Supplementary Note 1 to accounts presents fairly, in all material respects, the revenue from Federation Account received by Edati Local Government during the year ended December 31st, 2020.

In my opinion, the Financial Statements which are in agreement with the books of accounts and record shows a true and fair view of the financial position of the Edati Local Government for the year ended 31st December, 2020 and the transactions for the year ended at that date.

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



**STATEMENT NO. 1**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ANNUAL BUDGET 2021 N		COA	NOTES	ACTUAL YEAR 2021	PREVIOUS YEAR 2020
				N	N
	<b>CashFlows from Operating Activities:</b>				
	<u>Receipts:</u>				
1,562,114,748.00	Statutory Allocations:FAAC		1	1,268,117,347.27	1,845,154,258.68
534,801,341.00	Value Added Tax Allocation		1	681,130,499.54	-
<b>2,096,916,089.00</b>	<b>Sub-total - Statutory Allocation</b>			<b>1,949,247,846.81</b>	<b>1,845,154,258.68</b>
1,000,000.00	Direct Taxes		2	-	-
8,103,000.00	Licences		2	7,899,500.00	3,348,950.00
-	Mining Rents:		2	-	-
-	Royalties		2	-	-
-	Fees:		2	-	-
-	Fines		2	-	-
-	Sales		2	-	-
6,550,000.00	Earnings :		2	1,851,838.34	1,154,994.31
550,000.00	Sales/Rent of Government Buildings:		2	-	-
-	Sale/Rent on Lands and Others:		2	-	-
300,000.00	Rates		2	77,000.00	69,500.00
-	Investment Income		2	-	-
-	Interest Earned		2	-	-
147,447,704.00	10% IGR From State		2	25,723,459.41	22,002,508.32
<b>163,950,704.00</b>	<b>Sub-total - Independent Revenue</b>			<b>35,551,797.75</b>	<b>26,575,952.63</b>
-	<b>Other Revenue Sources of L/Government</b>			-	-
-	Domestic Grants		3	-	21,747,549.18
-	Grants From other LGs		3	-	-
<b>2,260,866,793.00</b>	<b>Total Receipts</b>			<b>1,984,799,644.56</b>	<b>1,893,477,760.49</b>
	<u>Payments:</u>				
1,107,014,665.00	Personnel Costs ( Including Salaries on CRF Charges):		4	929,314,527.25	961,378,269.61
-	Federal/ States/ LGC Govt Contribution to Pension:		5	-	-
189,776,540.00	Overhead Charges:		6	166,409,653.26	113,098,866.96
110,550,900.00	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)		7	99,798,095.11	82,960,385.12
28,800,000.00	Subvention to Parastatals:		8	28,800,000.00	102,000,000.00
314,778,874.00	Other Operating Activities		9	289,376,335.02	279,431,098.01
302,143,112.45	Other Transfers		10	302,143,112.45	337,308,776.91
<b>2,053,064,091.45</b>	<b>Total Payments</b>			<b>1,815,841,723.09</b>	<b>1,876,177,396.61</b>
<b>207,802,701.55</b>	<b>Net Cash Flow from Operating Activities</b>			<b>168,957,921.47</b>	<b>17,300,363.88</b>



	<b>CashFlows from Investment Activities:</b>				
95,000,000.00	Capital Expenditure:Administrative Sector:		<b>12</b>	13,648,000.00	58,914,049.00
247,000,000.00	Capital Expenditure: Economic Sector:		<b>12</b>	4,580,000.00	97,836,304.00
-	Capital Expenditure: Law and Justice:		<b>12</b>	-	-
-	Capital Expenditure:Regional Development		<b>12</b>	-	-
137,303,968.00	capital expenditure: Social Service Sector:		<b>12</b>	12,700,000.00	79,849,647.00
-	Capital Expenditure: Funded from Aid and Grants:		<b>11</b>	-	-
<b>479,303,968.00</b>	<b>Net Cash Flow from Investment Activities:</b>			<b>30,928,000.00</b>	<b>236,600,000.00</b>
	<b>CashFlows from Financing Activities:</b>				
-	Proceeds from Aid and Grants		<b>11</b>	-	-
-	Proceeds from External Loan :		<b>20</b>	-	-
-	Proceeds from Internal Loans: FGN/Treasury Bonds :		<b>21</b>	-	-
-	Proceeds from Internal Loan		<b>22</b>	-	224,000,000.00
-	Proceeds from Development of Nat Resources		<b>23</b>	-	-
-	Proceeds of Loans from Other Funds		<b>24</b>	-	-
-	Repayment of External Loans ( Including Servicing)		<b>20</b>	-	-
-	Repayment of FGN/Treasury Bonds :		<b>21</b>	-	-
96,000,000.00	Repayment of Internal Loan		<b>22</b>	96,000,000.00	- 40,000,000.00
-	Repayment of Loans from Development of Nat Resources		<b>23</b>	-	-
	Repayment of Loans from Other Funds		<b>24</b>	-	-
<b>96,000,000.00</b>	<b>Net Cash Flow from Financing Activities:</b>			<b>96,000,000.00</b>	<b>184,000,000.00</b>
	<b>Movement in Other Cash Equivalent Accounts</b>				
-	(Increase)/ Decrease in Investments			-	-
-	Net (Increase)/Decrease in Other Cash Equivalents:			-	-
-	<b>Total Cashflow from other Cash equivalent Accounts</b>			-	-
	Net Cash for the year			42,029,921.47	- 35,299,636.12
-	Cash & Its Equivalent as at 1st January, 2021			504,626.29	35,804,262.41
-	Cash & Its Equivalent as at 31st December, 2021			<b>42,534,547.76</b>	<b>504,626.29</b>



**STATEMENT NO. 2**  
**STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	NOTES	CURRENT YEAR 2021	PREVIOUS YEAR 2020
		N	N
<b>ASSETS:-</b>			
<b>Liquid Assets:-</b>			
Cash Held by AGF:			
-CRF Bank Balance(CBN/ CRF Bank):		-	-
-Pension Account (CBN/ Bank):		-	-
-Other Bank of the Treasury		-	-
-Cash Balances of Trust & Other Funds of the FGN/ States/LGC:		-	-
-Cash Balances with Federal Pay Offices/ Sub-Treasury:		-	-
Cash Held by Agaie Local Government	15	42,534,547.76	504,626.29
<b>TOTAL LIQUID ASSETS</b>		<b>42,534,547.76</b>	<b>504,626.29</b>
<b>Investments and Other Cash Assets:</b>			
Federal/ State/ Local Government Investments	16	-	-
Imprests:-	17	-	-
Advances:-	18	-	-
Revolving Loans Granted:-	19	-	-
Intangible Assets		-	-
<b>TOTAL INVESTMENTS AND OTHER CASH ASSETS</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>42,534,547.76</b>	<b>504,626.29</b>
<b>LIABILITIES OVER ASSETS</b>		<b>102,381,401.70</b>	<b>240,418,485.58</b>
<b>TOTAL</b>		<b>144,915,949.46</b>	<b>240,923,111.87</b>
<b>LIABILITIES:-</b>			
<b>PUBLIC FUNDS</b>			
Consolidated Revenue Fund:		42,534,547.76	45,204,990.17
Capital Development Fund:		-	-
Trust & Other Public Funds:		-	-
Police Reward Fund		-	-
<b>TOTAL PUBLIC FUNDS</b>		<b>42,534,547.76</b>	<b>45,204,990.17</b>
<b>EXTERNAL AND INTERNAL LOANS</b>			
External Loans:FGN/States/ LGC	20	-	-
FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-
internal Loans	22	88,000,000.00	184,000,000.00
Development Loan Stock	23	-	-
Loan From other Funds	24	-	-
Internal Loans from Other Funds		-	-
<b>TOTAL EXTERNAL AND INTERNAL LOANS</b>		<b>88,000,000.00</b>	<b>184,000,000.00</b>
<b>OTHER LIABILITIES</b>			
Deposits:-	25	14,381,401.70	11,718,121.70
Overdrawn accounts	26	-	-
<b>TOTAL LIABILITIES</b>		<b>144,915,949.46</b>	<b>240,923,111.87</b>





## STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021

ACTUAL PREVIOUS YEAR(2020)		NOTES	ACTUAL YEAR 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	VARIANCE ON FINAL BUDGET
			N	N	N	N	%
35,804,262.41	Opening Balance:		504,626.29				
	<b>ADD: REVENUE</b>						
1,845,154,258.68	Statutory Allocations:FAAC	1	1,268,117,347.27	1,562,114,748.00	1,562,114,748.00	-	81.18
-	Value Added Tax Allocation	1	681,130,499.54	534,801,341.00	534,801,341.00	-	-
1,845,154,258.68	<b>Sub-Total - Statutory Allocation</b>		1,949,247,846.81	2,096,916,089.00	2,096,916,089.00	-	-
-	Direct Taxes	2	-	-	-	-	-
3,348,950.00	Licences	2	7,899,500.00	8,103,000.00	8,103,000.00	-	97.49
-	Mining Rents:	2	-	-	-	-	-
-	Royalties	2	-	-	-	-	-
-	Fees:	2	-	-	-	-	-
-	Fines	2	-	-	-	-	-
-	Sales	2	-	-	-	-	-
1,154,994.31	Earnings :	2	1,851,838.34	6,550,000.00	6,550,000.00	-	28.27
-	Sales/Rent of Government Buildings:	2	-	-	-	-	-
-	Sale/Rent on Lands and Others:	2	-	-	-	-	-
69,500.00	RATES	2	77,000.00	300,000.00	300,000.00	-	25.67
-	Investment Income	2	-	-	-	-	-
-	Interest Earned	2	-	-	-	-	-
22,002,508.32	10% IGR From State	2	25,723,459.41	147,447,704.00	147,447,704.00	-	-
26,575,952.63	<b>Sub-Total - Independent Revenue</b>		35,551,797.75	162,400,704.00	162,400,704.00	-	21.89
-	<b>Other Revenue Sources of L/Government</b>		-	-	-	-	-
21,747,549.18	Domrstic Grants	3	-	-	-	-	-
-	Grants From other LGs	3	-	-	-	-	-
1,929,282,022.90	<b>TOTAL REVENUE:</b>		1,985,304,270.85	2,259,316,793.00	2,259,316,793.00	-	-
	<b>LESS:EXPENDITURE</b>						
961,378,269.61	Personnel Costs ( Including Salaries on CRF Charges):	4	929,314,527.25	1,107,014,665.00	1,107,014,665.00	-	83.95
-	Federa/ States/ LGC Govt Contribution to Pension:	5	-	-	-	-	-
113,098,866.96	Overhead Charges:	6	166,409,653.26	189,776,540.00	189,776,540.00	-	87.69
82,960,385.12	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)	7	99,798,095.11	110,550,900.00	110,550,900.00	-	90.27
102,000,000.00	Subvention to Parastatals:	8	28,800,000.00	28,800,000.00	28,800,000.00	-	100.00
279,431,098.01	Other Operating Activities	9	289,376,335.02	314,778,874.00	314,778,874.00	-	91.93
337,308,776.91	Other Transfers	10	302,143,112.45	302,143,112.45	302,143,112.45	-	100.00
1,876,177,396.61	<b>TOTAL EXPENDITURE:</b>		1,815,841,723.09	2,053,064,091.45	2,053,064,091.45	-	88.45
	<b>OTHER RECURRENT PAYMENTS/EXPENDITURE:</b>						
-	Repayments:External Loans:FGN/States/ LGC	19	-	-	-	-	-
-	Repayments:FGN/ States/LGC Bonds & Treasury Bonds.	20	-	-	-	-	-
-	Repayments :Nigerian Treasury Bills (NTB)	21	-	-	-	-	-
40,000,000.00	Repayments:Internal Loans	22	96,000,000.00	96,000,000.00	96,000,000.00	-	-
-	Repayments: Internal Development Loans Stock	23	-	-	-	-	-
-	Repayments:Other Internal Loans( Promissory Notes)	24	-	-	-	-	-
1,916,177,396.61	<b>TOTAL EXPENDITURE:</b>		1,911,841,723.09	2,149,064,091.45	2,149,064,091.45	-	-
13,104,626.29	<b>OPERATING BALANCE:</b>		73,462,547.76	110,252,701.55	110,252,701.55	-	-
	<b>APPROPRIATIONS/TRANSFERS:</b>						
12,600,000.00	Transfer to Capital Development Fund:		30,928,000.00	479,303,968.00	479,303,968.00	-	6.45
504,626.29	<b>Closing Balance:</b>		42,534,547.76				



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**STATEMENT NO. 4**  
**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ACTUAL PREVIOUS YEAR(2020)		NOTES	TOTAL CAPITAL EXPENDITURE 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	PERFORMANCE ON TOTAL
N			N		N		%
-	<b>Opening Balance:</b>		-				
	<b><u>ADD: REVENUE</u></b>						
12,600,000.00	Transfer from Consolidated Revenue Fund:		30,928,000.00	149,467,109.00	149,467,109.00	-	20.69
-	Aid and Grants	11	-	-	-	-	-
-	External Loans:FGN/States/ LGC	20	-	-	-	-	-
-	FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-	-	-	-
224,000,000.00	Internal Loan	22	-	-	-	-	#DIV/0!
-	Development Loan Stock	23	-	-	-	-	-
-	Loan From Other Funds	24	-	-	-	-	-
<b>236,600,000.00</b>	<b>TOTAL REVENUE AVAILABLE:</b>		<b>30,928,000.00</b>	<b>149,467,109.00</b>	<b>149,467,109.00</b>	<b>-</b>	<b>20.69</b>
	<b><u>LESS: CAPITAL EXPENDITURE</u></b>						
58,914,049.00	Capital Expenditure:Administrative Sector:	12	13,648,000.00	95,000,000.00	95,000,000.00	-	14.37
97,836,304.00	Capital Expenditure: Economic Sector:	12	4,580,000.00	247,000,000.00	247,000,000.00	-	1.85
-	Capital Expenditure: Law and Justice:	12	-	-	-	-	-
-	Capital Expenditure:Regional Development	12	-	-	-	-	-
79,849,647.00	Capital Expenditure: Social Service Sector:	12	12,700,000.00	137,303,968.00	137,303,968.00	-	9.25
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-	-	-	-
<b>236,600,000.00</b>	<b>TOTAL CAPITAL EXPENDITURE:</b>		<b>30,928,000.00</b>	<b>479,303,968.00</b>	<b>479,303,968.00</b>	<b>-</b>	<b>6.45</b>
	Intangible Assets		-				
-	<b>CLOSING BALANCE:</b>		-				



## NOTE TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021

<i>Details</i>					
<b>NOTE 1</b>	<b>Ref. Note</b>	<b>Amount</b>	<b>Amount</b>		<b>Remarks</b>
<b>A- Share of Statutory Allocation from FAAC</b>		<b>N</b>	<b>N</b>		
Net Share of Statutory Allocation from FAAC	<b>A</b>	1,189,754,727.41			
Add :Deduction at source for Loan Repayment	<b>B</b>	-			
Share of Exchange Gain Differencial	<b>C</b>	4,686,664.17			
Share of Federal Accounts Allocation- Excess Crude Oil	<b>D</b>	35,086,226.99			
<b>Non-oil Revenue</b>	<b>E</b>	38,589,728.70			
<b>Total FAAC Allocation to LG</b>			<b>1,268,117,347.27</b>		
<b>B. Value Added Tax</b>					
Share of Value Added Tax (VAT)		681,130,499.54	681,130,499.54		
<b>Total Statutory Allocation to LG</b>			<b>1,949,247,846.81</b>		
<b>NOTE 2</b>					
<b>Internally Generated Revenue (Independent Revenue)</b>		<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	
<b>Direct Taxes</b>					
Edati local government Internal Revenue		-	1,000,000.00	1,000,000.00	
<b>Total - Direct Taxes</b>		-	<b>1,000,000.00</b>	<b>1,000,000.00</b>	
<b>Licences</b>					
Edati local government Internal Revenue		7,899,500.00	8,103,000.00	203,500.00	
<b>Total Licences</b>		<b>7,899,500.00</b>	<b>8,103,000.00</b>	<b>203,500.00</b>	
<b>Mining Rents</b>					
Edati local government Internal Revenue		-	-	-	
<b>Total Mining Rents</b>		-	-	-	
<b>Royalties</b>					
Edati local government Internal Revenue		-	-	-	
<b>Total Royalties</b>		-	-	-	
<b>Fees</b>					
Edati local government Internal Revenue		-	-	-	
<b>Total Fees</b>		-	-	-	
<b>Fines</b>					
Edati local government Internal Revenue		-	-	-	
<b>Total Fines</b>		-	-	-	



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<b>Sales</b>				
Edati local government Internal Revenue		-	-	-
<b>Total Sales</b>		-	-	-
<b>Earnings</b>				
Edati local government Internal Revenue		1,851,838.34	6,550,000.00	4,698,161.66
<b>Total Earnings</b>		<b>1,851,838.34</b>	<b>6,550,000.00</b>	<b>4,698,161.66</b>
<b>Sales/Rent of Government Buildings</b>				
Edati local government Internal Revenue		-	550,000.00	550,000.00
<b>Total Sales/Rent of Government Buildings</b>		-	<b>550,000.00</b>	<b>550,000.00</b>
<b>Sale/Rent on Lands and Others:</b>				
Edati local government Internal Revenue		-	-	-
<b>Total Sale/Rent on Lands and Others</b>		-	-	-
<b>Rates</b>				
Edati local government Internal Revenue		77,000.00	300,000.00	223,000.00
<b>Total Rates</b>		<b>77,000.00</b>	<b>300,000.00</b>	<b>223,000.00</b>
<b>Investment Income</b>				
Edati local government Internal Revenue		-	-	-
<b>Total Investment Income</b>		-	-	-
<b>Interest Earned</b>				
Edati local government Internal Revenue		-	-	-
<b>Total Interest Earned</b>		-	-	-
<b>10% IGR From State</b>				
Edati local government Internal Revenue		25,723,459.41	147,447,704.00	121,724,244.59
<b>Total 10% IGR From State</b>		<b>25,723,459.41</b>	<b>147,447,704.00</b>	<b>121,724,244.59</b>
<b>Total - Independent Revenue</b>		<b>35,551,797.75</b>	<b>163,950,704.00</b>	<b>128,398,906.25</b>



<b>NOTE 3</b>					
<b>Other Revenue Sources of L/Govt:</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Domestic Grants		-	-	-	
<b>Total Domestic Grants</b>		-	-	-	
<b>Grant from other LGs</b>		-	-	-	
Total Grant from other LGS		-	-	-	
<b>NOTE 4</b>					
<b>A - Total Personnel Costs ( Including Salaries directly charged to CRF in Note 4B below):</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		5,716,287.65	10,502,753.00	4,786,465.35	
The Council		24,407,206.74	26,093,000.00	1,685,793.26	
Office Of The Secretary		1,804,010.93	3,617,820.00	1,813,809.07	
Personnel Management		36,886,649.71	47,769,536.00	10,882,886.29	
<b>TOTAL Personnel Cost Administrative Sector</b>		<b>68,814,155.03</b>	<b>87,983,109.00</b>	<b>19,168,953.97</b>	
					CRF Charges in Note 3
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		32,065,498.00	36,366,947.00	4,301,449.00	
Budget, Planning & Research		3,511,473.60	5,742,838.00	2,231,364.40	
Works And Housing		49,439,281.22	55,100,302.00	5,661,020.78	
Agriculture And Natural Resources		36,680,233.01	41,909,360.00	5,229,126.99	
<b>TOTAL Personnel Cost Economic Sector</b>		<b>121,696,485.83</b>	<b>139,119,447.00</b>	<b>17,422,961.17</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		535,043,484.03	568,523,060.00	33,479,575.97	
Primary Health Cure		179,286,975.29	288,638,932.00	109,351,956.71	
Social Development		-	-	-	
Traditional Council		24,473,427.07	22,750,117.00	1,723,310.07	
<b>Total Personnel Cost Social Sector</b>		<b>738,803,886.39</b>	<b>879,912,109.00</b>	<b>141,108,222.61</b>	
<b>Total Personnel Cost For All Sectors</b>		<b>929,314,527.25</b>	<b>1,107,014,665.00</b>	<b>177,700,137.75</b>	
<b>B- Salaries directly charged to CRF( included in Note 4A above)</b>					

<b>List of Parastatals and Agencies:</b>		-	-	-
Judges of Supreme Court of Nigeria		-	-	-
Judges of Court of Appeal		-	-	-
other Judges of Court in Nigeria		-	-	-
Auditor -General for Federation		-	-	-
Auditor -General for State		-	-	-
Auditor -General for Local Government		-	-	-
INEC Chairman and Commissioners		-	-	-
e.t.c.		-	-	-
<b>Total</b>		<b>929,314,527.25</b>	<b>1,107,014,665.00</b>	<b>177,700,137.75</b>

**NOTE 5****Employers Contribution to Pension according to Sector**

Administrative Sector		-	-	-
Economic Sector		-	-	-
Law and Justice Sector		-	-	-
Regional Sector		-	-	-
Social Sector		-	-	-
<b>Total Employers Contribution to Pension</b>		<b>-</b>	<b>-</b>	<b>-</b>

**NOTE 6****Overhead Costs****Administrative Sector**

	Actual	Total Budget	Variance
Office Of The Chairman	85,148,070.37	114,818,860.00	29,670,789.63
The Council	35,817,663.30	22,500,000.00	- 13,317,663.30
Office Of The Secretary	3,779,666.33	2,000,000.00	- 1,779,666.33
Personnel Management	8,298,000.00	3,900,000.00	- 4,398,000.00
<b>Total Overhead Cost Administrative Sector</b>	<b>133,043,400.00</b>	<b>143,218,860.00</b>	<b>10,175,460.00</b>

**Economic Sector**

	Actual	Total Budget	Variance
Finance And Supply	9,066,853.26	8,400,000.00	- 666,853.26
Budget, Planning & Research	2,542,000.00	3,800,000.00	1,258,000.00
Works And Housing	8,364,500.00	7,389,000.00	- 975,500.00
Agriculture And Natural Resources	2,200,600.00	10,575,140.00	8,374,540.00
<b>TOTAL Overhead Cost Economic Sector</b>	<b>22,173,953.26</b>	<b>30,164,140.00</b>	<b>7,990,186.74</b>



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<b>Social Sector</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Adult Education	7,813,300.00	8,957,000.00	1,143,700.00
Primary Health Cure	3,279,000.00	7,436,540.00	4,157,540.00
Social Development	-	-	-
Traditional Council	100,000.00	-	100,000.00
<b>Total Overhead Cost Social Sector</b>	<b>11,192,300.00</b>	<b>16,393,540.00</b>	<b>5,201,240.00</b>
<b>Total Overhead Cost For All Sectors</b>	<b>166,409,653.26</b>	<b>189,776,540.00</b>	<b>23,366,886.74</b>
<b>NOTE 7</b>			
<b>Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Monthly Pension	99,798,095.11	110,550,900.00	10,752,804.89
<b>Total Consolidated Revenue Fund Charges</b>	<b>99,798,095.11</b>	<b>110,550,900.00</b>	<b>10,752,804.89</b>
<b>NOTE 8</b>			
<b>Subventions to Parastatals (According to Sectors-List)</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Administrative Sector	28,800,000.00	28,800,000.00	-
Economic Sector	-	-	-
Law and Justice Sector	-	-	-
Regional Sector	-	-	-
Social Sector	-	-	-
<b>Total Subventions to Parastatals</b>	<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>
<b>NOTE 9</b>			
<b>Other Operating Activities</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Administrative Sector	256,556,587.07	262,723,492.00	6,166,904.93
Economic Sector	-	-	-
Law and Justice Sector	-	-	-
Regional Sector	-	-	-
Social Sector	32,819,747.95	52,055,382.00	19,235,634.05
<b>Total Other Operating Activities</b>	<b>289,376,335.02</b>	<b>314,778,874.00</b>	<b>25,402,538.98</b>
<b>NOTE 10</b>			
<b>Other Transfer</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Administrative Sector	19,200,000.00	19,200,000.00	-
Economic Sector	-	-	-
Law and Justice Sector	-	-	-
Regional Sector	-	-	-
Social Sector	9,600,000.00	9,600,000.00	-
<b>sub-total</b>	<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>
Transfers to other local governments	273,343,112.45	273,343,112.45	-
<b>Total Other Transfer</b>	<b>302,143,112.45</b>	<b>302,143,112.45</b>	<b>-</b>



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<b>NOTE 11</b>					
<b>Details of Aid &amp; Grants Received</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
<b>Bilateral</b>		-	-	-	
<b>Multi Lateral</b>		-	-	-	
<b>ETC</b>		-	-	-	
<b>Total Details of Aid &amp; Grants Received</b>		-	-	-	
<b>NOTE 12</b>					
<b>A - Details of Total Capital Expenditures (According to Sectors)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		13,648,000.00	95,000,000.00	81,352,000.00	
Economic Sector		4,580,000.00	247,000,000.00	242,420,000.00	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		12,700,000.00	137,303,968.00	124,603,968.00	
<b>Total Details of Capital Expenditures</b>		<b>30,928,000.00</b>	<b>479,303,968.00</b>	<b>448,375,968.00</b>	
<b>B - Details of Capital Expenditures of Parastatals (Included in 12A above)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		-	-	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Details of Capital Expenditures of Parastatals</b>		-	-	-	
<b>NOTE 13</b>					
<b>CLOSING BOOK BALANCES OF OTHER FUNDS OF THE GOVERNMENT</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the Other Funds Cash Book Balances		-	-		





<b>NOTE 14</b>					
<b>CLOSING CASH BOOK BALANCE OF FEDERAL PAY OFFICES/SUB-TREASURY OFFICES</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the FPO/Sub-Treasuries Cash Book Balances		-	-		
<b>NOTE 15</b>					
<b>CLOSING CASH BOOK BALANCE OF EDATI LOCAL GOVERNMENT</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Edati Local Government		42,534,547.76	504,626.29		
<b>Total Details of Cash Book Balances</b>		<b>42,534,547.76</b>	<b>504,626.29</b>		
<b>NOTE 16</b>					
<b>INVESTMENTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Investments in Quoted Companies		-	-		
Investments in unQuoted Companies		-	-		
Loans to Government Companies		-	-		
Loans to Other Government		-	-		
<b>Total Investments</b>		<b>-</b>	<b>-</b>		
<b>NOTE17</b>					
<b>LIST OF OUTSTANDING IMPRESTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Imprests</b>		<b>-</b>	<b>-</b>		
<b>NOTE 18</b>					
<b>LIST OF OUTSTANDING ADVANCES</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Advances</b>		<b>-</b>	<b>-</b>		



<b>NOTE 19</b>					
<b>Revolving Loan Account</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 20</b>					
<b>External Loans:FGN/States/ LGC</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 21</b>					
<b>FGN/ States/LGC Bonds &amp; Treasury Bonds.</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 22</b>					
<b>Internal Loan</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>Opening balance at as 1st january, 2021</b>		184,000,000.00	-		
Add: Additional Loan Issued		-	224,000,000.00		
Less: Repaid		96,000,000.00	40,000,000.00		
<b>Loans as at 31st December, 2021</b>		<b>88,000,000.00</b>	<b>184,000,000.00</b>		



<b>NOTE 23</b>				
<b>Development Loan Stock</b>				
List the Loans	<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1	-	-	-	-
Loan 2	-	-	-	-
Loan 3	-	-	-	-
Loan 4	-	-	-	-
<b>Total</b>	-	-	-	-

<b>NOTE 24</b>				
<b>Internal Loans from Other Funds</b>				
List the Loans	<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1	-	-	-	-
Loan 2	-	-	-	-
Loan 3	-	-	-	-
Loan 4	-	-	-	-
<b>Total</b>	-	-	-	-

<b>NOTE 25</b>				
<b>Schedule of Deposit</b>				
	<b>Amount 2021</b>	<b>Amount 2020</b>		
Edati Local Government	14,381,401.70	11,718,121.70		
<b>Total Outstanding Deposits</b>	<b>14,381,401.70</b>	<b>11,718,121.70</b>		
<b>Details Of Deposits</b>				
5% VAT	7,067,710.85	5,588,110.85		
Withholding Tax	6,387,010.85	5,400,610.85		
1% Stamp Duty	926,680.00	729,400.00		
<b>TOTAL</b>	<b>14,381,401.70</b>	<b>11,718,121.70</b>		

<b>NOTE 26</b>				
<b>Schedule of Overdrawn accounts</b>				
	<b>Amount 2021</b>	<b>Amount 2020</b>		
Edati Local Government	-	-		
<b>Total Overdrawn account</b>	<b>-</b>	<b>-</b>		

<b>NOTE 27</b>				
<b>CONTINGENT LIABILITES AS AT YEAR END</b>				
	<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>E.G.</b>				<b>List All the Contigent Liabilities</b>
... Pension and Gratuity Due	-	-		
....Outstanding Contractors Liabilities ( According to MDA)	-	-		
.....Pending Litigations ( According to MDA)	-	-		
.....Guarantees ( According to MDA)	-	-		
..... Others	-	-		
<b>Total Contigent Liabilities</b>	<b>-</b>	<b>-</b>		

**SUPPLEMENTARY NOTE**

<b>1 GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)</b>			
		<b>2021</b>	<b>2020</b>
	<b>MONTH</b>	<b>TOTAL</b>	<b>TOTAL</b>
	JANUARY	144,760,390.84	170,780,986.63
	FEBRUARY	152,219,741.60	157,670,853.57
	MARCH	124,797,997.20	141,039,936.40
	APRIL	142,121,984.91	160,462,005.24
	MAY	156,500,302.44	148,698,418.04
	JUNE	151,612,312.15	134,551,807.15
	JULY	178,322,894.30	163,403,956.32
	AUGUST	178,322,894.30	167,668,266.92
	SEPTEMBER	179,016,052.05	166,150,002.38
	OCTOBER	187,040,333.95	155,424,523.23
	NOVEMBER	178,147,199.82	140,301,716.65
	DECEMBER	176,385,743.25	139,001,786.15
	<b>TOTAL</b>	<b>1,949,247,846.81</b>	<b>1,845,154,258.68</b>

<b>INTERNELLY GENERATED REVENUE 2021</b>	
<b>DETAILS</b>	<b>AMOUNT</b>
Taxes	-
Rates	77,000.00
Lincences	7,899,500.00
Earning	1,851,838.34
Rent	-
interest	-
10% IGR From State	25,723,459.41
<b>TOTAL</b>	<b>35,551,797.75</b>



**1.1 INTRODUCTION**

In compliance with the provision of section 125 (2) of 1999 Constitution of the Federal Republic of Nigeria and Niger State Local Government Law (N.S.L.N. No. 14) of 2001, I have examined the Accounts and Financial Statement of Edati Local Governments for the year ended 31<sup>st</sup> December, 2021 in accordance with the Public Finance (Control Management Act. 1958).

I have therefore certified the accounts as correct subject to various observations raised and contained in this report while the irregularities discovered thereon had been forwarded through Audit Inspection reports to the attached Accounting officers for their comments and necessary actions

**2.0 FINANCIAL HIGHLIGHT**

<b>RECEIPTS DESCRIPTION</b>	<b>AMOUNT (?)</b>	<b>PERCENTAGE</b>
Internally Generated Revenue	9,828,338.34	0.50%
10% IGR	25,723,459.41	1.30%
VAT	681,130,499.54	34.32%
Exchange Gain Deferential	4,686,664.17	0.24%
Excess Crude Oil	35,086,226.99	1.76%
Non-Oil Revenue	38,589,728.70	1.94%
Statutory Allocation	1,189,754,727.41	59.94%
	<u>? 1,984,799,644.56</u>	<u>100.00%</u>

**2.02.1 ANALYSIS OF REVENUE AND EXPENDITURE****2.1.1 REVENUE**

The sum of ? 1,984,799,644.56 accrued to the EDATI Local Government Councils as total receipts for the year ended 31<sup>st</sup> December, 2021

**2.1.1.1 INTERNALLY GENERATED REVENUE**

Edati Local Government Council generated the sum of ? 9,828,338.34 and ? 25,723,459.41 as Internally Generated Revenue and 10% IGR from State respectively, this amounted to a total of ? 35,551,797.75 only for the year ended 31<sup>st</sup> December, 2021 which represented 1.79% of the total accrued revenue of 1,984,799,644.56. This shows that the Council solely depend on statutory allocation from the Federation Account and grants from other sources for survival despite my several advices to improve and explore other sources of revenue for the Council. This could result to non-survival of the councils if there is a decline of revenue from the Federation Account. I advise that the Council should make up extra efforts to generate more in the years ahead.

**2.1.1.2 FEDERAL STATUTORY ALLOCATION**

The sum of ? 1,189,754,727.41 which is 87.13% of the total receipts of 1,984,799,644.56 was disbursed to Edati Local Government Council for the year under review. This sum comprises the followings:



- i. VAT
- ii. Exchange Gain Deferral
- iii. Excess Crude Oil
- iv. Non-Oil Revenue
- v. Statutory Allocation

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

## 2.1.2 EXPENDITURE

### 2.1.2.1 ANALYSIS OF EXPENDITURE

The total sum of 1,984,799,644.56 was allocated directly to Edati Local Government Council and expended as follows:

DETAILS	AMOUNT ( ? )	PERCENTAGE
(i) Personnel cost	929,314,527.25	47.83%
(ii) Overhead cost	166,409,653.26	8.57%
(iii) Consolidated Fund charges	99,798,095.11	5.14%
(iv) Operating Activities	289,376,335.02	14.90%
(v) Other Transfers	302,143,112.45	15.55%
(vi) Contributions	28,800,000.00	1.48%
(vii) Loan Repayment	96,000,000.00	4.94%
(viii) Cash flow from investment	30,928,000.00	1.59%
	<b><u>1,942,769,723.09</u></b>	<b><u>100.00%</u></b>

## 3.0 WEAKNESSES IN THE INTERNAL CONTROL SYSTEM

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

### 3.1 Unsupported payments by third party documentation

I observed that most of the payment vouchers raised were not having documentary evidences such as delivery notes, Stores Received Vouchers, Stores Issues Vouchers, receipts etc. to justify the payments made. This implies some of the payments were made for goods not delivered or services not rendered.

I advised the Councils to ensure that all payments are supported appropriately.

### 3.2 Unremitted WHT, VAT and STAMP DUTIES Deductions

During the course of my audit I observed that Edati Local Government Council had not remitted ? 14,381,401.70 to the appropriate authorities as at 31 December 2021. The outstanding amount comprises of N6,387,010.85 in respect of WHT and N7,067,710.85 in respect of VAT and ? 926,680.00 in respect of Stamp duty.

This exposes the Local Government Council to the risk of payment of fines and penalties for late remittance.

I advised the Council to remit the outstanding deductions immediately and in future, the Council should ensure all deductions are made and remitted in accordance with the relevant guidelines.



**3.1. Payment Vouchers not checked nor passed by the Internal Audit Unit.**

During the course of our audit exercise, it was observed that despite being raised in our previous reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued in some cases which contravenes chapter 14 section 1-19 of Model Financial Memoranda. The non-compliance was evidenced by the Payment Vouchers which were prepared and paid out without endorsement by the Internal Audit Unit and Officer Controlling the Vote and Checks by the Accounting Officer. This exposes the Council to fraudulent practices.

I advised the Council to adhere strictly to the provisions of the Model Financial Memoranda.

**3.2. Non-maintenance of Fixed/Moveable Asset register.**

A Fixed Assets Register is a management tool to monitor and control use of assets. However, as pointed out in my previous reports, Edati Local Council did not maintain an up-to-date Fixed Assets Register during the year under review.

I advised the Council to ensure that an up-to-date Fixed Assets/Movable Assets Register is maintained.

**3.3. Non-maintenance of Loan/Overdraft Register/Ledger.**

We observed that Edati Local Government Council did not maintain Loans/Overdraft Register/Ledger during the year.

The risk is that the Council may not be able to reconcile loan balances with the lenders leading to overpayments or fines and penalties for under payments.

We recommend that the Council should immediately open and maintain Loans Register. In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that all issues raised above in this section should be addressed before my next audit

**4.0 BUDGETARY CONTROL****4.1 REVENUE COMPARISON**

During the year under review, there was a shortfall in the target of Internally Generated Revenue in Edati Local Government Council in all revenue codes as shown below:

**EDATI LOCAL GOVERNMENTS BUDGETED INTERNALLY GENERATED REVENUE COMPARED WITH ACTUAL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**

S/N	CODES	DETAILS	BUDGET ?	ACTUAL ?	SHORTFALL ?
1	12010000	Taxes	1,000,000.00	-	(1,000,000.00)
2	12021700	Rates	300,000.00	77,000.00	(223,000.00)
3	12021300	Local Licenses, Fees, and Fine	8,103,000.00	7,899,500.00	(203,500.00)
4	12021500	Earning from Commercial undertakings	6,550,000.00	1,851,838.34	(4,698,161.66)
5	12021600	Rent on Local Government Properties	550,000.00	-	(650,000.00)
6	12021100	Interest	-	-	-
<b>TOTAL</b>			<b>16,503,000.00</b>	<b>9,828,338.34</b>	<b>6,674,661.66</b>

From the above table, it clearly shows that the Council rely solely on Statutory Allocation from the Federation Account for its survival when comparing the total budgeted amount of ? 16,503,000.00 with actual Internally Generated Revenue of ? 9,828,338.34 leaving a short fall of ? 10,105.66 during the year under review.

This implies that the Council could not fully implement its planned programs during the financial year or the budget was not realistic.

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

- i. Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- ii. Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- iii. Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- iv. Control over issuance of revenue receipts
- v. Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.
- vi. The Council should ensure that realistic budgets are prepared.

## 4.2 RECURRENT EXPENDITURE

### 4.2.1 PERSONNEL COST

As regards to the personnel cost, it was observed that, the sum of ? 961,378,269.61 and ? 929,314,527.25 was spent as personnel cost in 2020 and 2021 respectively with an increase of ? 32,063,742.36 over the previous year. The increase represents 3.45% of personnel cost for the year under review. The increase was due to promotion and advancement of personnel during the year under review.





**4.2.2 CAPITAL EXPENDITURE****4.2.2.1 CAPITAL PROJECT**

During the year under review it was observed that the sum of ₦ 30,928,000.00 was spent on capital project by Edati local Government Council. This was made by the council to boost the developmental activities in the Rural areas in which various Project were executed and some were still in progress. Though the approved Capital Expenditure Estimate was ₦ 479,303,968.00 and only the sum of ₦ 30,928,000.00 representing 3.55% was Expended leading to a variance of ₦ 17,002,398.00.

I advised the council to ensure that estimate should be based on realistic and cognizance of Environmental factor, and the cashflow should be adequately monitored in order to reduce unnecessary expenses on overhead and give priority to project execution.

**5.0 ANALYSIS OF ASSETS AND LIABILITIES****5.1 ASSETS****5.1.1 CASH AND ITS EQUIVALENTS**

The closing cash and its equivalents amounted to the sum of ₦ 42,534,547.76k for Edati Local Government as at 31<sup>st</sup> December, 2021.

**5.2. LIABILITIES****5.2.1. DEPOSITS**

Deposits comprise unremitted statutory deductions and non-statutory deductions as shown below.

• Statutory Deposits	₦ 14,381,401.70
• Non-Deposits	Nil
<b>TOTAL</b>	<b>₦ 14,381,401.70</b>

**5.2.1.1 UNREMITTED DEDUCTIONS**

The balance on the unremitted deductions account was ₦ 14,381,401.70 as at 31<sup>st</sup> December, 2021. The unremitted deductions include deductions from payments made on behalf of Government Agencies and various other bodies by the Local Government which ought to be promptly remitted to the appropriate authorities.

The management of Edati Local Government Council has been advised to ensure that all Deposits are remitted timely to avoid accumulating liabilities and attracting fines and penalties for the Local Government.

**5.2.1.2. BANK OVERDRAFTS**

The Council did not have bank overdrafts at the end of the financial year under review.

**6.0 OUTSTANDING ISSUES FROM THE AUDIT INSPECTION REPORT**

The following are Outstanding Inspection Report for the period under review.

<b>AGX/F.O.21/TA/EDT/VOL.1</b>		<b>Dated – 06/1/2022</b>
(i) Withdrawal of fund without due Approval	=	₦ 137,000.00
(ii) Payment made but not passed through council		
Internal Auditor for pre-payment Audit	=	₦ 13,157,100.00



**DIRECT LABOUR WORK**

Suspicious payment made for Direct Labour project without, Labour card,  
Job Order and Cost Book attached to payment voucher

## 1. Construction of culvert on the way to the Local Government

Secretariat Enagi 80% work done	=	? 880,000.00
---------------------------------	---	--------------

2	Maitenance of Wooden Bridge Guzzan 100% work completed	=	? 1,110,000.00
---	--	---	----------------

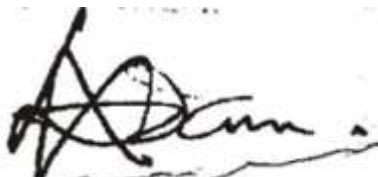
3	Filling of Guzzan to Ketso Road 100% work completed	=	? 200,000.00
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Management in their response acknowledged the weakness and promised to adhere to all payment's procedures.  
I advised management to strictly adhere to the payment procedures as provided for in the Model Financial Memoranda.

**7.0 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, 2021

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



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NIGER STATE

# GBAKO LOCAL GOVERNMENT COUNCIL

## DEPARTMENT OF FINANCE AND SUPPLY

In Reply Quote This  
Number & Date



**PORTAL ADDRESS**

Gbako Local Government,  
New Secretariat Complex  
P.M.B 37  
Lemu Niger State.

Our Ref: GLG/TR/129/VOL 1

Your Ref: \_\_\_\_\_

Date: 24-01-2022

### STATEMENT OF FINANCIAL RESPONSIBILITY

Those financial statement have been prepared by the treasure of Gbako Local Government Council in accordance with the provision of the finance.

(Council and management) act 1958 as amended the financial statements comply with general accepte ! accounting practices.

The treasury is responsible for establishing and maintain a system of internal controls designated to provide reasonable assurance that the transaction recorded are within statutory authority and proper records the use of public financial resources by the Local Government Council. To the best of my knowledge, the system of internal control has operated adequately throughout the reporting period.

We accept responsibility of these financial statements the information they contain and their compliance with the finance (Control and management).

Act 1985 as amended.

In our opinion these financial statement fairly reflect the financial position of Gbako Local Government as at 31<sup>st</sup> December, 2021 band its operations for the years ended on the date.

.....  
TREASURER OF FINANCE & SUPPLY  
TREASURER OF LOCAL GOV'T.  
Date: 24/01/2022  
SIGN.....  
DATE.....

.....  
Chairman  
Date: 24/01/2022  
**CHAIRMAN**  
24 JAN 2022  
SIGN.....  
GBAKO LOCAL GOVT.



NIGER STATE

# NIGER STATE GOVERNMENT

## GBAKO LOCAL GOVERNMENT COUNCIL ACCOUNTING POLICIES (IPSAS CASH)

**ISSUED BY**

**OFFICE OF THE DIRECTOR FINANCE**

**GBAKO LOCAL GOVERNMENT COUNCIL**

**2021**



## List of Abbreviations/Acronyms

Abbreviation/Term	Description
CBN	Central Bank of Nigeria
COA	Chart of Account
FAAC	Federation Accounts Allocation Committee
FGN	Federal Government of Nigeria
FRC	Financial Reporting Council
GAAP	Generally Accepted Accounting Principles
GPFS	General Purpose Financial Statement
IPSAS	International Public Sector Accounting Standards
LFN	Law of the Federal Republic of Nigeria
LGC	Local Government Council
NCOA	National Chart of Account
GBE	Government Business Enterprises
FRCON	Financial Reporting Council of Nigeria
PPE	Properties, Plants and Equipment



**Introduction**

In line with the adoption of the International Public Sector Accounting Standards (IPSAS) in Nigeria, a Standardised Chart of Account (COA) alongside a set of General Purpose Financial Statements (GPFS) have been designed and introduced by FAAC for adoption by all tiers of Government in Nigeria.

The standardised COA and the GPFS is hereby adopted by Gbako Local Government Council to comply with FAAC directive to harmonise public sector accounts reporting in Nigeria.

In order to ensure an effective and efficient utilisation of the COA and GPFS, the Accounting Policies have been developed as a set of guidelines to direct the Processes and Procedures relating to financial reporting in Gbako Local Government Council.

These policies shall form part of the universally agreed framework for financial reporting in Gbako Local Government Council.

**IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when Cash (including Cash Equivalents) is received or paid by the Local Government. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of Cash raised during the period, the purposes for which Cash was used and the Cash balances at the reporting date. The measurement focus in the GPFS balances are Cash and changes during the period. Therefore, Bank Reconciliation Statement shall form integral part of periodic Reports in Gbako Local Government Council.

Notes to the GPFS provide additional information about liabilities, including payables and borrowings, and non-cash assets that include receivables, investments and property, plant and equipment.

This Accounting Policy addresses the following fundamental accounting issues:

1. Definition of Accounting Terminologies
2. Recognition of Accounting Items
3. Measurement of Accounting Items
4. Treatment of Accounting items

The Accounting Policy is subject to periodic reviews and updates as shall be deemed necessary by the Director Finance, Gbako Local Government Council.







S/N	Accounting Policies:	2	<b>General Purpose Financial Statements (GPFS)</b>
1	<p><b>Accounting Terminologies / Definitions</b></p> <p>I. <b>Accounting policies</b> are the specific principles, bases, conventions, rules and practices adopted by Gbako Local Government Council in preparing and presenting Financial Statements.</p> <p>II. <b>Cash:</b> Cash comprises cash in hand, demand deposits in financial institutions and cash equivalents.</p> <p>III. <b>Cash equivalents</b> are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.</p> <p>IV. <b>Cash basis</b> means a basis of accounting that recognizes transactions and other events only when cash is received or paid.</p> <p>V. <b>Cash flows</b> are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.</p> <p>VI. <b>Cash receipts</b> are cash inflows.</p> <p>VII. <b>Cash payments</b> are cash outflows.</p> <p>VIII. <b>Cash Controlled by Gbako Local Government Council:</b> Cash is deemed to be controlled by Gbako Local Government Council when the government can freely use the available cash for the achievement of its objectives or enjoy benefit from the cash, and can also exclude or regulate the access of others to that benefit. Cash collected by, or appropriated or granted to the government which the government can freely use to fund its operating objectives, such as acquiring of capital assets or repaying its debt is controlled by the government.</p> <p>IX. <b>Notes to the GPFS</b> shall include narrative descriptions or more detailed schedules or analyses of amounts shown on the face of the GPFS, as well as additional information</p>	<p>The GPFS comprise of Statement of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by Gbako Local Government Council and Accounting Policies and Notes to the Financial Statements. In Gbako Local Government Council, the GPFS Accounting Policy include the following:</p> <p>I. Statement 1 - Cash Flow Statements: Statement of Cash Receipts and Payments which:</p> <ul style="list-style-type: none"> <li>▪ recognizes all Cash Receipts, Cash Payments and Cash Balances controlled by Gbako Local Government Council; and</li> <li>▪ separately identifies payments made by third parties on behalf of Gbako Local Government Council.</li> </ul> <p>II. Statement 2 - Statement of Assets and Liabilities: Statement of Financial Position (also known as Balance Sheet);</p> <p>III. Statement 3 - Statement of Consolidated Revenue Fund: Statement of Recurrent Financial Performance (also known as Profit &amp; Loss Account);</p> <p>IV. Statement 4 - Statement of Capital Development Fund: Statement of Capital Financial Performance (also known as Capital Expenditure);</p> <p>V. Notes to the Accounts: Additional disclosures to explain the GPFS; and</p> <p>VI. Accounting Policies and Explanatory Notes.</p>	



<p><b>3 Basis of Preparation and Legal Provisions</b></p> <p>The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, GPFS are in compliance with the provisions of other financial regulations of Gbako Local Government Council</p>	<p><b>6 Reporting Currency</b></p> <p>The General Purpose GPFS are prepared in Nigerian Naira.</p>
<p><b>4 Fundamental Accounting Concepts</b></p> <p>The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in Gbako Local Government Council</p> <ul style="list-style-type: none"> <li>? Cash Basis of Accounting;</li> <li>? Understability;</li> <li>? Materiality,</li> <li>? Relevance;</li> <li>? Going Concern Concept;</li> <li>? Consistency Concept</li> <li>? Prudence</li> <li>? Completeness, etc.</li> </ul>	<p><b>7 LGC for Consolidation</b></p> <ul style="list-style-type: none"> <li>▪ The Consolidation of the GPFS are based on the Cash transactions of Gbako Local Government Council except Government Business Enterprises (GBEs).</li> </ul>
<p><b>5 Accounting Period</b></p> <p>The accounting year (fiscal year) is from 1<sup>st</sup> January to 31<sup>st</sup> December. Each accounting year is divided into 12 calendar months (periods) and shall be set up as such in the accounting system.</p>	<p><b>8 Comparative Information</b></p> <ul style="list-style-type: none"> <li>▪ The General Purpose GPFS shall disclose all numerical information relating to previous period (at least one year).</li> </ul>
	<p><b>9 Budget Figures</b></p> <ul style="list-style-type: none"> <li>▪ These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation Law of Niger State.</li> </ul>
	<p><b>10 Receipts</b></p> <ul style="list-style-type: none"> <li>? These are Cash inflows within the Financial Year. They comprise of receipts from Statutory Allocations (FAAC monthly disbursement), Taxes, External Assistance (from Bilateral and Multilateral Agencies), Other Aid and Grants, Other Borrowings, Capital Receipts (Sale of Government Assets, etc), Receipts from Trading activities and Other Cash Receipts.</li> <li>? These items shall be disclosed at the face of the Statement of Cash Receipts and Payment for the year in accordance with the standardised GPFS. Notes shall be provided as per standardised Notes to GPFS.</li> </ul>



<p><b>11 External Assistance</b></p> <ul style="list-style-type: none"> <li>? Receipts from Loans are Funds received from external sources to be paid back at an agreed period of time. They are categorised either as Bilateral or Multilateral.</li> <li>? External Loans receipts shall be disclosed separately under Statement of Cash Receipts and Payment for the year.</li> <li>? The Local Governments did not receive external assistance during the two year.</li> </ul>	<p><b>15 Payments</b></p> <ul style="list-style-type: none"> <li>▪ These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorised either by Function and/or by Sector in the Statement of Cash Receipts and Payment.</li> <li>▪ Payments for purchase of items of capital nature( e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.</li> </ul>
<p><b>12 Other Borrowings / Grants&amp; Aid Received</b></p> <ul style="list-style-type: none"> <li>▪ These shall be categorised as either Short or Long term Loans.Short-Term Loans are those repayable within one calendar year (12 months), while Long - Term Loans and Debts shall fall due beyond one calendar year (above 12 months).Loans shall be disclosed separately and Grants shall also be separately disclosed under Statement of Cash Receipts and Payment for the year.</li> </ul>	<p><b>16 Loans Granted:</b></p> <ul style="list-style-type: none"> <li>▪ Payments to other Government and Agencies in form of Loans during the year shall be shown separately in the Statement of Receipts and Payments. Amount disclosed shall be actual amount paid during the year.</li> <li>▪ The Local Governments did not give any loan during the two year.</li> </ul>
<p><b>13 Interest Received</b></p> <ul style="list-style-type: none"> <li>? Interest actually received during the financial year shall be treated as a receipt</li> </ul>	<p><b>17 Loan Repayments</b></p> <p>Cash receipts from loans granted to other agencies and government shall be classified under loan repayments in the Statement of Receipts and Payments . Amount disclosed shall be actual amount received during the year.</p>
<p><b>14 Government Business Activities</b></p> <p>Cash Receipts from Trading Activities shall be received net (after deducting direct expenses) unless otherwise provided for by law or policy in force. Total receipts from all trading activities shall be disclosed in the Statement of Cash Receipts and Payments under 'Trading Activities' item.</p> <p>Where gross revenue is received, corresponding payments shall be charged under a corresponding payment item head ' Government Business Activities' in the Statement of Receipts and Payments.</p>	<p><b>18 Interest on Loans:</b></p> <ul style="list-style-type: none"> <li>▪ Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest payment in the Statement of Cash Receipts and Payments</li> </ul>



19	<p><b>Foreign Currency Transactions:</b></p> <ul style="list-style-type: none"><li>Foreign Currency Transactions throughout the year shall be converted into Nigerian Naira at the ruling (Central Bank of Nigeria –CBN) rate of exchange at the dates of the transactions. Foreign currency balances, as at the year end, shall be translated at the exchange rates prevailing on that date.</li><li>At the end of the financial year, additional amounts (in cash or at bank) arising out of Foreign Exchange Gains/Losses shall be recognised in the Statement of Cash Receipts and Payments either as Receipts / Payments respectively.</li><li>Hence the Gbako Local Government Council did not have foreign currency transactions during the two year.</li></ul>
20	<p><b>Prepayments</b></p> <ul style="list-style-type: none"><li>Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.</li><li>The Local Governments did not make prepayment to contractors during the two year.</li></ul>
21	<p><b>Cash Balances</b></p> <p>This includes Cash in Hand, at Bank and Cash Equivalentents at the end of the Financial year.</p>

**COUNCIL OFFICIALS**

- COUNCIL MEMBERS DESIGNATION:**

Honourable Hussaini A. Lemu

Executive Chairman

Honourable Mohammed Ndako Wachico

Secretary

- HEAD OF DEPARTMENTS:**

**NAMES:**

Alh. Mohammed Isah Yelwa

Alhaji Abdullahi Aliyu Katun

Legbo Yelwa Gimba

Alhaji Baba Isah Bida

Musa Mohammed

Hajiya Fatima Alhassan

Mr. Jacob Legbo

**DEPARTMENTS**

Personnel Management

Finance and Supply

Primary Health Care

Agriculture and Natural Resources

Works and Housing

Budget and Planning

Social Development

**DESIGNATION**

H. O. D

H. O. D

H. O. D

H. O. D

H. O. D

H. O. D

H. O. D

- BANKERS**

Unity Bank

Zenith Bank Plc.

UBA Plc.

**ADDRESS**

Bida Branch

Bida Branch

Wushishi Branch

- AUDITORS**

Auditor General

Office of the Auditor General for Local Governments

P.M.B. 53 Minna,

Niger State.



NIGER STATE

**AUDIT CERTIFICATE**

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, 2020 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 State Local Government Joint Account Allocation Committee are indicated in the Supplementary Note 1 to the Accounts. In my opinion, the Supplementary Note 1 to accounts presents fairly, in all material respects, the revenue from Federation Account received by Gbako Local Government during the year ended December 31st, 2020. In my opinion, the Financial Statements which are in agreement with the books of accounts and record shows a true and fair view of the financial position of the GbakoLocal Government for the year ended 31st December, 2020 and the transactions for the year ended at that date.



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

**STATEMENT NO. 1**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ANNUAL BUDGET 2021 N		COA	NOTES	ACTUAL YEAR 2021	PREVIOUS YEAR 2020
				N	N
	<b>CashFlows from Operating Activities:</b>				
	<u>Receipts:</u>				
1,480,518,454.00	Statutory Allocations:FAAC		1	1,197,872,778.09	1,738,186,440.54
493,234,650.00	Value Added Tax Allocation		1	634,207,172.06	-
<b>1,973,753,104.00</b>	<b>Sub-total - Statutory Allocation</b>			<b>1,832,079,950.15</b>	<b>1,738,186,440.54</b>
3,450,000.00	Direct Taxes		2	492,500.00	350,000.00
9,805,000.00	Licences		2	881,000.00	947,200.00
-	Mining Rents:		2	-	-
-	Royalties		2	-	-
-	Fees:		2	-	-
-	Fines		2	-	-
-	Sales		2	-	-
18,330,000.00	Earnings :		2	6,614,895.00	4,105,018.00
2,820,470.00	Sales/Rent of Government Buildings:		2	660,000.00	897,200.00
-	Sale/Rent on Lands and Others:		2	-	-
2,276,000.00	Rates		2	415,000.00	530,150.00
-	Investment Income		2	-	-
-	Interest Earned		2	-	-
147,447,704.00	10% IGR From State		2	25,723,459.41	22,002,508.32
<b>184,129,174.00</b>	<b>Sub-total - Independent Revenue</b>			<b>34,786,854.41</b>	<b>28,832,076.32</b>
	<b>Other Revenue Sources of L/Govt</b>				
-	Domestic Grants		3	-	21,747,549.18
-	Grant from other LGs		3	-	-
<b>2,121,200,808.00</b>	<b>Total Receipts</b>			<b>1,866,866,804.56</b>	<b>1,788,766,066.04</b>
	<u>Payments:</u>				
1,236,093,521.00	Personnel Costs ( Including Salaries on CRF Charges):		4	992,717,818.23	1,276,614,072.04
-	Federa/ States/ LGC Govt Contribution to Pension:		5	-	-
181,300,000.00	Overhead Charges:		6	106,452,940.00	99,437,249.29
170,729,415.00	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)		7	155,876,005.98	135,051,803.65
28,800,000.00	Subvention to Parastatals:		8	28,800,000.00	102,000,000.00
150,000,000.00	Other Operating Activities		9	118,780,896.24	52,849,715.29
337,572,026.80	Other Transfers		10	337,572,026.80	117,980,298.13
<b>2,104,494,962.80</b>	<b>Total Payments</b>			<b>1,740,199,687.25</b>	<b>1,783,933,138.40</b>
<b>16,705,845.20</b>	<b>Net Cash Flow from Operating Activities</b>			<b>126,667,117.31</b>	<b>4,832,927.64</b>



	<b>CashFlows from Investment Activities:</b>				
24,000,000.00	Capital Expenditure:Administrative Sector:		12	5,167,000.00	36,472,000.00
30,705,000.00	Capital Expenditure: Economic Sector:		12	-	113,000,000.00
-	Capital Expenditure: Law and Justice:		12	-	-
-	Capital Expenditure:Regional Development		12	-	-
412,311,689.00	capital expenditure: Social Service Sector:		12	11,200,000.00	33,753,000.00
-	Capital Expenditure: Funded from Aid and Grants:		11	-	-
<b>467,016,689.00</b>	<b>Net Cash Flow from Investment Activities:</b>			<b>16,367,000.00</b>	<b>183,225,000.00</b>
	<b>CashFlows from Financing Activities:</b>				
-	Proceeds from Aid and Grants		11	-	-
-	Proceeds from External Loan :		20	-	-
-	Proceeds from Internal Loans: FGN/Treasury Bonds :		21	-	-
-	Proceeds from Internal Loan		22	-	174,000,000.00
-	Proceeds from Development of Nat Resources		23	-	-
-	Proceeds of Loans from Other Funds		24	-	-
-	Repayment of External Loans ( Including Servicing)		20	-	-
-	Repayment of FGN/Treasury Bonds :		21	-	-
96,000,000.00	Repayment of Internal Loan		22	104,000,000.00	32,000,000.00
-	Repayment of Loans from Development of Nat Resources		23	-	-
	Repayment of Loans from Other Funds		24	-	-
<b>96,000,000.00</b>	<b>Net Cash Flow from Financing Activities:</b>			<b>104,000,000.00</b>	<b>142,000,000.00</b>
	<b>Movement in Other Cash Equivalent Accounts</b>				
-	(Increase)/ Decrease in Investments			-	-
-	Net (Increase)/Decrease in Other Cash Equivalents:			-	-
-	<b>Total Cashflow from other Cash equivalent Accounts</b>			<b>-</b>	<b>-</b>
	Net Cash for the year			6,300,117.31	- 36,392,072.36
-	Cash & Its Equivalent as at 1st January, 2021			1,260,735.44	37,652,808.35
-	Cash & Its Equivalent as at 31st December, 2021			<b>7,560,852.75</b>	<b>1,260,735.44</b>





**STATEMENT NO. 2**  
**STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	NOTES	CURRENT YEAR 2021 N	PREVIOUS YEAR 2020 N
<b>ASSETS:-</b>			
<b>Liquid Assets:-</b>			
Cash Held by AGF:			
-CRF Bank Balance(CBN/ CRF Bank):		-	-
-Pension Account (CBN/ Bank):		-	-
-Other Bank of the Treasury		-	-
-Cash Balances of Trust & Other Funds of the FGN/ States/LGC:		-	-
-Cash Balances with Federal Pay Offices/ Sub-Treasury:		-	-
Cash Held by Agaie Local Government	15	7,560,852.75	1,260,735.44
<b>TOTAL LIQUID ASSETS</b>		<b>7,560,852.75</b>	<b>1,260,735.44</b>
<b>Investments and Other Cash Assets:</b>			
Federal/ State/ Local Government Investments	16	-	-
Imprests:-	17	-	-
Advances:-	18	-	-
Revolving Loans Granted:-	19	-	-
Intangible Assets		-	-
<b>TOTAL INVESTMENTS AND OTHER CASH ASSETS</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>7,560,852.75</b>	<b>1,260,735.44</b>
<b>LIABILITIES OVER ASSETS</b>		<b>40,461,723.05</b>	<b>172,563,105.69</b>
<b>TOTAL</b>		<b>48,022,575.80</b>	<b>173,823,841.13</b>
<b>LIABILITIES:-</b>			
<b>PUBLIC FUNDS</b>			
Consolidated Revenue Fund:		7,560,853.30	28,868,663.63
Capital Development Fund:		-	-
Trust & Other Public Funds:		-	-
Police Reward Fund		-	-
<b>TOTAL PUBLIC FUNDS</b>		<b>7,560,853.30</b>	<b>28,868,663.63</b>
<b>EXTERNAL AND INTERNAL LOANS</b>			
External Loans:FGN/States/ LGC	20	-	-
FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-
internal Loans	22	38,000,000.00	142,000,000.00
Development Loan Stock	23	-	-
Loan From other Funds	24	-	-
Internal Loans from Other Funds		-	-
<b>TOTAL EXTERNAL AND INTERNAL LOANS</b>		<b>38,000,000.00</b>	<b>142,000,000.00</b>
<b>OTHER LIABILITIES</b>			
Deposits:-	25	2,461,722.50	2,955,177.50
Overdrawn accounts	26	-	-
<b>TOTAL LIABILITIES</b>		<b>48,022,575.80</b>	<b>173,823,841.13</b>



NIGER STATE

## STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021

ACTUAL PREVIOUS YEAR(2020)		NOTES	ACTUAL YEAR 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	VARIANCE ON FINAL BUDGET
			N	N	N	N	%
37,652,808.35	Opening Balance:		1,260,735.99				
	<b>ADD: REVENUE</b>						
1,738,186,440.54	Statutory Allocations:FAAC	1	1,197,872,778.09	1,480,518,454.00	1,480,518,454.00	-	80.91
-	Value Added Tax Allocation	1	634,207,172.06	493,234,650.00	493,234,650.00	-	-
<b>1,738,186,440.54</b>	<b>Sub-Total - Statutory Allocation</b>		<b>1,832,079,950.15</b>	<b>1,973,753,104.00</b>	<b>1,973,753,104.00</b>	-	-
350,000.00	Direct Taxes	2	492,500.00	3,450,000.00	3,450,000.00	-	-
947,200.00	Licences	2	881,000.00	9,805,000.00	9,805,000.00	-	8.99
-	Mining Rents:	2	-	-	-	-	-
-	Royalties	2	-	-	-	-	-
-	Fees:	2	-	-	-	-	-
-	Fines	2	-	-	-	-	-
-	Sales	2	-	-	-	-	-
4,105,018.00	Earnings :	2	6,614,895.00	18,330,000.00	18,330,000.00	-	36.09
897,200.00	Sales/Rent of Government Buildings:	2	660,000.00	2,820,470.00	2,820,470.00	-	-
-	Sale/Rent on Lands and Others:	2	-	-	-	-	-
530,150.00	RATES	2	415,000.00	2,276,000.00	2,276,000.00	-	18.23
-	Investment Income	2	-	-	-	-	-
-	Interest Earned	2	-	-	-	-	-
22,002,508.32	10% IGR From State	2	25,723,459.41	147,447,704.00	147,447,704.00	-	-
<b>28,832,076.32</b>	<b>Sub-Total - Independent Revenue</b>		<b>34,786,854.41</b>	<b>184,129,174.00</b>	<b>184,129,174.00</b>	-	18.89
-	<b>Other Revenue Sources of L/Govt:</b>		-	-	-	-	-
21,747,549.18	Domestic Grants	3	-	-	-	-	-
-	Grant from other LGs	3	-	-	-	-	-
<b>1,826,418,874.39</b>	<b>TOTAL REVENUE:</b>		<b>1,868,127,540.55</b>	<b>2,157,882,278.00</b>	<b>2,157,882,278.00</b>	-	86.57
	<b>LESS:EXPENDITURE</b>						
1,276,614,072.04	Personnel Costs ( Including Salaries on CRF Charges):	4	992,717,818.23	1,236,093,521.00	1,236,093,521.00	-	80.31
-	Federal/ States/ LGC Govt Contribution to Pension:	5	-	-	-	-	-
99,437,249.29	Overhead Charges:	6	106,452,940.00	181,300,000.00	181,300,000.00	-	58.72
135,051,803.65	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)	7	155,876,005.98	170,729,415.00	170,729,415.00	-	91.30
102,000,000.00	Subvention to Parastatals:	8	28,800,000.00	28,800,000.00	28,800,000.00	-	100.00
52,849,715.29	Other Operating Activities	9	118,780,896.24	150,000,000.00	150,000,000.00	-	79.19
117,980,298.13	Other Transfers	10	337,572,026.80	337,572,026.80	337,572,026.80	-	100.00
<b>1,783,933,138.40</b>	<b>TOTAL EXPENDITURE:</b>		<b>1,740,199,687.25</b>	<b>2,104,494,962.80</b>	<b>2,104,494,962.80</b>	-	82.69
	<b>OTHER RECURRENT PAYMENTS/EXPENDITURE:</b>						
-	Repayments:External Loans:FGN/States/ LGC	19	-	-	-	-	-
-	Repayments:FGN/ States/LGC Bonds & Treasury Bonds.	20	-	-	-	-	-
-	Repayments :Nigerian Treasury Bills (NTB)	21	-	-	-	-	-
32,000,000.00	Repayments:Internal Loans	22	104,000,000.00	-	-	-	-
-	Repayments: Internal Development Loans Stock	23	-	-	-	-	-
-	Repayments:Other Internal Loans( Promissory Notes)	24	-	-	-	-	-
<b>1,815,933,138.40</b>	<b>TOTAL EXPENDITURE:</b>		<b>1,844,199,687.25</b>	<b>2,104,494,962.80</b>	<b>2,104,494,962.80</b>	-	87.63
<b>10,485,735.99</b>	<b>OPERATING BALANCE:</b>		<b>23,927,853.30</b>	<b>53,387,315.20</b>	<b>53,387,315.20</b>	-	44.82
	<b>APPROPRIATIONS/TRANSFERS:</b>						
9,225,000.00	Transfer to Capital Development Fund:		16,367,000.00	467,016,689.00	467,016,689.00	-	3.50
<b>1,260,735.99</b>	<b>Closing Balance:</b>		<b>7,560,853.30</b>				



NIGER STATE

**STATEMENT NO. 4**  
**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ACTUAL PREVIOUS YEAR(2020)		NOTES	TOTAL CAPITAL EXPENDITURE 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	PERFORMANCE ON TOTAL
N			N		N		%
-	<b>Opening Balance:</b>		-				
	<b><u>ADD: REVENUE</u></b>						
9,225,000.00	Transfer from Consolidated Revenue Fund:		16,367,000.00	114,768,335.00	114,768,335.00	-	14.26
-	Aid and Grants	11	-	-	-	-	-
-	External Loans:FGN/States/ LGC	20	-	-	-	-	-
-	FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-	-	-	-
174,000,000.00	Internal Loan	22	-	-	-	-	#DIV/0!
-	Development Loan Stock	23	-	-	-	-	-
-	Loan From Other Funds	24	-	-	-	-	-
					-	-	-
					-	-	-
					-	-	-
<b>183,225,000.00</b>	<b>TOTAL REVENUE AVAILIABLE:</b>		<b>16,367,000.00</b>	<b>114,768,335.00</b>	114,768,335.00	-	14.26
						-	-
	<b><u>LESS: CAPITAL EXPENDITURE</u></b>						
						-	-
						-	-
36,472,000.00	Capital Expenditure:Administrative Sector:	12	5,167,000.00	24,000,000.00	24,000,000.00	-	21.53
113,000,000.00	Capital Expenditure: Economic Sector:	12	-	30,705,000.00	30,705,000.00	-	-
-	Capital Expenditure: Law and Justice:	12	-	-	-	-	-
-	Capital Expenditure:Regional Development	12	-	-	-	-	-
33,753,000.00	Capital Expenditure: Social Service Sector:	12	11,200,000.00	412,311,689.00	412,311,689.00	-	2.72
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-	-	-	-
					-	-	-
<b>183,225,000.00</b>	<b>TOTAL CAPITAL EXPENDITURE:</b>		<b>16,367,000.00</b>	<b>467,016,689.00</b>	<b>467,016,689.00</b>	-	3.50
	Intangible Assets		-				
-	<b>CLOSING BALANCE:</b>		-				



## NOTE TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021

<i>Details</i>					
<b>NOTE 1</b>	<b>Ref. Note</b>	<b>Amount</b>	<b>Amount</b>		<b>Remarks</b>
<b>A- Share of Statutory Allocation from FAAC</b>		<b>N</b>	<b>N</b>		
Net Share of Statutory Allocation from FAAC	A	1,123,648,669.96			
Add :Deduction at source for Loan Repayment	B	-			
Share of Exchange Gain Differencial	C	4,439,150.57			
Share of Federal Accounts Allocation- Excess Crude Oil	D	33,233,241.98			
<b>Non-oil Revenue</b>	<b>E</b>	<b>36,551,715.58</b>			
<b>Total FAAC Allocation to LG</b>			<b>1,197,872,778.09</b>		
<b>B. Value Added Tax</b>					
Share of Value Added Tax (VAT)		634,207,172.06	634,207,172.06		
<b>Total Statutory Allocation to LG</b>			<b>1,832,079,950.15</b>		

## NOTE 2

<b>Internally Generated Revenue (Independent Revenue)</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	
<b>Direct Taxes</b>				
Gbako local government Internal Revenue	492,500.00	3,450,000.00	2,957,500.00	
<b>Total - Direct Taxes</b>	<b>492,500.00</b>	<b>3,450,000.00</b>	<b>2,957,500.00</b>	
<b>Licences</b>				
Gbako local government Internal Revenue	881,000.00	9,805,000.00	8,924,000.00	
<b>Total Licences</b>	<b>881,000.00</b>	<b>9,805,000.00</b>	<b>8,924,000.00</b>	
<b>Mining Rents</b>				
Gbako local government Internal Revenue	-	-	-	
<b>Total Mining Rents</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Royalties</b>				
Gbako local government Internal Revenue	-	-	-	
<b>Total Royalties</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Fees</b>				
Gbako local government Internal Revenue	-	-	-	
<b>Total Fees</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Fines</b>				
Gbako local government Internal Revenue	-	-	-	
<b>Total Fines</b>	<b>-</b>	<b>-</b>	<b>-</b>	



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<b>Sales</b>					
Gbako local government Internal Revenue		-	-	-	
<b>Total Sales</b>		-	-	-	
<b>Earnings</b>					
Gbako local government Internal Revenue		6,614,895.00	18,330,000.00	11,715,105.00	
<b>Total Earnings</b>		<b>6,614,895.00</b>	<b>18,330,000.00</b>	<b>11,715,105.00</b>	
<b>Sales/Rent of Government Buildings</b>					
Gbako local government Internal Revenue		660,000.00	2,820,470.00	2,160,470.00	
<b>Total Sales/Rent of Government Buildings</b>		<b>660,000.00</b>	<b>2,820,470.00</b>	<b>2,160,470.00</b>	
<b>Sale/Rent on Lands and Others:</b>					
Gbako local government Internal Revenue		-	-	-	
<b>Total Sale/Rent on Lands and Others</b>		-	-	-	
<b>Rates</b>					
Gbako local government Internal Revenue		415,000.00	2,276,000.00	1,861,000.00	
<b>Total Rates</b>		<b>415,000.00</b>	<b>2,276,000.00</b>	<b>1,861,000.00</b>	
<b>Investment Income</b>					
Gbako local government Internal Revenue		-	-	-	
<b>Total Investment Income</b>		-	-	-	
<b>Interest Earned</b>					
Gbako local government Internal Revenue		-	-	-	
<b>Total Interest Earned</b>		-	-	-	
<b>10% IGR From State</b>					
Gbako local government Internal Revenue		25,723,459.41	147,447,704.00	121,724,244.59	
<b>Total 10% IGR From State</b>		<b>25,723,459.41</b>	<b>147,447,704.00</b>	<b>121,724,244.59</b>	
<b>Total - Independent Revenue</b>		<b>34,786,854.41</b>	<b>184,129,174.00</b>	<b>149,342,319.59</b>	

<b>NOTE 3</b>					
<b>Other Revenue Sources of L/Govt:</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Domestic Grants		-	-	-	
<b>Total Domestic Grants</b>		-	-	-	
Grant from other LGs		-	-	-	
<b>Total Grant from other LGS</b>		-	-	-	
<b>NOTE 4</b>					
<b>A - Total Personnel Costs ( Including Salaries directly charged to CRF in Note 4B below):</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		5,716,752.04	28,843,070.00	23,126,317.96	
The Council		20,544,592.90	41,233,793.00	20,689,200.10	
Office Of The Secretary		2,080,620.48	2,809,300.00	728,679.52	
Personnel Management		87,740,419.51	85,219,340.00	- 2,521,079.51	
<b>TOTAL Personnel Cost Administrative Sector</b>		<b>116,082,384.93</b>	<b>158,105,503.00</b>	<b>42,023,118.07</b>	
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		48,402,321.41	85,060,227.00	36,657,905.59	
Budget, Planning & Research		-		-	
Works And Housing		39,764,511.89	22,281,636.00	- 17,482,875.89	
Agriculture And Natural Resources		46,730,941.13	58,848,506.00	12,117,564.87	
<b>TOTAL Personnel Cost Economic Sector</b>		<b>134,897,774.43</b>	<b>166,190,369.00</b>	<b>31,292,594.57</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		546,072,802.27	574,439,291.00	28,366,488.73	
Primary Health Cure		144,557,821.80	238,340,033.00	93,782,211.20	
Social Development		-	-	-	
Traditional Council		51,107,034.80	99,018,325.00	47,911,290.20	
<b>Total Personnel Cost Social Sector</b>		<b>741,737,658.87</b>	<b>911,797,649.00</b>	<b>170,059,990.13</b>	
<b>Total Personnel Cost For All Sectors</b>		<b>992,717,818.23</b>	<b>1,236,093,521.00</b>	<b>243,375,702.77</b>	
<b>B- Salaries directly charged to CRF( included in Note 4A above)</b>					



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<b>List of Parastatals and Agencies:</b>		-	-	-
Judges of Supreme Court of Nigeria		-	-	-
Judges of Court of Appeal		-	-	-
other Judges of Court in Nigeria		-	-	-
Auditor -General for Federation		-	-	-
Auditor -General for State		-	-	-
Auditor -General for Local Government		-	-	-
INEC Chairman and Commissioners		-	-	-
e.t.c.		-	-	-
<b>Total</b>		<b>992,717,818.23</b>	<b>1,236,093,521.00</b>	<b>243,375,702.77</b>
<b>NOTE 5</b>				
<b>Employers Contribution to Pension according to Sector</b>		-	-	-
Administrative Sector		-	-	-
Economic Sector		-	-	-
Law and Justice Sector		-	-	-
Regional Sector		-	-	-
Social Sector		-	-	-
<b>Total Employers Contribution to Pension</b>		-	-	-
<b>NOTE 6</b>				
<b>Overhead Costs</b>				
<b>Administrative Sector</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman	54,909,000.00	67,000,000.00	12,091,000.00	
The Council	28,644,000.00	32,000,000.00	3,356,000.00	
Office Of The Secretary	3,532,000.00	1,700,000.00	- 1,832,000.00	
Personnel Management	3,472,500.00	7,200,000.00	3,727,500.00	
<b>Total Overhead Cost Administrative Sector</b>	<b>90,557,500.00</b>	<b>107,900,000.00</b>	<b>17,342,500.00</b>	
<b>Economic Sector</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply	6,974,940.00	57,500,000.00	50,525,060.00	
Budget, Planning & Research	-	-	-	
Works And Housing	3,211,000.00	5,100,000.00	1,889,000.00	
Agriculture And Natural Resources	575,000.00	2,100,000.00	1,525,000.00	
<b>TOTAL Overhead Cost Economic Sector</b>	<b>10,760,940.00</b>	<b>64,700,000.00</b>	<b>53,939,060.00</b>	



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<b>Social Sector</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Adult Education	3,691,500.00	4,600,000.00	908,500.00
Primary Health Cure	1,083,000.00	1,600,000.00	517,000.00
Social Development	-	-	-
Traditional Council	360,000.00	2,500,000.00	2,140,000.00
<b>Total Overhead Cost Social Sector</b>	<b>5,134,500.00</b>	<b>8,700,000.00</b>	<b>3,565,500.00</b>
<b>Total Overhead Cost For All Sectors</b>	<b>106,452,940.00</b>	<b>181,300,000.00</b>	<b>74,847,060.00</b>
<b>NOTE 7</b>			
<b>Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Monthly Pension	155,876,005.98	170,729,415.00	14,853,409.02
<b>Total Consolidated Revenue Fund Charges</b>	<b>155,876,005.98</b>	<b>170,729,415.00</b>	<b>14,853,409.02</b>
<b>NOTE 8</b>			
<b>Subventions to Parastatals (According to Sectors-List)</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Administrative Sector	28,800,000.00	28,800,000.00	-
Economic Sector	-	-	-
Law and Justice Sector	-	-	-
Regional Sector	-	-	-
Social Sector	-	-	-
<b>Total Subventions to Parastatals</b>	<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>
<b>NOTE 9</b>			
<b>Other Operating Activities</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Administrative Sector	118,780,896.24	150,000,000.00	31,219,103.76
Economic Sector	-	-	-
Law and Justice Sector	-	-	-
Regional Sector	-	-	-
Social Sector	-	-	-
<b>Total Other Operating Activities</b>	<b>118,780,896.24</b>	<b>150,000,000.00</b>	<b>31,219,103.76</b>
<b>NOTE 10</b>			
<b>Other Transfer</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Administrative Sector	19,200,000.00	19,200,000.00	-
Economic Sector	-	-	-
Law and Justice Sector	-	-	-
Regional Sector	-	-	-
Social Sector	9,600,000.00	9,600,000.00	-
<b>sub-total</b>	<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>
Transfers to other local governments	308,772,026.80	308,772,026.80	-
<b>Total Other Transfer</b>	<b>337,572,026.80</b>	<b>337,572,026.80</b>	<b>-</b>







<b>NOTE 11</b>					
<b>Details of Aid &amp; Grants Received</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
<b>Bilateral</b>		-	-	-	
<b>Multi Lateral</b>		-	-	-	
<b>ETC</b>		-	-	-	
<b>Total Details of Aid &amp; Grants Received</b>		-	-	-	
<b>NOTE 12</b>					
<b>A - Details of Total Capital Expenditures (According to Sectors)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		5,167,000.00	24,000,000.00	18,833,000.00	
Economic Sector		-	30,705,000.00	30,705,000.00	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		11,200,000.00	412,311,689.00	401,111,689.00	
<b>Total Details of Capital Expenditures</b>		<b>16,367,000.00</b>	<b>467,016,689.00</b>	<b>450,649,689.00</b>	
<b>B - Details of Capital Expenditures of Parastatals (Included in 12A` above)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		-	-	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Details of Capital Expenditures of Parastatals</b>		-	-	-	
<b>NOTE 13</b>					
<b>CLOSING BOOK BALANCES OF OTHER FUNDS OF THE GOVERNMENT</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the Other Funds Cash Book Balances		-	-		



<b>NOTE 14</b>					
<b>CLOSING CASH BOOK BALANCE OF FEDERAL PAY OFFICES/SUB-TREASURY OFFICES</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the FPO/Sub-Treasuries Cash Book Balances		-	-		
<b>NOTE 15</b>					
<b>CLOSING CASH BOOK BALANCE OF GBAKO LOCAL GOVERNMENT</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Gbako Local Government		7,560,852.75	1,260,735.44		
<b>Total Details of Cash Book Balances</b>		<b>7,560,852.75</b>	<b>1,260,735.44</b>		
<b>NOTE 16</b>					
<b>INVESTMENTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Investments in Quoted Companies		-	-		
Investments in unQuoted Companies		-	-		
Loans to Government Companies		-	-		
Loans to Other Government		-	-		
<b>Total Investments</b>		<b>-</b>	<b>-</b>		
<b>NOTE17</b>					
<b>LIST OF OUTSTANDING IMPRESTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Imprests</b>		<b>-</b>	<b>-</b>		
<b>NOTE 18</b>					
<b>LIST OF OUTSTANDING ADVANCES</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Advances</b>		<b>-</b>	<b>-</b>		



<b>NOTE 19</b>					
<b>Revolving Loan Account</b>					
List the Loans		<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 20</b>					
<b>External Loans:FGN/States/ LGC</b>					
List the Loans		<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 21</b>					
<b>FGN/ States/LGC Bonds &amp; Treasury Bonds.</b>					
List the Loans		<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 22</b>					
<b>Internal Loan</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>Opening balance at as 1st january, 2021</b>		142,000,000.00	-		
Add: Additional Loan Issued		-	174,000,000.00		
Less: Repaid		104,000,000.00	32,000,000.00		
<b>Loans as at 31st December, 2021</b>		<b>38,000,000.00</b>	<b>142,000,000.00</b>		



<b>NOTE 23</b>					
<b>Development Loan Stock</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-

<b>NOTE 24</b>					
<b>Internal Loans from Other Funds</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-

<b>NOTE 25</b>			
<b>Schedule of Deposit</b>			
	<b>Amount 2021</b>	<b>Amount 2020</b>	
Gbako Local Government	2,461,722.50	2,955,177.50	
<b>Total Outstanding Deposits</b>	<b>2,461,722.50</b>	<b>2,955,177.50</b>	
<b>Details Of Deposits</b>			
Value Added Tax	573,300.00	876,775.00	
Withholding Tax	669,295.00	859,275.00	
PHC Cooperative	237,215.00	237,215.00	
Agriculture and Natural Resources Cooperative	382,125.00	382,125.00	
DRF Cooperative	15,000.00	15,000.00	
MHWG Cooperative	135,750.00	135,750.00	
NULGE Cooperative	113,027.50	113,027.50	
Yabo Soko Cooperative	336,010.00	336,010.00	
<b>TOTAL</b>	<b>2,461,722.50</b>	<b>2,955,177.50</b>	

<b>NOTE 26</b>			
<b>Schedule of Overdrawn accounts</b>			
	<b>Amount 2021</b>	<b>Amount 2020</b>	
Gbako Local Government	-	-	
<b>Total Overdrawn account</b>	<b>-</b>	<b>-</b>	

<b>NOTE 27</b>			
<b>CONTINGENT LIABILITES AS AT YEAR END</b>			
	<b>Amount 2021</b>	<b>Amount 2020</b>	<b>List All the Contigent Liabilities</b>
<b>E.G.</b>			
... Pension and Gratuity Due	-	-	
....Outstanding Contractors Liabilities ( According to MDA)	-	-	
.....Pending Litigations ( According to MDA)	-	-	
.....Guarantees ( According to MDA)	-	-	
..... Others	-	-	
<b>Total Contigent Liabilities</b>	<b>-</b>	<b>-</b>	

**SUPPLEMENTARY NOTE**

1 GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)			
		2021	2020
<b>MONTH</b>			
	JANUARY	135,824,019.49	161,143,421.73
	FEBRUARY	143,329,887.03	148,756,692.84
	MARCH	116,608,801.03	133,032,129.71
	APRIL	133,284,185.98	151,326,921.44
	MAY	146,962,576.03	140,299,919.17
	JUNE	142,280,585.17	126,880,973.51
	JULY	167,737,490.17	154,057,062.23
	AUGUST	167,737,490.17	158,066,227.42
	SEPTEMBER	168,307,049.57	156,214,933.57
	OCTOBER	176,178,808.24	146,093,332.42
	NOVEMBER	167,800,220.86	131,898,291.14
	DECEMBER	166,028,836.41	130,416,535.36
	<b>TOTAL</b>	<b>1,832,079,950.15</b>	<b>1,738,186,440.54</b>
<b>INTERNELLY GENERATED REVENUE 2021</b>			
<b>DETAILS</b>		<b>AMOUNT</b>	
	Taxes	492,500.00	
	Rates	415,000.00	
	Lincences	881,000.00	
	Earning	6,614,895.00	
	Rent	660,000.00	
	interest	-	
	10% IGR From State	25,723,459.41	
	<b>TOTAL</b>	<b>34,786,854.41</b>	
		<b>XX</b>	



**1.1 INTRODUCTION**

In compliance with the provision of section 125 (2) of 1999 Constitution of the Federal Republic of Nigeria and Niger State Local Government Law (N.S.L.N. No. 14) of 2001, I have examined the Accounts and Financial Statement of Gbako Local Governments for the year ended 31<sup>st</sup> December, 2021 in accordance with the Public Finance (Control Management Act. 1958).

I have therefore certified the accounts as correct subject to various observations raised and contained in this report while the irregularities discovered thereon had been forwarded through Audit Inspection reports to the attached Accounting officers for their comments and necessary actions

**2.0 FINANCIAL HIGHLIGHTS**

RECEIPTS DESCRIPTION	AMOUNT (?)	PERCENTAGE
Internally Generated Revenue	9,063,395.00	0.49%
10% IGR	25,723,459.41	1.38%
VAT	634,207,172.06	33.97%
Exchange Gain Deferral	4,439,150.57	0.24%
Excess Crude Oil	33,233,241.98	1.78%
Non-Oil Revenue	36,551,715.58	1.96%
Statutory Allocation	1,123,648,669.96	60.18%
	<b><u>1,866,866,804.56</u></b>	<b><u>100.00%</u></b>

**2.1 ANALYSIS OF REVENUE AND EXPENDITURE****2.2 REVENUE**

The sum of ₦ 1,866,866,804.56 accrued to Gbako Local Government Council as total receipts for the year ended 31<sup>st</sup> December, 2021

**2.1.1.1 INTERNALLY GENERATED REVENUE**

Gbako Local Government Council generated the sum of ₦ **9,063,395.00** and ₦ 25,723,459.41 as Internally Generated Revenue and 10% IGR from State respectively, this amounted to a total of ₦ 34,786,854.41 only for the year ended 31<sup>st</sup> December, 2021 which represented 1.86% of the total accrued revenue of ₦ 1,866,866,804.56 This shows that the Council solely depends on statutory allocation from the Federation Account for survival despite my several advices to improve and explore other sources of revenue for the Council. This could result to non-survival of the councils if there is a decline of revenue from the Federation Account. Also, I advise that the Council should make up extra efforts to generate more in the years ahead.

**2.1.1.2 FEDERAL STATUTORY ALLOCATION**

The sum of ₦ 1,123,648,669.96 which is 60.18% of the total receipts of ₦ 1,866,866,804.56 was disbursed to Gbako Local Government Council for the year under review. This sum comprises the followings:

- i. VAT
- ii. Exchange Gain Deferral
- iii. Excess Crude Oil
- iv. Non-Oil Revenue
- v. Statutory Allocation



**2.1.2 EXPENDITURE****2.1.2.1 ANALYSIS OF EXPENDITURE**

The total sum of ₦ 1,866,866,804.56 was allocated directly to Local Government Council and expended as follows:

DETAILS	AMOUNT (₦)	PERCENTAGE
I. Personnel cost	992,717,818.23	53.36%
II. Overhead cost	106,452,940.00	5.72%
III. Consolidated Fund charges	155,876,005.98	8.38%
IV. Operating Activities	118,780,896.24	6.38%
V. Other Transfers	337,572,026.80	18.14%
VI. Contributions	28,800,000.00	1.55%
VII. Repayment of Loans	104,000,000.00	5.59%
VIII. Capital Expenditure	16,367,000.00	0.88%
	<b>1,860,566,687.25</b>	<b>100.00%</b>

**3.0 WEAKNESSES IN THE INTERNAL CONTROL SYSTEM**

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

**3.1. Unsupported payments by third party documentation**

I observed that most of the payment vouchers raised were not having documentary evidences such as delivery notes, Stores Received Vouchers, Stores Issues Vouchers, receipts etc. to justify the payments made. This implies some of the payments were made for goods not delivered or services not rendered.

I advised the Councils to ensure that all payments are supported appropriately.

**3.2. Unremitted WHT, VAT and STAMP DUTIES Deductions**

During the course of my audit I observed that Gbako Local Government Council had not remitted ₦ 1,242,595.00 to the appropriate authorities as at 31 December 2021. The outstanding amount comprises of ₦669,295.00 in respect of WHT and ₦5733,00.00 in respect of VAT.

This exposes the Local Government Council to the risk of payment of fines and penalties for late remittance.

I advised the Council to remit the outstanding deductions immediately and in future, the Council should ensure all deductions are made and remitted in accordance with the relevant guidelines.

**3.2. Payment Vouchers not checked nor passed by the Internal Audit Unit.**

During the course of our audit exercise, it was observed that despite being raised in our previous reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued in some cases which contravene chapter 14 section 1-19 of Model Financial Memoranda. The non-compliance was evidenced by the Payment Vouchers which were prepared and paid out without endorsement by the Internal Audit Unit and Officer Controlling the Vote and Checks by the Accounting Officer. This exposes the Council to fraudulent practices.

I advised the Council to adhere strictly the provisions of the Model Financial Memoranda.



**3.2. Non-maintenance of Fixed/Moveable Asset register.**

A Fixed Assets Register is a management tool to monitor and control use of assets. However, as pointed out in my previous reports, Gbako Local Council did not maintain an up-to-date Fixed Assets Register during the year under review.

I advised the Council to ensure that an up-to-date Fixed Assets/Movable Assets Register is maintained.

**3.3. Non-maintenance of Loan/Overdraft Register/Ledger.**

We observed that Gbako Local Government Council did not maintain Loans/Overdraft Register/Ledger during the year.

The risk is that the Council may not be able to reconcile loan balances with the lenders leading to overpayments or fines and penalties for under payments.

We recommend that the Council should immediately open and maintain Loans Register. In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that all issues raised above in this section should be addressed before my next audit

**4.0 BUDGETARY CONTROL****4.1 REVENUE COMPARISON**

During the year under review, there was a shortfall in the target of Internally Generated Revenue in Gbako Local Government Council in all revenue codes as shown below:

**GBAKO LOCAL GOVERNMENTS BUDGETED INTERNALLY GENERATED REVENUE COMPARED WITH ACTUAL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**

S/N	CODES	DETAILS	BUDGET ?	ACTUAL ?	SHORTFALL ?
1	12010000	Taxes	3,450,000.00	492,500.00	(2,957,500.00)
2	12021700	Rates	2,276,000.00	415,000.00	(1,861,000.00)
3	12021300	Local Licenses, Fees, and Fine	9,805,000.00	881,000.00	(8,924,000.00)
4	12021500	Earning from Commercial undertakings	18,330,000.00	6,614,895.00	(11,715,105.00)
5	12021600	Rent on Local Government Properties	2,820,470.00	660,000.00	(2,160,470.00)
6	12021100	Interest	-	-	-
<b>TOTAL</b>			<b>36,681,470.00</b>	<b>9,062,895.00</b>	<b>(27,618,575.00)</b>



From the above table, it clearly shows that the Council rely solely on Statutory Allocation from the Federation Account for its survival when comparing the total budgeted amount of ₦ 36,681,470.00 with actual Internally Generated Revenue of ₦ 9,062,895.00 leaving a short fall of ₦ 27,618,575.00 during the year under review.

This implies that the Council could not fully implement its planned programs during the financial year or the budget was not realistic.

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

- (i) Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- (ii) Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- (iii) Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- (iv) Control over issuance of revenue receipts
- (v) Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.
- (vi) The Council should ensure that realistic budgets are prepared.

## **4.2 RECURRENT EXPENDITURE**

### **4.2.1 PERSONNEL COST**

As regards to the personnel cost, it was observed that, the sum of ₦ 1,276,614,072.59 and ₦ 992,717,818.23 was spent as personnel cost in 2020 and 2021 respectively with a decrease of ₦ 283,896,254.36 over and above the previous year. The decrease was due to death and retirement of personnel and inability of the Council to pay 100% Salary during the year under review.

### **4.2.2 CAPITAL EXPENDITURE**

#### **4.2.2.1 CAPITAL PROJECT**

During the year under review it was observed that the sum of ₦ 16,367,000.00 was spent on capital project by Gbako local Government Council. This was made by the council to boost the developmental activities in the Rural areas in which various Project were executed and some were still in progress. Though the approved capital expenditure Estimate was ₦ 467,016,689.00 and only the sum ₦ 16,367,000.00 representing 3.50% was Expended leading to a variance of ₦ 450,649,689.00.

I advised the council to ensure that estimate should be based on realistic and cognizance of Environmental factor, and the cashflow should be adequately monitored in order to reduce unnecessary expenses in overhead and give priority to capital project execution.

## **5.0 ANALYSIS OF ASSETS AND LIABILITIES**

### **5.1 ASSETS**

#### **5.1.1 CASH AND ITS EQUIVALENTS**

The closing cash and its equivalents amounted to the sum of N7,560,852.75k for Gbako Local Government as at 31<sup>st</sup> December, 2021.

### **5.2. LIABILITIES**



**5.2.1. DEPOSITS**

Deposits comprise unremitted statutory deductions and Non statutory deductions for Council shown below.

• Statutory Deposits	1,242,595.00
• Non statutory Deposits	1,219,127.50
<b>TOTAL</b>	<b><u>2,461,722.50</u></b>

**5.2.1.1 UNREMITTED DEDUCTIONS**

The balance on the unremitted deductions account was ₦ 2,461,722.50 as at 31<sup>st</sup> December, 2021. The unremitted deductions include deductions from payments made on behalf of Government Agencies and various other bodies by the Local Government which ought to be promptly remitted to the appropriate authorities.

The management of Gbako Local Government Council has been advised to ensure that all Deposits are remitted timely to avoid accumulating liabilities and attracting fines and penalties for the Local Government.

**5.2.1.2. BANK OVERDRAFTS**

The Council did not have any bank overdrafts at the end of the financial year under review.

**6.0 OUTSTANDING ISSUES FROM THE AUDIT INSPECTION REPORT**

The following are outstanding issues from Inspection Report for the period under review.

**AGX/F.O.21/TA/GBK/VOL.1****Dated – 12/04/2022**

(i)	Unreceipted payment vouchers	=	₦ 1,696,700.00
(ii)	Payment made without council chairman Approval	=	₦ 2,031,000.00
(iii)	Items purchased/Repaired not taken on charge to store	=	₦ 992,700.00
(iv)	Outstanding Revenue Receipt Booklets	=	₦ 135,000.00
(v)	Payment made without necessary supporting document attached to Payment Vouchers.	=	₦ 6,608,000.00
(vi)	Payment made without original Payment vouchers	=	₦ 17,582,473.65
(vii)	Payment of DTA without any supporting document attached to payment voucher	=	₦ 1,800,000.00



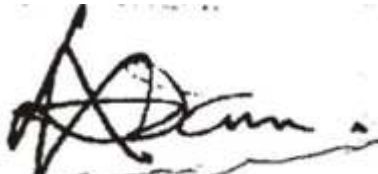
Management in their response acknowledged the weakness and promised to adhere to all payment's procedures. In addition, management promised to provide documents for outstanding payments for verification.

I advised management to strictly adhere to the payment procedures as provided for in the Model Financial Memoranda and avail documents for the outstanding payments for verification by my Office.

## 7.0 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, 2021

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



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NIGER STATE



# GURARA LOCAL GOVERNMENT COUNCIL

*Office of the Executive Chairman*

Local Government Secretariat,  
Gawu Babangida,  
Niger State.  
Tel:



Ref:

Date: 31<sup>st</sup> December, 2021

The Auditor General,  
For Local Government,  
Niger State,  
Minna.

## STATEMENT OF FINANCIAL RESPONSIBILITY


### STATEMENT NO. 1

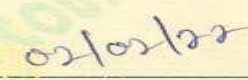
This Financials Statement have been prepared by the Accountant of Gurara Local Government council in accordance with the provision of the financial (Council and Management) act, 1985 as amended.

The financial statements comply with generally accepted accounting practice. The treasury is responsible for the establishing and maintaining a system of internal controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and properly recorded the use of all public resources by the Local Government council.

To the best of my knowledge, his system of internal control has operated adequately throughout the reporting period.

Sign:

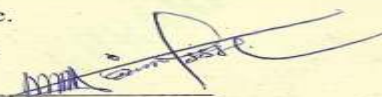
  
\_\_\_\_\_  
DIRECTOR FINANCE


  
\_\_\_\_\_  
DATE

We accept the responsibility for these Financial Statements, the information they contain and their compliance with the financial act, (Council and Management) act, 1985 as amended.


In our opinion, these Financial Statement fairly reflect the financial position of Gurara Local Government Council as at 31<sup>st</sup> December, 2021 and its operations for the year on the date.

Sign:

  
\_\_\_\_\_  
DIRECTOR FINANCE

  
\_\_\_\_\_  
DATE

  
\_\_\_\_\_  
HON. CHAIRMAN

  
\_\_\_\_\_  
DATE

**NIGER STATE GOVERNMENT**

**GURARA LOCAL GOVERNMENT COUNCIL**

**ACCOUNTING POLICIES**

**(IPSAS CASH)**

**ISSUED BY**

**OFFICE OF THE DIRECTOR FINANCE**

**GURARA LOCAL GOVERNMENT COUNCIL**

**2021**



## List of Abbreviations/Acronyms

Abbreviation/Term	Description
CBN	Central Bank of Nigeria
COA	Chart of Account
FAAC	Federation Accounts Allocation Committee
FGN	Federal Government of Nigeria
FRC	Financial Reporting Council
GAAP	Generally Accepted Accounting Principles
GPFS	General Purpose Financial Statement
IPSAS	International Public Sector Accounting Standards
LFN	Law of the Federal Republic of Nigeria
LGC	Local Government Council
NCOA	National Chart of Account
GBE	Government Business Enterprises
FRCON	Financial Reporting Council of Nigeria
PPE	Properties, Plants and Equipment





### **Introduction**

In line with the adoption of the International Public Sector Accounting Standards (IPSAS) in Nigeria, a Standardised Chart of Account (COA) alongside a set of General Purpose Financial Statements (GPFS) have been designed and introduced by FAAC for adoption by all tiers of Government in Nigeria.

The standardised COA and the GPFS is hereby adopted by Gurara Local Government Council to comply with FAAC directive to harmonise public sector accounts reporting in Nigeria.

In order to ensure an effective and efficient utilisation of the COA and GPFS, the Accounting Policies have been developed as a set of guidelines to direct the Processes and Procedures relating to financial reporting in Gurara Local Government Council.

These policies shall form part of the universally agreed framework for financial reporting in Gurara Local Government Council.

### **IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when Cash (including Cash Equivalents) is received or paid by the Local Government. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of Cash raised during the period, the purposes for which Cash was used and the Cash balances at the reporting date. The measurement focus in the GPFS balances are Cash and changes during the period. Therefore, Bank Reconciliation Statement shall form integral part of periodic Reports in Gurara Local Government Council.

Notes to the GPFS provide additional information about liabilities, including payables and borrowings, and non-cash assets that include receivables, investments and property, plant and equipment.

This Accounting Policy addresses the following fundamental accounting issues:

1. Definition of Accounting Terminologies
2. Recognition of Accounting Items
3. Measurement of Accounting Items
4. Treatment of Accounting items

The Accounting Policy is subject to periodic reviews and updates as shall be deemed necessary by the Director Finance, Gurara Local Government Council.





S/N	<b>Accounting Policies:</b>	2	<b>General Purpose Financial Statements (GPFS)</b>
1	<b>Accounting Terminologies / Definitions</b>		The GPFS comprise of Statement of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by Gurara Local Government Council and Accounting Policies and Notes to the Financial Statements. In Gurara Local Government Council, the GPFS Accounting Policy include the following:
	<ol style="list-style-type: none"> <li>I. <b>Accounting policies</b> are the specific principles, bases, conventions, rules and practices adopted by Gurara Local Government Council in preparing and presenting Financial Statements.</li> <li>II. <b>Cash:</b> Cash comprises cash in hand, demand deposits in financial institutions and cash equivalents.</li> <li>III. <b>Cash equivalents</b> are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.</li> <li>IV. <b>Cash basis</b> means a basis of accounting that recognizes transactions and other events only when cash is received or paid.</li> <li>V. <b>Cash flows</b> are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.</li> <li>VI. <b>Cash receipts</b> are cash inflows.</li> <li>VII. <b>Cash payments</b> are cash outflows.</li> <li>VIII. <b>Cash Controlled by Gurara Local Government Council:</b> Cash is deemed to be controlled by Gurara Local Government Council when the government can freely use the available cash for the achievement of its objectives or enjoy benefit from the cash, and can also exclude or regulate the access of others to that benefit. Cash collected by, or appropriated or granted to the government which the government can freely use to fund its operating objectives, such as acquiring of capital assets or repaying its debt is controlled by the government.</li> <li>IX. <b>Notes to the GPFS</b> shall include narrative descriptions or more detailed schedules or analyses of amounts shown on the face of the GPFS, as well as additional information</li> </ol>	<ol style="list-style-type: none"> <li>I. Statement 1 - Cash Flow Statements: Statement of Cash Receipts and Payments which:                         <ul style="list-style-type: none"> <li>▪ recognizes all Cash Receipts, Cash Payments and Cash Balances controlled by Gurara Local Government Council; and</li> <li>▪ separately identifies payments made by third parties on behalf of Gurara Local Government Council.</li> </ul> </li> <li>II. Statement 2 - Statement of Assets and Liabilities: Statement of Financial Position (also known as Balance Sheet);</li> <li>III. Statement 3 - Statement of Consolidated Revenue Fund: Statement of Recurrent Financial Performance (also known as Profit &amp; Loss Account);</li> <li>IV. Statement 4 - Statement of Capital Development Fund: Statement of Capital Financial Performance (also known as Capital Expenditure);</li> <li>V. Notes to the Accounts: Additional disclosures to explain the GPFS; and</li> <li>VI. Accounting Policies and Explanatory Notes.</li> </ol>	



<p><b>3 Basis of Preparation and Legal Provisions</b></p> <p>The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, GPFS are in compliance with the provisions of other financial regulations of Gurara Local Government Council</p>	<p><b>6 Reporting Currency</b></p> <p>The General Purpose GPFS are prepared in Nigerian Naira.</p>
<p><b>4 Fundamental Accounting Concepts</b></p> <p>The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in Gurara Local Government Council</p> <ul style="list-style-type: none"> <li>? Cash Basis of Accounting;</li> <li>? Understability;</li> <li>? Materiality,</li> <li>? Relevance;</li> <li>? Going Concern Concept;</li> <li>? Consistency Concept</li> <li>? Prudence</li> <li>? Completeness, etc.</li> </ul>	<p><b>7 LGC for Consolidation</b></p> <ul style="list-style-type: none"> <li>▪ The Consolidation of the GPFS are based on the Cash transactions of Gurara Local Government Council except Government Business Enterprises (GBEs).</li> </ul>
<p><b>5 Accounting Period</b></p> <p>The accounting year (fiscal year) is from 1<sup>st</sup> January to 31<sup>st</sup> December. Each accounting year is divided into 12 calendar months (periods) and shall be set up as such in the accounting system.</p>	<p><b>8 Comparative Information</b></p> <ul style="list-style-type: none"> <li>▪ The General Purpose GPFS shall disclose all numerical information relating to previous period (at least one year).</li> </ul>
	<p><b>9 Budget Figures</b></p> <ul style="list-style-type: none"> <li>▪ These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation Law of Niger State.</li> </ul>
	<p><b>10 Receipts</b></p> <ul style="list-style-type: none"> <li>? These are Cash inflows within the Financial Year. They comprise of receipts from Statutory Allocations (FAAC monthly disbursement), Taxes, External Assistance (from Bilateral and Multilateral Agencies), Other Aid and Grants, Other Borrowings, Capital Receipts (Sale of Government Assets, etc), Receipts from Trading activities and Other Cash Receipts.</li> <li>? These items shall be disclosed at the face of the Statement of Cash Receipts and Payment for the year in accordance with the standardised GPFS. Notes shall be provided as per standardised Notes to GPFS.</li> </ul>



<p><b>11 External Assistance</b></p> <ul style="list-style-type: none"> <li>? Receipts from Loans are Funds received from external sources to be paid back at an agreed period of time. They are categorised either as Bilateral or Multilateral.</li> <li>? External Loans receipts shall be disclosed separately under Statement of Cash Receipts and Payment for the year.</li> <li>? The Local Governments did not receive external assistance during the two year.</li> </ul>	<p><b>15 Payments</b></p> <ul style="list-style-type: none"> <li>▪ These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorised either by Function and/or by Sector in the Statement of Cash Receipts and Payment.</li> <li>▪ Payments for purchase of items of capital nature( e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.</li> </ul>
<p><b>12 Other Borrowings / Grants&amp; Aid Received</b></p> <ul style="list-style-type: none"> <li>▪ These shall be categorised as either Short or Long term Loans.Short-Term Loans are those repayable within one calendar year (12 months), while Long - Term Loans and Debts shall fall due beyond one calendar year (above 12 months).Loans shall be disclosed separately and Grants shall also be separately disclosed under Statement of Cash Receipts and Payment for the year.</li> </ul>	<p><b>16 Loans Granted:</b></p> <ul style="list-style-type: none"> <li>▪ Payments to other Government and Agencies in form of Loans during the year shall be shown separately in the Statement of Receipts and Payments. Amount disclosed shall be actual amount paid during the year.</li> <li>▪ The Local Governments did not give any loan during the two year.</li> </ul>
<p><b>13 Interest Received</b></p> <ul style="list-style-type: none"> <li>? Interest actually received during the financial year shall be treated as a receipt</li> </ul>	<p><b>17 Loan Repayments</b></p> <p>Cash receipts from loans granted to other agencies and government shall be classified under loan repayments in the Statement of Receipts and Payments . Amount disclosed shall be actual amount received during the year.</p>
<p><b>14 Government Business Activities</b></p> <p>Cash Receipts from Trading Activities shall be received net (after deducting direct expenses) unless otherwise provided for by law or policy in force. Total receipts from all trading activities shall be disclosed in the Statement of Cash Receipts and Payments under 'Trading Activities' item.</p> <p>Where gross revenue is received, corresponding payments shall be charged under a corresponding payment item head ' Government Business Activities' in the Statement of Receipts and Payments.</p>	<p><b>18 Interest on Loans:</b></p> <ul style="list-style-type: none"> <li>▪ Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest payment in the Statement of Cash Receipts and Payments</li> </ul>



19	<p><b>Foreign Currency Transactions:</b></p> <ul style="list-style-type: none"><li>Foreign Currency Transactions throughout the year shall be converted into Nigerian Naira at the ruling (Central Bank of Nigeria –CBN) rate of exchange at the dates of the transactions. Foreign currency balances, as at the year end, shall be translated at the exchange rates prevailing on that date.</li><li>At the end of the financial year, additional amounts (in cash or at bank) arising out of Foreign Exchange Gains/Losses shall be recognised in the Statement of Cash Receipts and Payments either as Receipts / Payments respectively.</li><li>Hence the Gurara Local Government Council did not have foreign currency transactions during the two year.</li></ul>
20	<p><b>Prepayments</b></p> <ul style="list-style-type: none"><li>Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.</li><li>The Local Governments did not make prepayment to contractors during the two year.</li></ul>
21	<p><b>Cash Balances</b></p> <p>This includes Cash in Hand, at Bank and Cash Equivalentents at the end of the Financial year.</p>

**COUNCIL OFFICIALS**

- COUNCIL MEMBERS DESIGNATION:**

Honourable Yusuf Walli Gawu	Executive Chairman
Honourable Nasiru Adamu Shako	Secretary

- HEAD OF DEPARTMENTS:**

<b>NAMES:</b>	<b>DEPARTMENTS</b>	<b>DESIGNATION</b>
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**

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.



NIGER STATE

**AUDIT CERTIFICATE**

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, 2020 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 State Local Government Joint Account Allocation Committee are indicated in the Supplementary Note 1 to the Accounts. In my opinion, the Supplementary Note 1 to accounts presents fairly, in all material respects, the revenue from Federation Account received by Guarar Local Government during the year ended December 31st, 2020. In my opinion, the Financial Statements which are in agreement with the books of accounts and record shows a true and fair view of the financial position of the Gurara Local Government for the year ended 31st December, 2020 and the transactions for the year ended at that date.

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

**STATEMENT NO. 1  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ANNUAL BUDGET 2021 N		COA	NOTES	ACTUAL YEAR 2021 N	PREVIOUS YEAR 2020 N
	<b>CashFlows from Operating Activities:</b>				
	<u>Receipts:</u>				
1,329,795,735.00	Statutory Allocations:FAAC		1	1,063,818,381.14	1,560,969,905.37
456,661,543.00	Value Added Tax Allocation		1	582,089,501.49	-
<b>1,786,457,278.00</b>	<b>Sub-total - Statutory Allocation</b>			<b>1,645,907,882.63</b>	<b>1,560,969,905.37</b>
1,300,000.00	Direct Taxes		2	1,008,000.00	-
10,856,000.00	Licences		2	6,980,550.00	2,715,200.00
-	Mining Rents:		2	-	-
-	Royalties		2	-	-
-	Fees:		2	-	-
-	Fines		2	-	-
-	Sales		2	-	-
13,562,202.00	Earnings :		2	6,611,232.53	7,132,640.00
1,700,000.00	Sales/Rent of Government Buildings:		2	-	40,000.00
-	Sale/Rent on Lands and Others:		2	-	-
15,720,181.00	Rates		2	4,383,397.00	11,568,867.00
-	Investment Income		2	-	-
30,000.00	Interest Earned		2	-	-
147,447,704.00	10% IGR From State		2	25,723,459.41	22,002,508.32
<b>190,616,087.00</b>	<b>Sub-total - Independent Revenue</b>			<b>44,706,638.94</b>	<b>43,459,215.32</b>
	<b>Other Revenue Sources of L/Government</b>				
-	Domrstic Grants		3	-	21,747,549.18
-	Grants From other LGs		3	-	9,604,156.15
<b>1,977,073,365.00</b>	<b>Total Receipts</b>			<b>1,690,614,521.57</b>	<b>1,635,780,826.02</b>
	<u>Payments:</u>				
1,032,189,265.00	Personnel Costs ( Including Salaries on CRF Charges):		4	852,469,511.10	914,163,085.59
-	Federa/ States/ LGC Govt Contribution to Pension:		5	-	-
376,915,971.00	Overhead Charges:		6	309,863,225.11	161,588,146.78
120,231,507.00	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)		7	117,533,276.08	93,683,720.67
28,800,000.00	Subvention to Parastatals:		8	28,800,000.00	102,000,000.00
225,760,400.00	Other Operating Activities		9	188,951,617.23	269,125,588.20
73,030,033.83	Other Transfers		10	73,030,033.83	68,080,000.00
<b>1,856,927,176.83</b>	<b>Total Payments</b>			<b>1,570,647,663.35</b>	<b>1,608,640,541.24</b>
<b>120,146,188.17</b>	<b>Net Cash Flow from Operating Activities</b>			<b>119,966,858.22</b>	<b>27,140,284.78</b>





	<b>CashFlows from Investment Activities:</b>				
33,090,000.00	Capital Expenditure:Administrative Sector:		12	-	169,645,691.00
198,922,654.00	Capital Expenditure: Economic Sector:		12	140,000.00	-
-	Capital Expenditure: Law and Justice:		12	-	-
-	Capital Expenditure:Regional Development		12	-	-
219,000,000.00	capital expenditure: Social Service Sector:		12	12,285,000.00	45,857,809.00
-	Capital Expenditure: Funded from Aid and Grants:		11	-	-
<b>451,012,654.00</b>	<b>Net Cash Flow from Investment Activities:</b>			<b>12,425,000.00</b>	<b>215,503,500.00</b>
	<b>CashFlows from Financing Activities:</b>				
-	Proceeds from Aid and Grants		11	-	-
-	Proceeds from ExternaL Loan :		20	-	-
-	Proceeds from Internal Loans: FGN/Treasury Bonds :		21	-	-
-	Proceeds from InternaL Loan		22	-	198,000,000.00
-	Proceeds from Development of Nat Resources		23	-	-
-	Proceeds of Loans from Other Funds		24	-	-
-	Repayment of External Loans ( Including Servicing)		20	-	-
-	Repayment of FGN/Treasury Bonds :		21	-	-
96,000,000.00	Repayment of Internal Loan		22	96,000,000.00	- 40,000,000.00
-	Repayment of Loans from Development of Nat Resources		23	-	-
	Repayment of Loans from Other Funds		24	-	-
<b>96,000,000.00</b>	<b>Net Cash Flow from Financing Activities:</b>			<b>96,000,000.00</b>	<b>158,000,000.00</b>
	<b>Movement in Other Cash Equivalent Accounts</b>				
-	(Increase)/ Decrease in Investments			-	-
-	Net (Increase)/Decrease in Other Cash Equivalent:			-	-
-	<b>Total Cashflow from other Cash equivalent Accounts</b>			<b>-</b>	<b>-</b>
	Net Cash for the year			11,541,858.22	- 30,363,215.22
-	Cash & Its Equivalent as at 1st January, 2021			449,139.34	30,812,354.56
-	Cash & Its Equivalent as at 31st December, 2021			<b>11,990,997.56</b>	<b>449,139.34</b>



**STATEMENT NO. 2**  
**STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	NOTES	CURRENT YEAR 2021 N	PREVIOUS YEAR 2020 N
<b><u>ASSETS:-</u></b>			
<b><u>Liquid Assets:-</u></b>			
Cash Held by AGF:			
-CRF Bank Balance(CBN/ CRF Bank):		-	-
-Pension Account (CBN/ Bank):		-	-
-Other Bank of the Treasury		-	-
-Cash Balances of Trust & Other Funds of the FGN/ States/LGC:		-	-
-Cash Balances with Federal Pay Offices/ Sub-Treasury:		-	-
Cash Held by Agaie Local Government	15	11,990,997.56	449,139.34
<b>TOTAL LIQUID ASSETS</b>		<b>11,990,997.56</b>	<b>449,139.34</b>
<b><u>Investments and Other Cash Assets:</u></b>			
Federal/ State/ Local Government Investments	16	-	-
Imprests:-	17	-	-
Advances:-	18	-	-
Revolving Loans Granted:-	19	-	-
Intangible Assets		-	-
<b>TOTAL INVESTMENTS AND OTHER CASH ASSETS</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>11,990,997.56</b>	<b>449,139.34</b>
<b>LIABILITIES OVER ASSETS</b>		<b>63,188,410.00</b>	<b>208,825,194.78</b>
<b>TOTAL</b>		<b>75,179,407.56</b>	<b>209,274,334.12</b>
<b><u>LIABILITIES:-</u></b>			
<b><u>PUBLIC FUNDS</u></b>			
Consolidated Revenue Fund:		11,990,997.56	50,085,924.12
Capital Development Fund:		-	-
Trust & Other Public Funds:		-	-
Police Reward Fund		-	-
<b>TOTAL PUBLIC FUNDS</b>		<b>11,990,997.56</b>	<b>50,085,924.12</b>
<b><u>EXTERNAL AND INTERNAL LOANS</u></b>			
External Loans:FGN/States/ LGC	20	-	-
FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-
internal Loans	22	62,000,000.00	158,000,000.00
Development Loan Stock	23	-	-
Loan From other Funds	24	-	-
Internal Loans from Other Funds		-	-
<b>TOTAL EXTERNAL AND INTERNAL LOANS</b>		<b>62,000,000.00</b>	<b>158,000,000.00</b>
<b><u>OTHER LIABILITIES</u></b>			
Deposits:-	25	1,188,410.00	1,188,410.00
Overdrawn accounts	26	-	-
<b>TOTAL LIABILITIES</b>		<b>75,179,407.56</b>	<b>209,274,334.12</b>



NIGER STATE

## STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021

ACTUAL PREVIOUS YEAR(2020)		NOTES	ACTUAL YEAR 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	VARIANCE ON FINAL BUDGET
30,812,354.56	Opening Balance:		N	N	N	N	%
	<b>ADD: REVENUE</b>						
1,560,969,905.37	Statutory Allocations:FAAC	1	1,063,818,381.14	1,329,795,735.00	1,329,795,735.00	-	80.00
-	Value Added Tax Allocation	1	582,089,501.49	456,661,543.00	456,661,543.00	-	-
<b>1,560,969,905.37</b>	<b>Sub-Total - Statutory Allocation</b>		<b>1,645,907,882.63</b>	<b>1,786,457,278.00</b>	<b>1,786,457,278.00</b>	-	-
-	Direct Taxes	2	1,008,000.00	1,300,000.00	1,300,000.00	-	-
2,715,200.00	Licences	2	6,980,550.00	10,856,000.00	10,856,000.00	-	64.30
-	Mining Rents:	2	-	-	-	-	-
-	Royalties	2	-	-	-	-	-
-	Fees:	2	-	-	-	-	-
-	Fines	2	-	-	-	-	-
-	Sales	2	-	-	-	-	-
7,132,640.00	Earnings :	2	6,611,232.53	13,562,202.00	13,562,202.00	-	48.75
40,000.00	Sales/Rent of Government Buildings:	2	-	1,700,000.00	1,700,000.00	-	-
-	Sale/Rent on Lands and Others:	2	-	-	-	-	-
11,568,867.00	RATES	2	4,383,397.00	15,720,181.00	15,720,181.00	-	27.88
-	Investment Income	2	-	-	-	-	-
-	Interest Earned	2	-	30,000.00	30,000.00	-	-
22,002,508.32	10% IGR From State	2	25,723,459.41	147,447,704.00	147,447,704.00	-	-
<b>43,459,215.32</b>	<b>Sub-Total - Independent Revenue</b>		<b>44,706,638.94</b>	<b>189,316,087.00</b>	<b>189,316,087.00</b>	-	23.61
-	<b>Other Revenue Sources of L/Government</b>		-	-	-	-	-
21,747,549.18	Domrstric Grants	3	-	-	-	-	-
9,604,156.15	Grants From other LGs	3	-	-	-	-	-
<b>1,666,593,180.58</b>	<b>TOTAL REVENUE:</b>		<b>1,691,063,660.91</b>	<b>1,975,773,365.00</b>	<b>1,975,773,365.00</b>	-	-
	<b>LESS:EXPENDITURE</b>						
914,163,085.59	Personnel Costs ( Including Salaries on CRF Charges):	4	852,469,511.10	1,032,189,265.00	1,032,189,265.00	-	82.59
-	Federa/ States/ LGC Govt Contribution to Pension:	5	-	-	-	-	-
161,588,146.78	Overhead Charges:	6	309,863,225.11	376,915,971.00	376,915,971.00	-	82.21
93,683,720.67	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)	7	117,533,276.08	120,231,507.00	120,231,507.00	-	97.76
102,000,000.00	Subvention to Parastatals:	8	28,800,000.00	28,800,000.00	28,800,000.00	-	100.00
269,125,588.20	Other Operating Activities	9	188,951,617.23	225,760,400.00	225,760,400.00	-	83.70
68,080,000.00	Other Transfers	10	73,030,033.83	73,030,033.83	73,030,033.83	-	100.00
<b>1,608,640,541.24</b>	<b>TOTAL EXPENDITURE:</b>		<b>1,570,647,663.35</b>	<b>1,856,927,176.83</b>	<b>1,856,927,176.83</b>	-	84.58
	<b>OTHER RECURRENT PAYMENTS/EXPENDITURE:</b>						
-	Repayments:External Loans:FGN/States/ LGC	19	-	-	-	-	-
-	Repayments:FGN/ States/LGC Bonds & Treasury Bonds.	20	-	-	-	-	-
-	Repayments :Nigerian Treasury Bills (NTB)	21	-	-	-	-	-
40,000,000.00	Repayments:Internal Loans	22	96,000,000.00	96,000,000.00	96,000,000.00	-	-
-	Repayments: Internal Development Loans Stock	23	-	-	-	-	-
-	Repayments:Other Internal Loans( Promissory Notes)	24	-	-	-	-	-
<b>1,648,640,541.24</b>	<b>TOTAL EXPENDITURE:</b>		<b>1,666,647,663.35</b>	<b>1,952,927,176.83</b>	<b>1,952,927,176.83</b>	-	-
<b>17,952,639.34</b>	<b>OPERATING BALANCE:</b>		<b>24,415,997.56</b>	<b>22,846,188.17</b>	<b>22,846,188.17</b>	-	-
	<b>APPROPRIATIONS/TRANSFERS:</b>						
17,503,500.00	Transfer to Capital Development Fund:		12,425,000.00	451,012,654.00	451,012,654.00	-	2.75
<b>449,139.34</b>	<b>Closing Balance:</b>		<b>11,990,997.56</b>				



NIGER STATE

**STATEMENT NO. 4**  
**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER. 2021**

ACTUAL PREVIOUS YEAR(2020)		NOTES	TOTAL CAPITAL EXPENDITURE 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	PERFORMANCE ON TOTAL
N			N		N		%
-	Opening Balance:		-				
	<b><u>ADD: REVENUE</u></b>						
17,503,500.00	Transfer from Consolidated Revenue Fund:		12,425,000.00	141,465,554.00	141,465,554.00	-	8.78
-	Aid and Grants	11	-	-	-	-	-
-	External Loans:FGN/States/ LGC	20	-	-	-	-	-
-	FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-	-	-	-
198,000,000.00	Internal Loan	22	-	-	-	-	#DIV/0!
-	Development Loan Stock	23	-	-	-	-	-
-	Loan From Other Funds	24	-	-	-	-	-
<b>215,503,500.00</b>	<b>TOTAL REVENUE AVAILABLE:</b>		<b>12,425,000.00</b>	<b>141,465,554.00</b>	141,465,554.00	-	8.78
	<b><u>LESS: CAPITAL EXPENDITURE</u></b>						
169,645,691.00	Capital Expenditure:Administrative Sector:	12	-	33,090,000.00	33,090,000.00	-	-
-	Capital Expenditure: Economic Sector:	12	140,000.00	198,922,654.00	198,922,654.00	-	0.07
-	Capital Expenditure: Law and Justice:	12	-	-	-	-	-
-	Capital Expenditure:Regional Development	12	-	-	-	-	-
45,857,809.00	Capital Expenditure: Social Service Sector:	12	12,285,000.00	219,000,000.00	219,000,000.00	-	5.61
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-	-	-	-
<b>215,503,500.00</b>	<b>TOTAL CAPITAL EXPENDITURE:</b>		<b>12,425,000.00</b>	<b>451,012,654.00</b>	<b>451,012,654.00</b>	-	2.75
	Intangible Assets		-				
-	<b>CLOSING BALANCE:</b>		-				



## NOTE TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021

<i>Details</i>					
<b>NOTE 1</b>	<b>Ref. Note</b>	<b>Amount</b>	<b>Amount</b>		<b>Remarks</b>
<b>A- Share of Statutory Allocation from FAAC</b>		<b>N</b>	<b>N</b>		
<i>Net Share of Statutory Allocation from FAAC</i>	<b>A</b>	997,494,437.90			
<i>Add :Deduction at source for Loan Repayment</i>	<b>B</b>	-			
<i>Share of Exchange Gain Differencial</i>	<b>C</b>	3,966,662.29			
<i>Share of Federal Accounts Allocation- Excess Crude Oil</i>	<b>D</b>	29,696,007.31			
<b>Non-oil Revenue</b>	<b>E</b>	32,661,273.64			
<b>Total FAAC Allocation to LG</b>			<b>1,063,818,381.14</b>		
<b>B. Value Added Tax</b>					
<i>Share of Value Added Tax (VAT)</i>		582,089,501.49	582,089,501.49		
<b>Total Statutory Allocation to LG</b>			<b>1,645,907,882.63</b>		

## NOTE 2

<b>Internally Generated Revenue (Independent Revenue)</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	
<b>Direct Taxes</b>				
<i>Gurara local government Internal Revenue</i>	1,008,000.00	1,300,000.00	292,000.00	
<b>Total - Direct Taxes</b>	<b>1,008,000.00</b>	<b>1,300,000.00</b>	<b>292,000.00</b>	
<b>Licences</b>				
<i>Gurara local government Internal Revenue</i>	6,980,550.00	10,856,000.00	3,875,450.00	
<b>Total Licences</b>	<b>6,980,550.00</b>	<b>10,856,000.00</b>	<b>3,875,450.00</b>	
<b>Mining Rents</b>				
<i>Gurara local government Internal Revenue</i>	-	-	-	
<b>Total Mining Rents</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Royalties</b>				
<i>Gurara local government Internal Revenue</i>	-	-	-	
<b>Total Royalties</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Fees</b>				
<i>Gurara local government Internal Revenue</i>	-	-	-	
<b>Total Fees</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Fines</b>				
<i>Gurara local government Internal Revenue</i>	-	-	-	
<b>Total Fines</b>	<b>-</b>	<b>-</b>	<b>-</b>	



<b>Sales</b>					
Gurara local government Internal Revenue		-	-	-	
<b>Total Sales</b>		-	-	-	
<b>Earnings</b>					
Gurara local government Internal Revenue		6,611,232.53	13,562,202.00	6,950,969.47	
<b>Total Earnings</b>		<b>6,611,232.53</b>	<b>13,562,202.00</b>	<b>6,950,969.47</b>	
<b>Sales/Rent of Government Buildings</b>					
Gurara local government Internal Revenue		-	1,700,000.00	1,700,000.00	
<b>Total Sales/Rent of Government Buildings</b>		-	<b>1,700,000.00</b>	<b>1,700,000.00</b>	
<b>Sale/Rent on Lands and Others:</b>					
Gurara local government Internal Revenue		-	-	-	
<b>Total Sale/Rent on Lands and Others</b>		-	-	-	
<b>Rates</b>					
Gurara local government Internal Revenue		4,383,397.00	15,720,181.00	11,336,784.00	
<b>Total Rates</b>		<b>4,383,397.00</b>	<b>15,720,181.00</b>	<b>11,336,784.00</b>	
<b>Investment Income</b>					
Gurara local government Internal Revenue		-	-	-	
<b>Total Investment Income</b>		-	-	-	
<b>Interest Earned</b>					
Gurara local government Internal Revenue		-	30,000.00	30,000.00	
<b>Total Interest Earned</b>		-	<b>30,000.00</b>	<b>30,000.00</b>	
<b>10% IGR From State</b>					
Gurara local government Internal Revenue		25,723,459.41	147,447,704.00	121,724,244.59	
<b>Total 10% IGR From State</b>		<b>25,723,459.41</b>	<b>147,447,704.00</b>	<b>121,724,244.59</b>	
<b>Total - Independent Revenue</b>		<b>44,706,638.94</b>	<b>190,616,087.00</b>	<b>145,909,448.06</b>	



<b>NOTE 3</b>					
<b>Other Revenue Sources of L/Govt:</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Domestic Grants		-	-	-	
<b>Total Domestic Grants</b>		-	-	-	
Grant from other LGs		-	-	-	
<b>Total Grant from other LGS</b>		-	-	-	
<b>NOTE 4</b>					
<b>A - Total Personnel Costs ( Including Salaries directly charged to CRF in Note 4B below):</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		4,316,787.88	13,286,207.00	8,969,419.12	
The Council		24,268,749.60	26,143,570.00	1,874,820.40	
Office Of The Secretary		2,426,874.96	5,596,760.00	3,169,885.04	
Personnel Management		35,885,681.72	48,160,910.00	12,275,228.28	
<b>TOTAL Personnel Cost Administrative Sector</b>		<b>66,898,094.16</b>	<b>93,187,447.00</b>	<b>26,289,352.84</b>	
					CRF Charges in Note 3
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		26,591,378.28	67,549,757.00	40,958,378.72	
Budget, Planning & Research		2,562,341.34	8,990,220.00	6,427,878.66	
Works And Housing		25,322,779.47	42,231,891.00	16,909,111.53	
Agriculture And Natural Resources		32,102,853.97	60,277,810.00	28,174,956.03	
<b>TOTAL Personnel Cost Economic Sector</b>		<b>86,579,353.06</b>	<b>179,049,678.00</b>	<b>92,470,324.94</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		507,885,433.69	548,700,000.00	40,814,566.31	
Primary Health Cure		137,287,049.71	149,432,034.00	12,144,984.29	
Social Development		22,851,837.28	30,268,474.00	7,416,636.72	
Traditional Council		30,967,743.20	31,551,632.00	583,888.80	
<b>Total Personnel Cost Social Sector</b>		<b>698,992,063.88</b>	<b>759,952,140.00</b>	<b>60,960,076.12</b>	
<b>Total Personnel Cost For All Sectors</b>		<b>852,469,511.10</b>	<b>1,032,189,265.00</b>	<b>179,719,753.90</b>	





<b>B- Salaries directly charged to CRF( included in Note 4A above)</b>				
<b>List of Parastatals and Agencies:</b>		-	-	-
Judges of Supreme Court of Nigeria		-	-	-
Judges of Court of Appeal		-	-	-
other Judges of Court in Nigeria		-	-	-
Auditor -General for Federation		-	-	-
Auditor -General for State		-	-	-
Auditor -General for Local Government		-	-	-
INEC Chairman and Commissioners		-	-	-
e.t.c.		-	-	-
<b>Total</b>		<b>852,469,511.10</b>	<b>1,032,189,265.00</b>	<b>179,719,753.90</b>
<b>NOTE 5</b>				
<b>Employers Contribution to Pension according to Sector</b>		-	-	-
Administrative Sector		-	-	-
Economic Sector		-	-	-
Law and Justice Sector		-	-	-
Regional Sector		-	-	-
Social Sector		-	-	-
<b>Total Employers Contribution to Pension</b>		-	-	-
<b>NOTE 6</b>				
<b>Overhead Costs</b>				
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Office Of The Chairman		87,548,000.00	90,128,000.00	2,580,000.00
The Council		17,901,000.00	19,800,000.00	1,899,000.00
Office Of The Secretary		1,480,000.00	4,040,000.00	2,560,000.00
Personnel Management		9,198,600.00	11,200,000.00	2,001,400.00
<b>Total Overhead Cost Administrative Sector</b>		<b>116,127,600.00</b>	<b>125,168,000.00</b>	<b>9,040,400.00</b>
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Finance And Supply		152,274,000.11	179,047,971.00	26,773,970.89
Budget, Planning & Research		1,482,000.00	5,600,000.00	4,118,000.00
Works And Housing		30,279,000.00	32,100,000.00	1,821,000.00
Agriculture And Natural Resources		6,804,625.00	13,000,000.00	6,195,375.00
<b>TOTAL Overhead Cost Economic Sector</b>		<b>190,839,625.11</b>	<b>229,747,971.00</b>	<b>38,908,345.89</b>
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Adult Education		-	-	-
Primary Health Cure		282,000.00	16,200,000.00	15,918,000.00
Social Development		2,319,000.00	3,400,000.00	1,081,000.00
Traditional Council		295,000.00	2,400,000.00	2,105,000.00
<b>Total Overhead Cost Social Sector</b>		<b>2,896,000.00</b>	<b>22,000,000.00</b>	<b>19,104,000.00</b>
<b>Total Overhead Cost For All Sectors</b>		<b>309,863,225.11</b>	<b>376,915,971.00</b>	<b>67,052,745.89</b>



<b>NOTE 7</b>					
<b>Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Monthly Pension		117,533,276.08	120,231,507.00	2,698,230.92	
<b>Total Consolidated Revenue Fund Charges</b>		<b>117,533,276.08</b>	<b>120,231,507.00</b>	<b>2,698,230.92</b>	
<b>NOTE 8</b>					
<b>Subventions to Parastatals (According to Sectors-List)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		28,800,000.00	28,800,000.00	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Subventions to Parastatals</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	
<b>NOTE 9</b>					
<b>Other Operating Activities</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		188,951,617.23	225,760,400.00	36,808,782.77	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Other Operating Activities</b>		<b>188,951,617.23</b>	<b>225,760,400.00</b>	<b>36,808,782.77</b>	
<b>NOTE 10</b>					
<b>Other Transfer</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		19,200,000.00	19,200,000.00	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		9,600,000.00	9,600,000.00	-	
<b>sub-total</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	
Transfers to other local governments		44,230,033.83	44,230,033.83	-	
<b>Total Other Transfer</b>		<b>73,030,033.83</b>	<b>73,030,033.83</b>	<b>-</b>	



NIGER STATE



<b>NOTE 11</b>				
<b>Details of Aid &amp; Grants Received</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Bilateral		-	-	-
Multi Lateral		-	-	-
ETC		-	-	-
<b>Total Details of Aid &amp; Grants Received</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>NOTE 12</b>				
<b>A - Details of Total Capital Expenditures (According to Sectors)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Administrative Sector		-	33,090,000.00	33,090,000.00
Economic Sector		140,000.00	198,922,654.00	198,782,654.00
Law and Justice Sector		-	-	-
Regional Sector		-	-	-
Social Sector		12,285,000.00	219,000,000.00	206,715,000.00
<b>Total Details of Capital Expenditures</b>		<b>12,425,000.00</b>	<b>451,012,654.00</b>	<b>438,587,654.00</b>
<b>B - Details of Capital Expenditures of Parastatals (Included in 12A above)</b>				
		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Administrative Sector		-	-	-
Economic Sector		-	-	-
Law and Justice Sector		-	-	-
Regional Sector		-	-	-
Social Sector		-	-	-
<b>Total Details of Capital Expenditures of Parastatals</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>NOTE 13</b>				
<b>CLOSING BOOK BALANCES OF OTHER FUNDS OF THE GOVERNMENT</b>				
		<b>Amount 2021</b>	<b>Amount 2020</b>	
List all the Other Funds Cash Book Balances		-	-	
<b>NOTE 14</b>				
<b>CLOSING CASH BOOK BALANCE OF FEDERAL PAY OFFICES/SUB-TREASURY OFFICES</b>				
		<b>Amount 2021</b>	<b>Amount 2020</b>	
List all the FPO/Sub-Treasuries Cash Book Balances		-	-	



<b>NOTE 15</b>					
<b>CLOSING CASH BOOK BALANCE OF GURARA LOCAL GOVERNMENT</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Gurara Local Government		11,990,997.56	449,139.34		
<b>Total Details of Cash Book Balances</b>		<b>11,990,997.56</b>	<b>449,139.34</b>		
<b>NOTE 16</b>					
<b>INVESTMENTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Investments in Quoted Companies		-	-		
Investments in unQuoted Companies		-	-		
Loans to Government Companies		-	-		
Loans to Other Government		-	-		
<b>Total Investments</b>		<b>-</b>	<b>-</b>		
<b>NOTE 17</b>					
<b>LIST OF OUTSTANDING IMPRESTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Imprests</b>		<b>-</b>	<b>-</b>		
<b>NOTE 18</b>					
<b>LIST OF OUTSTANDING ADVANCES</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Advances</b>		<b>-</b>	<b>-</b>		



<b>NOTE 19</b>					
<b>Revolving Loan Account</b>					
List the Loans		<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 20</b>					
<b>External Loans:FGN/States/ LGC</b>					
List the Loans		<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 21</b>					
<b>FGN/ States/LGC Bonds &amp; Treasury Bonds.</b>					
List the Loans		<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 22</b>					
<b>Internal Loan</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>Opening balance at as 1st january, 2021</b>		158,000,000.00	-		
Add: Additional Loan Issued		-	198,000,000.00		
Less: Repaid		96,000,000.00	40,000,000.00		
<b>Loans as at 31st December, 2021</b>		<b>62,000,000.00</b>	<b>158,000,000.00</b>		



**NOTE 23**

<b>Development Loan Stock</b>					
List the Loans	<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>	
Loan 1	-	-	-	-	-
Loan 2	-	-	-	-	-
Loan 3	-	-	-	-	-
Loan 4	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

**NOTE 24**

<b>Internal Loans from Other Funds</b>					
List the Loans	<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>	
Loan 1	-	-	-	-	-
Loan 2	-	-	-	-	-
Loan 3	-	-	-	-	-
Loan 4	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

**NOTE 25**

<b>Schedule of Deposit</b>		<b>Amount 2021</b>	<b>Amount 2020</b>
Gurara Local Government		1,188,410.00	1,188,410.00
<b>Total Outstanding Deposits</b>		<b>1,188,410.00</b>	<b>1,188,410.00</b>
<b>Details Of Deposits</b>			
5% VAT		658,100.00	658,100.00
Withholding Tax		-	-
1% Stamp Duty		530,310.00	530,310.00
<b>TOTAL</b>		<b>1,188,410.00</b>	<b>1,188,410.00</b>

**NOTE 26**

<b>Schedule of Overdrawn accounts</b>		<b>Amount 2021</b>	<b>Amount 2020</b>
Gurara Local Government		-	-
<b>Total Overdrawn account</b>		-	-

**NOTE 27**

<b>CONTINGENT LIABILITES AS AT YEAR END</b>		<b>Amount 2021</b>	<b>Amount 2020</b>	
<b>E.G.</b>				<b>List All the Contigent Liabilities</b>
... Pension and Gratuity Due		-	-	
....Outstanding Contractors Liabilities ( According to MDA)		-	-	
.....Pending Litigations ( According to MDA)		-	-	
.....Guarantees ( According to MDA)		-	-	
..... Others		-	-	
<b>Total Contigent Liabilities</b>		-	-	

**SUPPLEMENTARY NOTE**

1 GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)			
		2021	2020
		TOTAL	TOTAL
MONTH			
JANUARY		121,900,236.32	144,846,408.99
FEBRUARY		129,238,634.19	133,656,789.00
MARCH		103,854,611.26	119,567,146.39
APRIL		119,738,013.03	136,089,067.68
MAY		131,988,764.86	125,996,619.60
JUNE		127,818,110.22	114,138,305.26
JULY		150,356,728.38	138,571,449.95
AUGUST		150,356,728.38	142,162,959.05
SEPTEMBER		151,134,478.42	139,998,140.79
OCTOBER		158,574,765.69	130,876,136.03
NOVEMBER		151,094,776.69	118,170,467.78
DECEMBER		149,852,035.19	116,896,414.85
<b>TOTAL</b>		<b>1,645,907,882.63</b>	<b>1,560,969,905.37</b>

INTERNALLY GENERATED REVENUE 2021	
DETAILS	AMOUNT
Taxes	1,008,000.00
Rates	4,383,397.00
Lincences	6,980,550.00
Earning	6,611,232.53
Rent	-
interest	-
10% IGR From State	25,723,459.41
<b>TOTAL</b>	<b>44,706,638.94</b>



## 1.1 INTRODUCTION

In compliance with the provision of section 125 (2) of 1999 Constitution of the Federal Republic of Nigeria and Niger State Local Government Law (N.S.L.N. No. 14) of 2001, I have examined the Accounts and Financial Statement of Gurara Local Governments for the year ended 31<sup>st</sup> December, 2021 in accordance with the Public Finance (Control Management Act. 1958).

I have therefore certified the accounts as correct subject to various observations raised and contained in this report while the irregularities discovered thereon had been forwarded through Audit Inspection reports to the attached Accounting officers for their comments and necessary actions

## 2.0 FINANCIAL HIGHLIGHTS

RECEIPTS DESCRIPTION	AMOUNT (?)	PERCENTAGE
Internally Generated Revenue	18,983,179.53	1.12%
10% IGR	25,723,459.41	1.52%
VAT	582,089,501.49	34.43%
Exchange Gain Differential	3,966,662.29	0.24%
Excess Crude Oil	29,696,007.31	1.76%
Non-Oil Revenue	32,661,273.64	1.93%
Statutory Allocation	997,494,437.90	59.00%
<b>TOTAL</b>	<b>? 1,690,614,521.57</b>	<b>100.00%</b>

## 2.1 ANALYSIS OF REVENUE AND EXPENDITURE

### 2.1.1 REVENUE

The sum of ? 1,690,614,521.57 accrued to Gurara Local Government Council as total receipts for the year ended 31<sup>st</sup> December, 2021

#### 2.1.1.1 INTERNALLY GENERATED REVENUE

Gurara Local Government Council generated the sum of ? 18,983,179.53 and ? 25,723,459.41 as Internally Generated Revenue and 10% IGR from State respectively, this amounted to a total of ? 44,706,638.94 only for the year ended 31<sup>st</sup> December, 2021 which represented 2.64% of the total accrued revenue of ? 1,690,614,521.57. This shows that the Council solely depends on statutory allocation from the Federation Account and grants from other sources for survival despite my several advices to improve and explore other sources of revenue for the Council. This could result to non-survival of the councils if there is a decline of revenue from the Federation Account.

I advise that the Council should make up extra efforts to generate more in the years ahead.

#### 2.1.1.2 FEDERAL STATUTORY ALLOCATION

The sum of ? 997,494,437.90 which is 59.00% of the total receipts of ? 1,690,614,521.57 was disbursed to Local Governments Councils for the year under review. This sum comprises the followings:

- i. VAT
- ii. Exchange Gain Differential
- iii. Excess Crude Oil
- iv. Non-Oil Revenue
- v. Statutory Allocation

### 2.1.2 EXPENDITURE

2.1.2.1 The total sum of N1,690,614,521.57 was allocated directly to Gurara Local Government Council and expended as follows:

DETAILS	AMOUNT ( ? )	PERCENTAGE
i. Personnel cost	852,469,511.10	49.03%
ii. Overhead cost	309,863,225.11	8.67%
iii. Consolidated Fund charges	117,533,276.08	5.03%
iv. Operating Activities	188,951,617.23	14.44%
v. Other Transfers	73,030,033.83	3.65%
vi. Contributions	28,800,000.00	5.47%
vii. Repayment of Loans	96,000,000.00	2.15%
viii. Cash flow from investment	12,425,000.00	11.56%
	<b><u>1,679,072,663.35</u></b>	<b><u>100.00%</u></b>

### 3.0 WEAKNESSES IN THE INTERNAL CONTROL SYSTEM

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

#### 3.1 Unsupported payments by third party documentation

I observed that most of the payment vouchers raised were not having documentary evidences such as delivery notes, Stores Received Vouchers, Stores Issues Vouchers, receipts etc. to justify the payments made. This implies some of the payments were made for goods not delivered or services not rendered.

I advised the Councils to ensure that all payments are supported appropriately.





### **3.2. Unremitted WHT, VATD and STAMPDUTIES deductions**

During the course of my audit I observed that Gurara Local Government Council had not remitted ₦ 1,188,410.00 to the appropriate authorities as at 31 December 2021. The outstanding amount comprises of ₦530,310.00 in respect of Stamp Duty and ₦658,100.00 in respect of VAT.

This exposes the Local Government Council to the risk of payment of fines and penalties for late remittance.

I advised the Council to remit the outstanding deductions immediately and in future, the Council should ensure all deductions are made and remitted in accordance with the relevant guidelines.

### **3.3. Payment Vouchers not checked nor passed by the Internal Audit Unit.**

During the course of our audit exercise, it was observed that despite being raised in our previous reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued in some cases which contravene chapter 14 section 1-19 of Model Financial Memoranda. The non-compliance was evidenced by the Payment Vouchers which were prepared and paid out without endorsement by the Internal Audit Unit and Officer Controlling the Vote and Checks by the Accounting Officer. This exposes the Council to fraudulent practices.

I advised the Council to strictly adhere to the provisions of the Model Financial Memoranda.

### **3.4. Non-maintenance of Fixed/Moveable Asset register.**

A Fixed Assets Register is a management tool to monitor and control use of assets. However, as pointed out in my previous reports, Gurara Local Council did not maintain an up-to-date Fixed Assets Register during the year under review.

I advised the Council to ensure that an up-to-date Fixed Assets/Movable Assets Register is maintained.

### **3.5. Non-maintenance of Loan/Overdraft Register/Ledger.**

We observed that Gurara Local Government Council did not maintain Loans/Overdraft Register/Ledger during the year.

The risk is that the Council may not be able to reconcile loan balances with the lenders leading to overpayments or fines and penalties for under payments.

We recommend that the Council should immediately open and maintain Loans Register. In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that all issues raised above in this section should be addressed before my next audit

## **4.0 BUDGETARY CONTROL**

### **4.1 REVENUE COMPARISON**



During the year under review, there was a shortfall in the target of Internally Generated Revenue in Gurara Local Government Council in all revenue codes as shown below:

**GURARA LOCAL GOVERNMENT BUDGETED INTERNALLY GENERATED REVENUE COMPARED WITH ACTUAL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**

S/N	CODES	DETAILS	BUDGET ?	ACTUAL ?	SHORTFALL ?
1	12010000	Taxes	1,300,000.00	1,008,000.00	(292,000.00)
2	12021700	Rates	15,720,181.00	4,383,397.00	(11,336,784.00)
3	12021300	Local Licenses, Fees, and Fine	10,856,000.00	6,980,550.00	(3,875,450.00)
4	12021500	Earning from Commercial undertakings	13,562,202.00	6,611,232.53	(6,950,969.47)
5	12021600	Rent on Local Government Properties	1,700,000.00	-	(1,700,000.00)
6	12021100	Interest	30,000.00	-	(30,000.00)
<b>TOTAL</b>			<b>43,168,383.00</b>	<b>18,983,179.53</b>	<b>(24,185,203.47)</b>

From the above table, it clearly shows that the Council rely solely on Statutory Allocation from the Federation Account for its survival when comparing the total budgeted amount of ? 43,168,383.00 with actual Internally Generated Revenue of ? 18,983,179.53 leaving a short fall of ? 24,185,203.47 during the year under review.

This implies that the Council could not fully implement its planned programs during the financial year or the budget was not realistic.

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

- i. Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- ii. Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- iii. Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- iv. Control over issuance of revenue receipts
- v. Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.
- vi. The Council should ensure that realistic budgets are prepared.

## 4.2 RECURRENT EXPENDITURE

### 4.2.1 PERSONNEL COST

As regards to the personnel cost, it was observed that, the sum of ? 914,163,085.59 and ? 852,469,511.10 was spent as personnel cost in 2020 and 2021 respectively with a decrease of ? 61,693,574.49 over the previous year. The decrease represents 6.91% of personnel cost for the year under review. The decrease was due to retirements and death of personnel and inability of the Council to paid 100% Salary during the year under review.



**4.2.2 CAPITAL EXPENDITURE****4.2.2.1 CAPITAL PROJECT**

During the year under review it was observed that the sum of ₦ 12,425,000.00 was spent on capital project by Gurara local Government Council. This was made by the council to boost the developmental activities in the Rural areas in which various Project were executed and some were still in progress. Though the approved capital expenditure Estimate was ₦ 451,012,654.00 and only the sum of ₦ 12,425,000.00 representing 2.75% was Expenditure leading to a variance of ₦ 438,587,654.00.

I advised the council that estimate should be based on realistic and cognizance of Environmental factor, and the cashflow should be adequately monitored in order to reduce unnecessary expenses in overhead and give priority to capital project execution.

**5.0 ANALYSIS OF ASSETS AND LIABILITIES****5.1 ASSETS****5.1.1 CASH AND ITS EQUIVALENTS**

The closing cash and its equivalents amounted to the sum of ₦ 11,990,997.56k for Gurara Local Government as at 31<sup>st</sup> December, 2021.

**5.2. LIABILITIES****5.2.1. DEPOSITS**

Deposits comprise unremitted statutory deductions and bank overdrafts as explained below.

- |                          |                       |
|--------------------------|-----------------------|
| • Statutory Deposits     | ₦ 1,188,410.00        |
| • Non statutory Deposits | NIL                   |
|                          | <u>₦ 1,188,410.00</u> |

**5.2.1.1 UNREMITTED DEDUCTIONS**

The balance on the unremitted deductions account was ₦ 1,188,410.00 as at 31<sup>st</sup> December, 2021. The unremitted deductions include deductions from payments made on behalf of Government Agencies and various other bodies by the Local Government which ought to be promptly remitted to the appropriate authorities.

The management of Gbako Local Government Council has been advised to ensure that all Deposits are remitted timely to avoid accumulating liabilities and attracting fines and penalties for the Local Government.

**5.2.1.2. BANK OVERDRAFTS**

The Council did not have bank overdrafts at the end of the financial year under review.

**6.0 OUTSTANDING ISSUE FROM THE AUDIT INSPECTION REPORT**

The following are the outstanding issues from Report on Capital Project for the period under review.

<b>AGX/F.O.21/TA/GUR/VOL.1</b>	<b>Dated – 03/02/2022</b>
(i) Withdrawal of fund without payment vouchers	= ₦ 23,693,125.00
(ii) Payment made without Council Chairman's Approval	= ₦ 1,430,000.00
(iii) Payment of DTA without proper documentation	= ₦ 1,125,000.00
(iv) Interception of Internally Generated Revenue	= ₦ 886,750.00

Management promised to follow up and resolve the issues raised above.

We recommend that the management of Gurara Local Government should ensure the issues raised above are adequately addressed



**6.1 OUTSTANDING ISSUE FROM THE INSPECTION REPORT ON CAPITAL PROJECT**

The following are the outstanding issues from Projects inspection for the year under review.

**AGX/D.131/VOL.9/1**

**DIRECT LABOUR WORK**

Suspicious payment made for control of flood and construction of Bridge without

Direct Labour Records, e.g card, Job Order, Cost Book attached to payment vouchers = ₦ 39,800,000.00

1. Payment made for the construction of Mini Sport Complex Gawu Babangida  
₦ 7,352,000.00 and work stood at about 30% completion with payment of = ₦ 2,500,000.00
2. Inflated projects; Flood control at Lefu, Padawa, and construction of Bridge at Padawa = ₦ 19,900,000.00

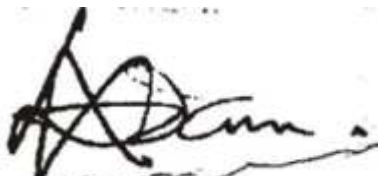
Management promised to follow up and resolve the issues raised above.

We recommend that the management of Gurara Local Government should ensure the issues raised above are adequately addressed.

**7.0 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, 2021

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



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NIGER STATE



# KATCHA LOCAL GOVERNMENT COUNCIL

## OFFICE OF THE DIRECTOR FINANCE

ADDRESS:  
Local Government Secretariat  
Katcha,  
Niger State.

Our Ref: KMG/ES/A/1342/11  
Your Ref: \_\_\_\_\_

Date 10<sup>th</sup> JAN 2022

### STATEMENT OF FINANCIAL RESPONSIBILITY STATEMENT NO 1.

These financial statement have been prepared by the Treasurer Katcha Local Government Council in accordance with the provision of the finance (Council and Management) Act 1958 as amended. The Financial Statement Comply with generally accepted accounting practices.

The treasury is responsible for the establishing and maintaining a system of internal control designed to provide reasonable assurance that the transactions seconded are within statutory authority and properly record the use of all public financial resources by the Local Government Council. To the best of my knowledge his system of Internal Control has operated adequately throughout the reporting period 2021.

Sign: \_\_\_\_\_

Date: 10<sup>th</sup> JAN 2022

**Treasurer**

We accept responsibility for these financial statement the information they contain and their compliance with the finance (Control and Management) Act 1958 as Amended.

in our opinion, three Financial Statement fairly reflect the financial position of Katcha Local Government Council as at End of year 2021 and its operation for the year ended on the date:

Sign: \_\_\_\_\_

Sign: KATCHA LOCAL GOVT.

**Treasurer**

**Chairman**

Sign: 10<sup>th</sup> JAN 2022

Date: 10<sup>th</sup> JAN 2022

**Treasurer**

**Chairman**



NIGER STATE

**NIGER STATE GOVERNMENT**

**KATCHA LOCAL GOVERNMENT COUNCIL**

**ACCOUNTING POLICIES**

**(IPSAS CASH)**

**ISSUED BY**

**OFFICE OF THE DIRECTOR FINANCE**

**KATCHA LOCAL GOVERNMENT COUNCIL**

**2021**





## List of Abbreviations/Acronyms

Abbreviation/Term	Description
CBN	Central Bank of Nigeria
COA	Chart of Account
FAAC	Federation Accounts Allocation Committee
FGN	Federal Government of Nigeria
FRC	Financial Reporting Council
GAAP	Generally Accepted Accounting Principles
GPFS	General Purpose Financial Statement
IPSAS	International Public Sector Accounting Standards
LFN	Law of the Federal Republic of Nigeria
LGC	Local Government Council
NCOA	National Chart of Account
GBE	Government Business Enterprises
FRCON	Financial Reporting Council of Nigeria
PPE	Properties, Plants and Equipment



## Introduction

In line with the adoption of the International Public Sector Accounting Standards (IPSAS) in Nigeria, a Standardised Chart of Account (COA) alongside a set of General Purpose Financial Statements (GPFS) have been designed and introduced by FAAC for adoption by all tiers of Government in Nigeria.

The standardised COA and the GPFS is hereby adopted by Katcha Local Government Council to comply with FAAC directive to harmonise public sector accounts reporting in Nigeria.

In order to ensure an effective and efficient utilisation of the COA and GPFS, the Accounting Policies have been developed as a set of guidelines to direct the Processes and Procedures relating to financial reporting in Katcha Local Government Council.

These policies shall form part of the universally agreed framework for financial reporting in Katcha Local Government Council.

## IPSAS Cash Basis of Accounting

The IPSAS Cash Basis of Accounting recognizes transactions and events only when Cash (including Cash Equivalents) is received or paid by the Local Government. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of Cash raised during the period, the purposes for which Cash was used and the Cash balances at the reporting date. The measurement focus in the GPFS balances are Cash and changes during the period. Therefore, Bank Reconciliation Statement shall form integral part of periodic Reports in Katcha Local Government Council.

Notes to the GPFS provide additional information about liabilities, including payables and borrowings, and non-cash assets that include receivables, investments and property, plant and equipment.

This Accounting Policy addresses the following fundamental accounting issues:

1. Definition of Accounting Terminologies
2. Recognition of Accounting Items
3. Measurement of Accounting Items
4. Treatment of Accounting items

The Accounting Policy is subject to periodic reviews and updates as shall be deemed necessary by the Director Finance, Katcha Local Government Council.





S/N	Accounting Policies:	2
1	<p><b>Accounting Terminologies / Definitions</b></p> <ol style="list-style-type: none"> <li>I. <b>Accounting policies</b> are the specific principles, bases, conventions, rules and practices adopted by Katcha Local Government Council in preparing and presenting Financial Statements.</li> <li>II. <b>Cash:</b> Cash comprises cash in hand, demand deposits in financial institutions and cash equivalents.</li> <li>III. <b>Cash equivalents</b> are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.</li> <li>IV. <b>Cash basis</b> means a basis of accounting that recognizes transactions and other events only when cash is received or paid.</li> <li>V. <b>Cash flows</b> are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.</li> <li>VI. <b>Cash receipts</b> are cash inflows.</li> <li>VII. <b>Cash payments</b> are cash outflows.</li> <li>VIII. <b>Cash Controlled by Katcha Local Government Council:</b> Cash is deemed to be controlled by Katcha Local Government Council when the government can freely use the available cash for the achievement of its objectives or enjoy benefit from the cash, and can also exclude or regulate the access of others to that benefit. Cash collected by, or appropriated or granted to the government which the government can freely use to fund its operating objectives, such as acquiring of capital assets or repaying its debt is controlled by the government.</li> <li>IX. <b>Notes to the GPFs</b> shall include narrative descriptions or more detailed schedules or analyses of amounts shown on the face of the GPFs, as well as additional information</li> </ol>	<p><b>General Purpose Financial Statements (GPFS)</b></p> <p>The GPFS comprise of Statement of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by Katcha Local Government Council and Accounting Policies and Notes to the Financial Statements. In Katcha Local Government Council, the GPFS Accounting Policy include the following:</p> <ol style="list-style-type: none"> <li>I. Statement 1 - Cash Flow Statements: Statement of Cash Receipts and Payments which:             <ul style="list-style-type: none"> <li>▪ recognizes all Cash Receipts, Cash Payments and Cash Balances controlled by Katcha Local Government Council; and</li> <li>▪ separately identifies payments made by third parties on behalf of Katcha Local Government Council.</li> </ul> </li> <li>II. Statement 2 - Statement of Assets and Liabilities: Statement of Financial Position (also known as Balance Sheet);</li> <li>III. Statement 3 - Statement of Consolidated Revenue Fund: Statement of Recurrent Financial Performance (also known as Profit &amp; Loss Account);</li> <li>IV. Statement 4 - Statement of Capital Development Fund: Statement of Capital Financial Performance (also known as Capital Expenditure);</li> <li>V. Notes to the Accounts: Additional disclosures to explain the GPFS; and</li> <li>VI. Accounting Policies and Explanatory Notes.</li> </ol>



<p><b>3 Basis of Preparation and Legal Provisions</b></p> <p>The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, GPFS are in compliance with the provisions of other financial regulations of Katcha Local Government Council</p>	<p><b>6 Reporting Currency</b></p> <p>The General Purpose GPFS are prepared in Nigerian Naira.</p>
<p><b>4 Fundamental Accounting Concepts</b></p> <p>The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in Katcha Local Government Council</p> <ul style="list-style-type: none"> <li>? Cash Basis of Accounting;</li> <li>? Understability;</li> <li>? Materiality,</li> <li>? Relevance;</li> <li>? Going Concern Concept;</li> <li>? Consistency Concept</li> <li>? Prudence</li> <li>? Completeness, etc.</li> </ul>	<p><b>7 LGC for Consolidation</b></p> <ul style="list-style-type: none"> <li>▪ The Consolidation of the GPFS are based on the Cash transactions of Katcha Local Government Council except Government Business Enterprises (GBEs).</li> </ul>
<p><b>5 Accounting Period</b></p> <p>The accounting year (fiscal year) is from 1<sup>st</sup> January to 31<sup>st</sup> December. Each accounting year is divided into 12 calendar months (periods) and shall be set up as such in the accounting system.</p>	<p><b>8 Comparative Information</b></p> <ul style="list-style-type: none"> <li>▪ The General Purpose GPFS shall disclose all numerical information relating to previous period (at least one year).</li> </ul>
	<p><b>9 Budget Figures</b></p> <ul style="list-style-type: none"> <li>▪ These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation Law of Niger State.</li> </ul>
	<p><b>10 Receipts</b></p> <ul style="list-style-type: none"> <li>? These are Cash inflows within the Financial Year. They comprise of receipts from Statutory Allocations (FAAC monthly disbursement), Taxes, External Assistance (from Bilateral and Multilateral Agencies), Other Aid and Grants, Other Borrowings, Capital Receipts (Sale of Government Assets, etc), Receipts from Trading activities and Other Cash Receipts.</li> <li>? These items shall be disclosed at the face of the Statement of Cash Receipts and Payment for the year in accordance with the standardised GPFS. Notes shall be provided as per standardised Notes to GPFS.</li> </ul>



<p><b>11 External Assistance</b></p> <ul style="list-style-type: none"> <li>? Receipts from Loans are Funds received from external sources to be paid back at an agreed period of time. They are categorised either as Bilateral or Multilateral.</li> <li>? External Loans receipts shall be disclosed separately under Statement of Cash Receipts and Payment for the year.</li> <li>? The Local Governments did not receive external assistance during the two year.</li> </ul>	<p><b>15 Payments</b></p> <ul style="list-style-type: none"> <li>▪ These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorised either by Function and/or by Sector in the Statement of Cash Receipts and Payment.</li> <li>▪ Payments for purchase of items of capital nature( e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.</li> </ul>
<p><b>12 Other Borrowings / Grants&amp; Aid Received</b></p> <ul style="list-style-type: none"> <li>▪ These shall be categorised as either Short or Long term Loans.Short-Term Loans are those repayable within one calendar year (12 months), while Long - Term Loans and Debts shall fall due beyond one calendar year (above 12 months).Loans shall be disclosed separately and Grants shall also be separately disclosed under Statement of Cash Receipts and Payment for the year.</li> </ul>	<p><b>16 Loans Granted:</b></p> <ul style="list-style-type: none"> <li>▪ Payments to other Government and Agencies in form of Loans during the year shall be shown separately in the Statement of Receipts and Payments. Amount disclosed shall be actual amount paid during the year.</li> <li>▪ The Local Governments did not give any loan during the two year.</li> </ul>
<p><b>13 Interest Received</b></p> <ul style="list-style-type: none"> <li>? Interest actually received during the financial year shall be treated as a receipt</li> </ul>	<p><b>17 Loan Repayments</b></p> <p>Cash receipts from loans granted to other agencies and government shall be classified under loan repayments in the Statement of Receipts and Payments . Amount disclosed shall be actual amount received during the year.</p>
<p><b>14 Government Business Activities</b></p> <p>Cash Receipts from Trading Activities shall be received net (after deducting direct expenses) unless otherwise provided for by law or policy in force. Total receipts from all trading activities shall be disclosed in the Statement of Cash Receipts and Payments under 'Trading Activities' item.</p> <p>Where gross revenue is received, corresponding payments shall be charged under a corresponding payment item head ' Government Business Activities' in the Statement of Receipts and Payments.</p>	<p><b>18 Interest on Loans:</b></p> <ul style="list-style-type: none"> <li>▪ Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest payment in the Statement of Cash Receipts and Payments</li> </ul>



19	<p><b>Foreign Currency Transactions:</b></p> <ul style="list-style-type: none"><li>Foreign Currency Transactions throughout the year shall be converted into Nigerian Naira at the ruling (Central Bank of Nigeria –CBN) rate of exchange at the dates of the transactions. Foreign currency balances, as at the year end, shall be translated at the exchange rates prevailing on that date.</li><li>At the end of the financial year, additional amounts (in cash or at bank) arising out of Foreign Exchange Gains/Losses shall be recognised in the Statement of Cash Receipts and Payments either as Receipts / Payments respectively.</li><li>Hence the Katcha Local Government Council did not have foreign currency transactions during the two year.</li></ul>
20	<p><b>Prepayments</b></p> <ul style="list-style-type: none"><li>Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.</li><li>The Local Governments did not make prepayment to contractors during the two year.</li></ul>
21	<p><b>Cash Balances</b></p> <p>This includes Cash in Hand, at Bank and Cash Equivalentents at the end of the Financial year.</p>



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

- AUDITORS**

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

**AUDIT CERTIFICATE**

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, 2020 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 State Local Government Joint Account Allocation Committee are indicated in the Supplementary Note 1 to the Accounts. In my opinion, the Supplementary Note 1 to accounts presents fairly, in all material respects, the revenue from Federation Account received by Katcha Local Government during the year ended December 31st, 2020.

In my opinion, the Financial Statements which are in agreement with the books of accounts and record shows a true and fair view of the financial position of the Katcha Local Government for the year ended 31st December, 2020 and the transactions for the year ended at that date.



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





**STATEMENT NO. 1**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ANNUAL BUDGET 2021 N	COA	NOTES	ACTUAL YEAR 2021 N	PREVIOUS YEAR 2020 N
<b>CashFlows from Operating Activities:</b>				
<u>Receipts:</u>				
1,434,965,289.00		1	1,152,791,476.92	1,685,772,302.32
455,514,256.00		1	626,652,022.58	-
<b>1,890,479,545.00</b>			<b>1,779,443,499.50</b>	<b>1,685,772,302.32</b>
<b>Sub-total - Statutory Allocation</b>				
350,000.00		2	-	-
16,936,000.00		2	4,353,120.00	1,896,194.41
-		2	-	-
-		2	-	-
-		2	-	-
-		2	-	-
-		2	-	-
9,274,000.00		2	3,318,622.58	4,792,024.14
-		2	-	-
-		2	-	-
2,000,000.00		2	50,000.00	695,200.00
-		2	-	-
-		2	-	-
147,447,704.00		2	25,723,459.41	22,002,508.32
<b>176,007,704.00</b>			<b>33,445,201.99</b>	<b>29,385,926.87</b>
<b>Sub-total - Independent Revenue</b>				
<b>Other Revenue Sources of L/Government</b>				
-		3	-	<b>21,747,549.18</b>
150,000,000.00		3	327,531,313.46	645,331,162.90
<b>2,216,487,249.00</b>			<b>2,140,420,014.95</b>	<b>2,382,236,941.27</b>
<b>Total Receipts</b>				
<u>Payments:</u>				
1,643,360,175.51		4	1,401,575,183.13	1,759,030,408.62
-		5	-	-
217,600,000.00		6	127,769,974.08	160,053,446.55
150,718,049.00		7	141,892,697.80	126,353,206.81
28,800,000.00		8	28,800,000.00	102,000,000.00
100,143,573.00		9	275,275,644.30	148,983,626.66
28,800,000.00		10	28,800,000.00	68,080,000.00
<b>2,169,421,797.51</b>			<b>2,004,113,499.31</b>	<b>2,364,500,688.64</b>
<b>Total Payments</b>				
<b>47,065,451.49</b>			<b>136,306,515.64</b>	<b>17,736,252.63</b>
<b>Net Cash Flow from Operating Activities</b>				



	<b>CashFlows from Investment Activities:</b>				
147,400,000.00	Capital Expenditure:Administrative Sector:		12	-	23,950,000.00
124,618,357.00	Capital Expenditure: Economic Sector:		12	-	90,000,000.00
-	Capital Expenditure: Law and Justice:		12	-	-
-	Capital Expenditure:Regional Development		12	-	-
207,365,318.00	capital expenditure: Social Service Sector:		12	15,700,000.00	67,979,000.00
-	Capital Expenditure: Funded from Aid and Grants:		11	-	-
<b>479,383,675.00</b>	<b>Net Cash Flow from Investment Activities:</b>			<b>15,700,000.00</b>	<b>181,929,000.00</b>
	<b>CashFlows from Financing Activities:</b>				
-	Proceeds from Aid and Grants		11	-	-
-	Proceeds from ExternaL Loan :		20	-	-
-	Proceeds from Internal Loans: FGN/Treasury Bonds :		21	-	-
-	Proceeds from InternaL Loan		22	-	174,000,000.00
-	Proceeds from Development of Nat Resources		23	-	-
-	Proceeds of Loans from Other Funds		24	-	-
-	Repayment of External Loans ( Including Servicing)		20	-	-
-	Repayment of FGN/Treasury Bonds :		21	-	-
96,000,000.00	Repayment of Internal Loan		22	96,000,000.00	- 40,000,000.00
-	Repayment of Loans from Development of Nat Resources		23	-	-
	Repayment of Loans from Other Funds		24	-	-
<b>96,000,000.00</b>	<b>Net Cash Flow from Financing Activities:</b>			<b>96,000,000.00</b>	<b>134,000,000.00</b>
	<b>Movement in Other Cash Equivalent Accounts</b>				
-	(Increase)/ Decrease in Investments			-	-
-	Net (Increase)/Decrease in Other Cash Equivalents:			-	-
-	<b>Total Cashflow from other Cash equivalent Accounts</b>			-	-
	Net Cash for the year			24,606,515.64	- 30,192,747.37
-	Cash & Its Equivalent as at 1st January, 2021			8,196,514.37	38,389,261.74
-	Cash & Its Equivalent as at 31st December, 2021			<b>32,803,030.01</b>	<b>8,196,514.37</b>



**STATEMENT NO. 2**  
**STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	NOTES	CURRENT YEAR 2021	PREVIOUS YEAR 2020
		N	N
<b><u>ASSETS:-</u></b>			
<b>Liquid Assets:-</b>			
Cash Held by AGF:			
-CRF Bank Balance(CBN/ CRF Bank):		-	-
-Pension Account (CBN/ Bank):		-	-
-Other Bank of the Treasury		-	-
-Cash Balances of Trust & Other Funds of the FGN/ States/LGC:		-	-
-Cash Balances with Federal Pay Offices/ Sub-Treasury:		-	-
Cash Held by Agaie Local Government	15	32,803,030.01	8,196,514.37
<b>TOTAL LIQUID ASSETS</b>		<b>32,803,030.01</b>	<b>8,196,514.37</b>
<b>Investments and Other Cash Assets:</b>			
Federal/ State/ Local Government Investments	16	-	-
Imprests:-	17	-	-
Advances:-	18	-	-
Revolving Loans Granted:-	19	-	-
Intangible Assets		-	-
<b>TOTAL INVESTMENTS AND OTHER CASH ASSETS</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>32,803,030.01</b>	<b>8,196,514.37</b>
<b>LIABILITIES OVER ASSETS</b>		<b>49,807,322.81</b>	<b>185,717,092.80</b>
<b>TOTAL</b>		<b>82,610,352.82</b>	<b>193,913,607.17</b>
<b><u>LIABILITIES:-</u></b>			
<b><u>PUBLIC FUNDS</u></b>			
Consolidated Revenue Fund:		32,803,030.01	58,003,767.00
Capital Development Fund:		-	-
Trust & Other Public Funds:		-	-
Police Reward Fund		-	-
<b>TOTAL PUBLIC FUNDS</b>		<b>32,803,030.01</b>	<b>58,003,767.00</b>
<b><u>EXTERNAL AND INTERNAL LOANS</u></b>			
External Loans:FGN/States/ LGC	20	-	-
FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-
internal Loans	22	38,000,000.00	134,000,000.00
Development Loan Stock	23	-	-
Loan From other Funds	24	-	-
Internal Loans from Other Funds		-	-
<b>TOTAL EXTERNAL AND INTERNAL LOANS</b>		<b>38,000,000.00</b>	<b>134,000,000.00</b>
<b><u>OTHER LIABILITIES</u></b>			
Deposits:-	25	11,125,262.32	1,250,394.16
Overdrawn accounts	26	682,060.49	659,446.01
<b>TOTAL LIABILITIES</b>		<b>82,610,352.82</b>	<b>193,913,607.17</b>



STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021

ACTUAL PREVIOUS YEAR(2020)		NOTES	ACTUAL YEAR 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	VARIANCE ON FINAL BUDGET
			N	N	N	N	%
38,389,261.74	Opening Balance:		8,196,514.37				
	<b>ADD: REVENUE</b>						
1,685,772,302.32	Statutory Allocations:FAAC	1	1,152,791,476.92	1,434,965,289.00	1,434,965,289.00	-	80.34
-	Value Added Tax Allocation	1	626,652,022.58	455,514,256.00	455,514,256.00	-	-
<b>1,685,772,302.32</b>	<b>Sub-Total - Statutory Allocation</b>		<b>1,779,443,499.50</b>	<b>1,890,479,545.00</b>	<b>1,890,479,545.00</b>	-	-
-	Direct Taxes	2	-	350,000.00	350,000.00	-	-
1,896,194.41	Licences	2	4,353,120.00	16,936,000.00	16,936,000.00	-	25.70
-	Mining Rents:	2	-	-	-	-	-
-	Royalties	2	-	-	-	-	-
-	Fees:	2	-	-	-	-	-
-	Fines	2	-	-	-	-	-
-	Sales	2	-	-	-	-	-
4,792,024.14	Earnings :	2	3,318,622.58	9,274,000.00	9,274,000.00	-	35.78
-	Sales/Rent of Government Buildings:	2	-	-	-	-	-
-	Sale/Rent on Lands and Others:	2	-	-	-	-	-
695,200.00	RATES	2	50,000.00	2,000,000.00	2,000,000.00	-	2.50
-	Investment Income	2	-	-	-	-	-
-	Interest Earned	2	-	-	-	-	-
22,002,508.32	10% IGR From State	2	25,723,459.41	147,447,704.00	147,447,704.00	-	-
<b>29,385,926.87</b>	<b>Sub-Total - Independent Revenue</b>		<b>33,445,201.99</b>	<b>175,657,704.00</b>	<b>175,657,704.00</b>	-	19.04
	<b>Other Revenue Sources of L/Government</b>						
21,747,549.18	Domrstic Grants	3	-	-	-	-	-
645,331,162.90	Grants From other LGs	3	327,531,313.46	150,000,000.00	150,000,000.00	-	-
<b>2,420,626,203.01</b>	<b>TOTAL REVENUE:</b>		<b>2,148,616,529.32</b>	<b>2,066,487,249.00</b>	<b>2,066,487,249.00</b>	-	-
	<b>LESS:EXPENDITURE</b>						
1,759,030,408.62	Personnel Costs ( Including Salaries on CRF Charges):	4	1,401,575,183.13	1,643,360,175.51	1,643,360,175.51	-	85.29
-	Federa/ States/ LGC Govt Contribution to Pension:	5	-	-	-	-	-
160,053,446.55	Overhead Charges:	6	127,769,974.08	217,600,000.00	217,600,000.00	-	58.72
126,353,206.81	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)	7	141,892,697.80	150,718,049.00	150,718,049.00	-	94.14
102,000,000.00	Subvention to Parastatals:	8	28,800,000.00	28,800,000.00	28,800,000.00	-	100.00
148,983,626.66	Other Operating Activities	9	275,275,644.30	100,143,573.00	100,143,573.00	-	274.88
68,080,000.00	Other Transfers	10	28,800,000.00	28,800,000.00	28,800,000.00	-	100.00
<b>2,364,500,688.64</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,004,113,499.31</b>	<b>2,169,421,797.51</b>	<b>2,169,421,797.51</b>	-	92.38
	<b>OTHER RECURRENT PAYMENTS/EXPENDITURE:</b>						
-	Repayments:External Loans:FGN/States/ LGC	19	-	-	-	-	-
-	Repayments:FGN/ States/LGC Bonds & Treasury Bonds.	20	-	-	-	-	-
-	Repayments :Nigerian Treasury Bills (NTB)	21	-	-	-	-	-
40,000,000.00	Repayments:Internal Loans	22	96,000,000.00	96,000,000.00	96,000,000.00	-	-
-	Repayments: Internal Development Loans Stock	23	-	-	-	-	-
-	Repayments:Other Internal Loans( Promissory Notes)	24	-	-	-	-	-
<b>2,404,500,688.64</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,100,113,499.31</b>	<b>2,265,421,797.51</b>	<b>2,265,421,797.51</b>	-	-
<b>16,125,514.37</b>	<b>OPERATING BALANCE:</b>		<b>48,503,030.01</b>	<b>- 198,934,548.51</b>	<b>- 198,934,548.51</b>	-	-
	<b>APPROPRIATIONS/TRANSFERS:</b>						
7,929,000.00	Transfer to Capital Development Fund:		15,700,000.00	479,383,675.00	479,383,675.00	-	3.28
<b>8,196,514.37</b>	<b>Closing Balance:</b>		<b>32,803,030.01</b>				



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**STATEMENT NO. 4**  
**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ACTUAL PREVIOUS YEAR(2020)		NOTES	TOTAL CAPITAL EXPENDITURE 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	PERFORMANCE ON TOTAL
N			N		N		%
-	<b>Opening Balance:</b>		-				
	<b><u>ADD: REVENUE</u></b>						
7,929,000.00	Transfer from Consolidated Revenue Fund:		15,700,000.00	112,787,077.00	112,787,077.00	-	13.92
-	Aid and Grants	11	-	-	-	-	-
-	External Loans:FGN/States/ LGC	20	-	-	-	-	-
-	FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-	-	-	-
174,000,000.00	Internal Loan	22	-	-	-	-	#DIV/0!
-	Development Loan Stock	23	-	-	-	-	-
-	Loan From Other Funds	24	-	-	-	-	-
<b>181,929,000.00</b>	<b>TOTAL REVENUE AVAILABLE:</b>		<b>15,700,000.00</b>	<b>112,787,077.00</b>	<b>112,787,077.00</b>	<b>-</b>	<b>13.92</b>
	<b><u>LESS: CAPITAL EXPENDITURE</u></b>						
23,950,000.00	Capital Expenditure:Administrative Sector:	12	-	147,400,000.00	147,400,000.00	-	-
90,000,000.00	Capital Expenditure: Economic Sector:	12	-	124,618,357.00	124,618,357.00	-	-
-	Capital Expenditure: Law and Justice:	12	-	-	-	-	-
-	Capital Expenditure:Regional Development	12	-	-	-	-	-
67,979,000.00	Capital Expenditure: Social Service Sector:	12	15,700,000.00	207,365,318.00	207,365,318.00	-	7.57
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-	-	-	-
<b>181,929,000.00</b>	<b>TOTAL CAPITAL EXPENDITURE:</b>		<b>15,700,000.00</b>	<b>479,383,675.00</b>	<b>479,383,675.00</b>	<b>-</b>	<b>3.28</b>
	Intangible Assets		-				
-	<b>CLOSING BALANCE:</b>		-				



**NOTE TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

<i>Details</i>					
<b>NOTE 1</b>	<b>Ref. Note</b>	<b>Amount</b>	<b>Amount</b>		<b>Remarks</b>
<b>A- Share of Statutory Allocation from FAAC</b>		<b>N</b>	<b>N</b>		
<i>Net Share of Statutory Allocation from FAAC</i>	<b>A</b>	1,081,224,124.15			
<i>Add :Deduction at source for Loan Repayment</i>	<b>B</b>	-			
<i>Share of Exchange Gain Differencial</i>	<b>C</b>	4,280,256.95			
<i>Share of Federal Accounts Allocation- Excess Crude Oil</i>	<b>D</b>	32,043,701.33			
<b>Non-oil Revenue</b>	<b>E</b>	35,243,394.49			
<b>Total FAAC Allocation to LG</b>			<b>1,152,791,476.92</b>		
<b>B. Value Added Tax</b>					
<i>Share of Value Added Tax (VAT)</i>		626,652,022.58	626,652,022.58		
<b>Total Statutory Allocation to LG</b>			<b>1,779,443,499.50</b>		

**NOTE 2**

<b>Internally Generated Revenue (Independent Revenue)</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	
<b>Direct Taxes</b>				
<i>Katcha local government Internal Revenue</i>	-	350,000.00	350,000.00	
<b>Total - Direct Taxes</b>	-	<b>350,000.00</b>	<b>350,000.00</b>	
<b>Licences</b>				
<i>Katcha local government Internal Revenue</i>	4,353,120.00	16,936,000.00	12,582,880.00	
<b>Total Licences</b>	<b>4,353,120.00</b>	<b>16,936,000.00</b>	<b>12,582,880.00</b>	
<b>Mining Rents</b>				
<i>Katcha local government Internal Revenue</i>	-	-	-	
<b>Total Mining Rents</b>	-	-	-	
<b>Royalties</b>				
<i>Katcha local government Internal Revenue</i>	-	-	-	
<b>Total Royalties</b>	-	-	-	
<b>Fees</b>				
<i>Katcha local government Internal Revenue</i>	-	-	-	
<b>Total Fees</b>	-	-	-	
<b>Fines</b>				
<i>Katcha local government Internal Revenue</i>	-	-	-	
<b>Total Fines</b>	-	-	-	





<b>Sales</b>				
Katcha local government Internal Revenue		-	-	-
<b>Total Sales</b>		-	-	-
<b>Earnings</b>				
Katcha local government Internal Revenue		3,318,622.58	9,274,000.00	5,955,377.42
<b>Total Earnings</b>		<b>3,318,622.58</b>	<b>9,274,000.00</b>	<b>5,955,377.42</b>
<b>Sales/Rent of Government Buildings</b>				
Katcha local government Internal Revenue		-	-	-
<b>Total Sales/Rent of Government Buildings</b>		-	-	-
<b>Sale/Rent on Lands and Others:</b>				
Katcha local government Internal Revenue		-	-	-
<b>Total Sale/Rent on Lands and Others</b>		-	-	-
<b>Rates</b>				
Katcha local government Internal Revenue		50,000.00	2,000,000.00	1,950,000.00
<b>Total Rates</b>		<b>50,000.00</b>	<b>2,000,000.00</b>	<b>1,950,000.00</b>
<b>Investment Income</b>				
Katcha local government Internal Revenue		-	-	-
<b>Total Investment Income</b>		-	-	-
<b>Interest Earned</b>				
Katcha local government Internal Revenue		-	-	-
<b>Total Interest Earned</b>		-	-	-
<b>10% IGR From State</b>				
Katcha local government Internal Revenue		25,723,459.41	147,447,704.00	121,724,244.59
<b>Total 10% IGR From State</b>		<b>25,723,459.41</b>	<b>147,447,704.00</b>	<b>121,724,244.59</b>
<b>Total - Independent Revenue</b>		<b>33,445,201.99</b>	<b>176,007,704.00</b>	<b>142,562,502.01</b>



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<b>NOTE 3</b>					
<b>Other Revenue Sources of L/Govt:</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Domestic Grants		-	-	-	
<b>Total Domestic Grants</b>		-	-	-	
Grant from other LGs		327,531,313.46	150,000,000.00	-	177,531,313.46
<b>Total Grant from other LGS</b>		<b>327,531,313.46</b>	<b>150,000,000.00</b>	-	<b>177,531,313.46</b>
<b>NOTE 4</b>					
<b>A - Total Personnel Costs ( Including Salaries directly charged to CRF in Note 4B below):</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		6,836,422.53	26,159,977.67	19,323,555.14	
The Council		24,407,204.77	38,093,000.00	13,685,795.23	
Office Of The Secretary		2,516,132.73	2,809,300.00	293,167.27	
Personnel Management		56,475,032.49	97,368,953.70	40,893,921.21	
<b>TOTAL Personnel Cost Administrative Sector</b>		<b>90,234,792.52</b>	<b>164,431,231.37</b>	<b>74,196,438.85</b>	
				CRF Charges in Note 3	
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		60,193,521.93	86,261,883.79	26,068,361.86	
Budget, Planning & Research		6,110,407.30	8,254,596.07	2,144,188.77	
Works And Housing		78,290,545.94	106,467,023.06	28,176,477.12	
Agriculture And Natural Resources		65,447,963.82	87,793,112.60	22,345,148.78	
<b>TOTAL Personnel Cost Economic Sector</b>		<b>210,042,438.99</b>	<b>288,776,615.52</b>	<b>78,734,176.53</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		784,478,808.86	788,605,521.00	4,126,712.14	
Primary Health Cure		283,536,161.26	344,003,022.00	60,466,860.74	
Social Development		-	-	-	
Traditional Council		33,282,981.50	57,543,785.62	24,260,804.12	
<b>Total Personnel Cost Social Sector</b>		<b>1,101,297,951.62</b>	<b>1,190,152,328.62</b>	<b>88,854,377.00</b>	
<b>Total Personnel Cost For All Sectors</b>		<b>1,401,575,183.13</b>	<b>1,643,360,175.51</b>	<b>241,784,992.38</b>	





<b>B- Salaries directly charged to CRF( included in Note 4A above)</b>				
<b>List of Parastatals and Agencies:</b>		-	-	-
Judges of Supreme Court of Nigeria		-	-	-
Judges of Court of Appeal		-	-	-
other Judges of Court in Nigeria		-	-	-
Auditor -General for Federation		-	-	-
Auditor -General for State		-	-	-
Auditor -General for Local Government		-	-	-
INEC Chairman and Commissioners		-	-	-
e.t.c.		-	-	-
<b>Total</b>		<b>1,401,575,183.13</b>	<b>1,643,360,175.51</b>	<b>241,784,992.38</b>
<b>NOTE 5</b>				
<b>Employers Contribution to Pension according to Sector</b>		-	-	-
Administrative Sector		-	-	-
Economic Sector		-	-	-
Law and Justice Sector		-	-	-
Regional Sector		-	-	-
Social Sector		-	-	-
<b>Total Employers Contribution to Pension</b>		-	-	-
<b>NOTE 6</b>				
<b>Overhead Costs</b>				
<b>Administrative Sector</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman	91,848,274.00	97,000,000.00	5,151,726.00	
The Council	7,313,000.00	9,500,000.00	2,187,000.00	
Office Of The Secretary	1,040,000.00	1,900,000.00	860,000.00	
Personnel Management	4,451,000.00	6,700,000.00	2,249,000.00	
<b>Total Overhead Cost Administrative Sector</b>	<b>104,652,274.00</b>	<b>115,100,000.00</b>	<b>10,447,726.00</b>	
<b>Economic Sector</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply	13,140,700.08	66,100,000.00	52,959,299.92	
Budget, Planning & Research	2,200,000.00	4,000,000.00	1,800,000.00	
Works And Housing	4,261,000.00	8,600,000.00	4,339,000.00	
Agriculture And Natural Resources	1,900,000.00	3,300,000.00	1,400,000.00	
<b>TOTAL Overhead Cost Economic Sector</b>	<b>21,501,700.08</b>	<b>82,000,000.00</b>	<b>60,498,299.92</b>	
<b>Social Sector</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education	562,000.00	16,100,000.00	15,538,000.00	
Primary Health Cure	260,000.00	1,000,000.00	740,000.00	
Social Development	-	2,400,000.00	2,400,000.00	
Traditional Council	794,000.00	1,000,000.00	206,000.00	
<b>Total Overhead Cost Social Sector</b>	<b>1,616,000.00</b>	<b>20,500,000.00</b>	<b>18,884,000.00</b>	
<b>Total Overhead Cost For All Sectors</b>	<b>127,769,974.08</b>	<b>217,600,000.00</b>	<b>89,830,025.92</b>	



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<b>NOTE 7</b>					
<b>Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)</b>					
	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>		
Monthly Pension	141,892,697.80	150,718,049.00	8,825,351.20		
<b>Total Consolidated Revenue Fund Charges</b>	<b>141,892,697.80</b>	<b>150,718,049.00</b>	<b>8,825,351.20</b>		
<b>NOTE 8</b>					
<b>Subventions to Parastatals (According to Sectors-List)</b>					
	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>		
Administrative Sector	28,800,000.00	28,800,000.00	-		
Economic Sector	-	-	-		
Law and Justice Sector	-	-	-		
Regional Sector	-	-	-		
Social Sector	-	-	-		
<b>Total Subventions to Parastatals</b>	<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>		
<b>NOTE 9</b>					
<b>Other Operating Activities</b>					
	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>		
Administrative Sector	275,275,644.30	100,143,573.00	- 175,132,071.30		
Economic Sector	-	-	-		
Law and Justice Sector	-	-	-		
Regional Sector	-	-	-		
Social Sector	-	-	-		
<b>Total Other Operating Activities</b>	<b>275,275,644.30</b>	<b>100,143,573.00</b>	<b>- 175,132,071.30</b>		
<b>NOTE 10</b>					
<b>Other Transfer</b>					
	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>		
Administrative Sector	19,200,000.00	19,200,000.00	-		
Economic Sector	-	-	-		
Law and Justice Sector	-	-	-		
Regional Sector	-	-	-		
Social Sector	9,600,000.00	9,600,000.00	-		
<b>Total Other Transfer</b>	<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>		



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<b>NOTE 11</b>					
<b>Details of Aid &amp; Grants Received</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
<b>Bilateral</b>		-	-	-	
<b>Multi Lateral</b>		-	-	-	
<b>ETC</b>		-	-	-	
<b>Total Details of Aid &amp; Grants Received</b>		-	-	-	
<b>NOTE 12</b>					
<b>A - Details of Total Capital Expenditures (According to Sectors)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		-	147,400,000.00	147,400,000.00	
Economic Sector		-	124,618,357.00	124,618,357.00	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		15,700,000.00	207,365,318.00	191,665,318.00	
<b>Total Details of Capital Expenditures</b>		<b>15,700,000.00</b>	<b>479,383,675.00</b>	<b>463,683,675.00</b>	
<b>B - Details of Capital Expenditures of Parastatals (Included in 12A above)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		-	-	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Details of Capital Expenditures of Parastatals</b>		-	-	-	
<b>NOTE 13</b>					
<b>CLOSING BOOK BALANCES OF OTHER FUNDS OF THE GOVERNMENT</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the Other Funds Cash Book Balances		-	-		



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<b>NOTE 14</b>					
<b>CLOSING CASH BOOK BALANCE OF FEDERAL PAY OFFICES/SUB-TREASURY OFFICES</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the FPO/Sub-Treasuries Cash Book Balances		-	-		
<b>NOTE 15</b>					
<b>CLOSING CASH BOOK BALANCE OF KATCHA LOCAL GOVERNMENT</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Katcha Local Government		32,803,030.01	8,196,514.37		8,196,514.37
<b>Total Details of Cash Book Balances</b>		<b>32,803,030.01</b>	<b>8,196,514.37</b>		
<b>NOTE 16</b>					
<b>INVESTMENTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Investments in Quoted Companies		-	-		
Investments in unQuoted Companies		-	-		
Loans to Government Companies		-	-		
Loans to Other Government		-	-		
<b>Total Investments</b>		<b>-</b>	<b>-</b>		
<b>NOTE17</b>					
<b>LIST OF OUTSTANDING IMPRESTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Imprests</b>		<b>-</b>	<b>-</b>		
<b>NOTE 18</b>					
<b>LIST OF OUTSTANDING ADVANCES</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Advances</b>		<b>-</b>	<b>-</b>		



<b>NOTE 19</b>					
<b>Revolving Loan Account</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 20</b>					
<b>External Loans:FGN/States/ LGC</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 21</b>					
<b>FGN/ States/LGC Bonds &amp; Treasury Bonds.</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 22</b>					
Internal Loan		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>Opening balance at as 1st january, 2021</b>		134,000,000.00	-		
Add: Additional Loan Issued		-	174,000,000.00		
Less: Repaid		96,000,000.00	40,000,000.00		
<b>Loans as at 31st December, 2021</b>		<b>38,000,000.00</b>	<b>134,000,000.00</b>		



**NOTE 23**

**Development Loan Stock**

List the Loans	Balance as at 1/1/2021	Additional Loan	Loan Paid Back	Balance as at 31/12/2021
Loan 1	-	-	-	-
Loan 2	-	-	-	-
Loan 3	-	-	-	-
Loan 4	-	-	-	-
<b>Total</b>	-	-	-	-

**NOTE 24**

**Internal Loans from Other Funds**

List the Loans	Balance as at 1/1/2021	Additional Loan	Loan Paid Back	Balance as at 31/12/2021
Loan 1	-	-	-	-
Loan 2	-	-	-	-
Loan 3	-	-	-	-
Loan 4	-	-	-	-
<b>Total</b>	-	-	-	-

**NOTE 25**

**Schedule of Deposit**

	Amount 2021	Amount 2020
Katcha Local Government	11,125,262.32	1,250,394.16
<b>Total Outstanding Deposits</b>	<b>11,125,262.32</b>	<b>1,250,394.16</b>

**Details Of Deposits**

5% Contract Tax	841,000.00	406,000.00
5% Withholding Tax	406,000.00	406,000.00
Development Levy	- 3,236.68	- 3,236.68
CT & CS Co-operative	1,398,706.00	81,746.84
Drug Loan Refund	398,500.00	398,500.00
Emirate Fund	4,500.00	4,500.00
Stamp Duty	190,000.00	190,000.00
District Head Contribution	168,000.00	160,000.00
NULGE LOAN (M/CYCLE)	4,232,600.00	- 594,000.00
yegborolo comm	206,241.00	186,740.00
UBA Refound	8,000.00	8,000.00
NULGE SALLAH RAM	6,000.00	6,000.00
Mosque Contribution	13,000.00	-
Staff Co-operative	1,589,352.00	-
NULGE ENDWELL	1,557,100.00	-
BASIC HEALTH CARE CO-OPERATIVE	109,500.00	-
	<b>11,125,262.32</b>	<b>1,250,250.16</b>

**NOTE 26**

**Schedule of Overdrawn accounts**

	Amount 2021	Amount 2020
Katcha Local Government	682,060.49	659,446.01
<b>Total Overdrawn account</b>	<b>682,060.49</b>	<b>659,446.01</b>
Micro Finance THU	377,473.23	
Micro Finance Sure P	304,587.26	
	<b>682,060.49</b>	

**NOTE 27**

**CONTINGENT LIABILITES AS AT YEAR END**

	Amount 2021	Amount 2020	List All the Contigent Liabilities
<b>E.G.</b>			
... Pension and Gratuity Due	-	-	
....Outstanding Contractors Liabilities ( According to MDA)	-	-	
.....Pending Litigations ( According to MDA)	-	-	
.....Guarantees ( According to MDA)	-	-	
..... Others	-	-	
<b>Total Contigent Liabilities</b>	-	-	

**SUPPLEMENTARY NOTE**

1 GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)			
		2021	2020
	MONTH	TOTAL	TOTAL
	JANUARY	131,976,228.39	156,222,078.23
	FEBRUARY	139,357,553.84	144,188,988.46
	MARCH	113,085,990.27	128,988,876.13
	APRIL	129,613,814.99	146,788,373.31
	MAY	142,787,737.61	135,950,119.56
	JUNE	138,298,981.13	123,101,673.89
	JULY	162,644,867.35	149,476,878.33
	AUGUST	162,644,867.35	153,364,065.39
	SEPTEMBER	163,402,674.53	151,493,114.33
	OCTOBER	171,091,978.83	141,666,891.74
	NOVEMBER	162,993,315.52	127,897,726.11
	DECEMBER	161,545,489.69	126,633,516.84
	<b>TOTAL</b>	<b>1,779,443,499.50</b>	<b>1,685,772,302.32</b>

INTERNELLY GENERATED REVENUE 2021	
DETAILS	AMOUNT
Taxes	-
Rates	50,000.00
Lincences	4,353,120.00
Earning	3,318,622.58
Rent	-
interest	-
10% IGR From State	25,723,459.41
<b>TOTAL</b>	<b>33,445,201.99</b>



## 1.1 INTRODUCTION

In compliance with the provision of section 125 (2) of 1999 Constitution of the Federal Republic of Nigeria and Niger State Local Government Law (N.S.L.N. No. 14) of 2001, I have examined the Accounts and Financial Statement of Katcha Local Governments for the year ended 31<sup>st</sup> December, 2021 in accordance with the Public Finance (Control Management Act. 1958).

I have therefore certified the accounts as correct subject to various observations raised and contained in this report while the irregularities discovered thereon had been forwarded through Audit Inspection reports to the attached Accounting officers for their comments and necessary actions

## 2.0 FINANCIAL HIGHLIGHTS

RECEIPTS DESCRIPTION	AMOUNT (?)	PERCENTAGE
Internally Generated Revenue	7,721,742.58	0.36%
10% IGR	25,723,459.41	1.20%
Grants From Other LGs	327,531,313.46	15.30%
VAT	626,652,022.58	29.28%
Exchange Gain Differential	4,280,256.95	0.20%
Excess Crude Oil	32,043,701.33	1.50%
Non-Oil Revenue	35,243,394.49	1.65%
Statutory Allocation	1,081,224,124.15	50.51%
<b>TOTAL</b>	<b><u>? 2,140,420,014.95</u></b>	<b><u>100.00%</u></b>

## 2.1 ANALYSIS OF REVENUE AND EXPENDITURE

### 2.1.1 REVENUE

The sum of ? 2,556,236,941.27 accrued to Katcha Local Government Council as total receipts for the year ended 31<sup>st</sup> December, 2021

#### 2.1.1.1 INTERNALLY GENERATED REVENUE

Katcha Local Government Council generated the sum of ? 7,721,742.58 and ? 25,723,459.41 as Internally Generated Revenue and 10% IGR from State respectively. The Local Government council also received ? 327,531,313.46 as grant from Other Local Governments which amounted to a total of ? 360,976,515.45 only for the year ended 31<sup>st</sup> December, 2021 which represented 16.86% of the total accrued revenue of ? 2,140,420,014.95. This shows that the Council solely depends on statutory allocation from the Federation Account and grants from other sources for survival despite my several advices to improve and explore other sources of revenue for the Council. This could result to non-survival of the councils if there is a decline of revenue from the Federation Account. Also, I advise that the Council should make up extra efforts to generate more in the years ahead.

#### 2.1.1.2 FEDERAL STATUTORY ALLOCATION

The sum of ? 1,081,224,124.15 which is 50.51% of the total receipts of ? 2,140,420,014.95 was disbursed to Local Governments Councils for the year under review. This sum comprises the followings:



- i. VAT
- ii. Exchange Gain Differential
- iii. Excess Crude Oil
- iv. Non-Oil Revenue
- v. Statutory Allocation

### 2.1.2 EXPENDITURE

2.1.2.1 The total sum of ₦ 2,140,420,014.95 was allocated directly to Katcha Local Government Council and expended as follows:

DETAILS	AMOUNT ( ₦ )	PERCENTAGE
i. Personnel cost	1,401,575,183.13	66.24%
ii. Overhead cost	127,769,974.08	6.04%
iii. Consolidated Fund charges	141,892,697.80	6.71%
iv. Operating Activities	275,275,644.30	13.01%
v. Other Transfers	28,800,000.00	1.36%
vi. Contributions	28,800,000.00	1.36%
vii. Repayment of Loans	96,000,000.00	4.54%
viii. Cash flow from investment	15,700,000.00	0.74%
	<b><u>2,115,813,499.31</u></b>	<b><u>100.00%</u></b>

### 3.0 WEAKNESSES IN THE INTERNAL CONTROL SYSTEM

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

#### 3.1. Unsupported payments by third party documentation

I observed that most of the payment vouchers raised were not having documentary evidences such as delivery notes, Stores Received Vouchers, Stores Issues Vouchers, receipts etc. to justify the payments made. This implies some of the payments were made for goods not delivered or services not rendered.

I advised the Councils to ensure that all payments are supported appropriately.

#### 3.2. Unremitted WHT, VAT and STAMPDUTIES Deductions

During the course of my audit I observed that Katcha Local Government Council had not remitted N1,437,000.00 to the appropriate authorities as at 31 December 2021. The outstanding amount comprises of N406,000.00 in respect of WHT, N841,00.00 in respect of VAT and N190,000.00 in respect of Stamp duty.

This exposes the Local Government Council to the risk of payment of fines and penalties for late remittance.

I advised the Council to remit the outstanding deductions immediately and in future, the Council should ensure all deductions are made and remitted in accordance with the relevant guidelines.



**3.1. Payment Vouchers not checked nor passed by the Internal Audit Unit.**

During the course of our audit exercise, it was observed that despite being raised in our previous reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued in some cases which contravene chapter 14 section 1-19 of Model Financial Memoranda. The non-compliance was evidenced by the Payment Vouchers which were prepared and paid out without endorsement by the Internal Audit Unit and Officer Controlling the Vote and Checks by the Accounting Officer. This exposes the Council to fraudulent practices.

I advised the Council to adhere strictly the provisions of the Model Financial Memoranda

**3.2. Non-maintenance of Fixed/Moveable Asset register.**

A Fixed Assets Register is a management tool to monitor and control use of assets. However, as pointed out in my previous reports, Katcha Local Council did not maintain an up-to-date Fixed Assets Register during the year under review.

I advised the Council to ensure that an up-to-date Fixed Assets/Movable Assets Register is maintained.

**3.3. Non-maintenance of Loan/Overdraft Register/Ledger.**

We observed that Katcha Local Government Council did not maintain Loans/Overdraft Register/Ledger during the year.

The risk is that the Council may not be able to reconcile loan balances with the lenders leading to overpayments or fines and penalties for under payments.

We recommend that the Council should immediately open and maintain Loans Register. In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that all issues raised above in this section should be addressed before my next audit

**4.0 BUDGETARY CONTROL****4.1 REVENUE COMPARISON**

During the year under review, there was a shortfall in the target of Internally Generated Revenue in Katcha Local Government Council in all revenue codes as shown below:



**KATCHA LOCAL GOVERNMENT BUDGETED INTERNALLY GENERATED REVENUE COMPARED WITH ACTUAL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**

S/N	CODES	DETAILS	BUDGET ?	ACTUAL ?	SHORTFALL ?
1	12010000	Taxes	350,000.00	-	350,000.00
2	12021700	Rates	2,000,000.00	50,000.00	1,500,000.00
3	12021300	Local Licenses, Fees, and Fine	16,936,000.00	4,353,120.00	12,582,880.00
4	12021500	Earning from Commercial undertakings	9,274,000.00	3,318,622.58	5,955,377.42
5	12021600	Rent on Local Government Properties	-	-	-
6	12021100	Interest	-	-	-
<b>TOTAL</b>			<b>28,560,000.00</b>	<b>7,721,742.58</b>	<b>20,838,257.42</b>

From the above table, it clearly shows that the Council rely solely on Statutory Allocation from the Federation Account for its survival when comparing the total budgeted amount of ₦ 28,560,000.00 with actual Internally Generated Revenue of ₦ 7,721,742.58 leaving a short fall of ₦ 20,838,257.42 during the year under review.

This implies that the Council could not fully implement its planned programs during the financial year or the budget was not realistic. I advised the Local Government Council to take the following measures to boost their internally generated revenue collection.

- i. Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- ii. Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- iii. Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- iv. Control over issuance of revenue receipts
- v. Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.
- vi. The Council should ensure that realistic budgets are prepared.

## 4.2 RECURRENT EXPENDITURE

### 4.2.1 PERSONNEL COST

As regards to the personnel cost, it was observed that, the sum of ₦ 1,759,030,408.62 and ₦ 1,401,575,183.13 was spent as personnel cost in 2020 and 2021 respectively with a decrease of ₦ 357,455,225.49 over the previous year. The decrease represents 20.32% of personnel cost. This was due to inability of the Council to pay 100% salaries during the year under review.

### 4.2.2 CAPITAL EXPENDITURE

#### 4.2.2.1 CAPITAL PROJECT

During the year under review it was observed that the sum of ₦ 15,700,000.00 was spent on capital project by Katcha local Government Council. This was made by the council to boost the developmental activities in the Rural areas in which various Project were executed and some were still in progress. Though the approved capital expenditure Estimate was ₦ 479,383,675.00 and only the sum of ₦ 15,700,000.00 representing 3.28% was Expended leading to a variance of ₦ 463,683,675.00.

I advised the Council to ensure that estimate should be based on realistic and cognizance of Environmental factor, and the cashflow should be adequately monitored in order to reduce unnecessary expenses in overhead and give priority to capital project execution.



**5.0 ANALYSIS OF ASSETS AND LIABILITIES**

**5.1 ASSETS**

**5.1.1 CASH AND ITS EQUIVALENTS**

The closing cash and its equivalents amounted to the sum of ₦ 32,803,030.01k for Katcha Local Government as at 31<sup>st</sup> December, 2021.

**5.2. LIABILITIES**

**5.2.1. DEPOSITS**

Deposits comprise unremitted statutory deductions and non-statutory deductions shown below.

• Statutory Deposits	1,437,000.00
• Non-Statutory Deposits	10,370,322.81
<b>TOTAL</b>	<b><u>11,807,322.81</u></b>

**5.2.1.1 UNREMITTED DEDUCTIONS**

The balance on the unremitted deductions account was ₦ 11,807,322.81 as at 31<sup>st</sup> December, 2021. The unremitted deductions include deductions from payments made on behalf of Government Agencies and various other bodies by the Local Government which ought to be promptly remitted to the appropriate authorities.

The management of Katcha Local Government Council has been advised to ensure that all Deposits are remitted timely to avoid accumulating liabilities and attracting fines and penalties for the Local Government.

**5.2.1.2. BANK OVERDRAFTS**

The total sum of ₦ 682,060.49 stood as bank overdraft owed to bank by Katcha Local Government during the year under review.

We recommend that appropriate action be taken towards the clearance of outstanding Bank overdraft as it will continue to attract further interest if it remains unclear.

**6.0 OUTSTANDING ISSUES FROM THE AUDIT INSPECTION REPORT**

The following is an outstanding issue from Inspection Report for the period under review.

**AGX/F.O.21/TA/KAT/VOL.1**

**Dated – 07/2/2022**

(i) Payment made without acknowledgement receipt attached to the payment voucher	= ₦ 492,000.00
(ii) Payment made without details of Expenditure	= ₦ 130,000.00
(iii) Outstanding payment voucher	= ₦ 31,730.40

**2 AGX/D.135/VOL.9/1 PROJECTS**

Suspicious payment made for Direct purchase of 2No Amor Cables without Memo, Bill of Quantities, Purchasing Receipts, Store Receipt vouchers and Stores issue voucher attached to the payment voucher	= ₦ 4,500,000.00
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Management promised to follow up and resolve the issue raised above.

We recommend that the management of Katcha Local Government should ensure the issues raised above are adequately addressed.

#### **7.0 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.



A handwritten signature in black ink, appearing to read "Lawal Adamu", is positioned above the printed name and title.

**LAWAL ADAMU**

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



NIGER STATE GOVERNMENT OF NIGERIA  
KOTAGORA LOCAL GOVERNMENT COUNCIL

**AUDITED ACCOUNTS**  
FOR THE YEAR ENDED 31ST DECEMBER, 2021

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



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# KONTAGORA LOCAL GOVERNMENT COUNCIL

## FINANCE AND SUPPLY DEPARTMENT

**Address:**  
Local Government Secretariat,  
Lagos-Kano Road,  
P.M.B. 2, Kontagora,  
Niger Sate, Nigeria.

Our Ref: \_\_\_\_\_

Your Ref: \_\_\_\_\_

Date: \_\_\_\_\_

### STATEMENT OF FINANCIAL RESPONSIBILITY STATEMENT NO. 1

These financial statements have been prepared by the Treasurer of Kontagora Local Government Council in accordance with the provision of the finance (Council and Management) Act 1958 as amended. The financial statements comply with generally accepted accounting practices.

The treasury is responded for the establishing and maintaining a system of internal controls designed to provide reasonable assurance that the transactions seconded are within statutory authority and properly record the use of all public financial resources by the Local Government Council. To the best of my knowledge, his system of Internal Control has operated adequately throughout the reporting period.

  
**MAMMAN SALISU**  
Treasurer


Date: 31/12/2021

We accept responsibility for these financial statements, the information they contain 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 Government as at 31<sup>ST</sup> DECEMBER 2021 and it operations for the month ended

  
**MAMMAN SALISU**  
Treasurer

Date: 31<sup>ST</sup> DECEMBER 2021

  
**SHEHU S. PAWA**  
Chairman

Date: 31<sup>ST</sup> DECEMBER 2021



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**NIGER STATE GOVERNMENT**

**KOTAGORA LOCAL GOVERNMENT COUNCIL**

**ACCOUNTING POLICIES**

**(IPSAS CASH)**

**ISSUED BY**

**OFFICE OF THE DIRECTOR FINANCE**

**KOTAGORA LOCAL GOVERNMENT COUNCIL**

**2021**



## List of Abbreviations/Acronyms

Abbreviation/Term	Description
CBN	Central Bank of Nigeria
COA	Chart of Account
FAAC	Federation Accounts Allocation Committee
FGN	Federal Government of Nigeria
FRC	Financial Reporting Council
GAAP	Generally Accepted Accounting Principles
GPFS	General Purpose Financial Statement
IPSAS	International Public Sector Accounting Standards
LFN	Law of the Federal Republic of Nigeria
LGC	Local Government Council
NCOA	National Chart of Account
GBE	Government Business Enterprises
FRCON	Financial Reporting Council of Nigeria
PPE	Properties, Plants and Equipment



**Introduction**

In line with the adoption of the International Public Sector Accounting Standards (IPSAS) in Nigeria, a Standardised Chart of Account (COA) alongside a set of General Purpose Financial Statements (GPFS) have been designed and introduced by FAAC for adoption by all tiers of Government in Nigeria.

The standardised COA and the GPFS is hereby adopted by Kontagora Local Government Council to comply with FAAC directive to harmonise public sector accounts reporting in Nigeria.

In order to ensure an effective and efficient utilisation of the COA and GPFS, the Accounting Policies have been developed as a set of guidelines to direct the Processes and Procedures relating to financial reporting in Kontagora Local Government Council.

These policies shall form part of the universally agreed framework for financial reporting in Kontagora Local Government Council.

**IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when Cash (including Cash Equivalents) is received or paid by the Local Government. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of Cash raised during the period, the purposes for which Cash was used and the Cash balances at the reporting date. The measurement focus in the GPFS balances are Cash and changes during the period. Therefore, Bank Reconciliation Statement shall form integral part of periodic Reports in Kontagora Local Government Council.

Notes to the GPFS provide additional information about liabilities, including payables and borrowings, and non-cash assets that include receivables, investments and property, plant and equipment.

This Accounting Policy addresses the following fundamental accounting issues:

1. Definition of Accounting Terminologies
2. Recognition of Accounting Items
3. Measurement of Accounting Items
4. Treatment of Accounting items

The Accounting Policy is subject to periodic reviews and updates as shall be deemed necessary by the Director Finance, Kontagora Local Government Council.





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S/N	Accounting Policies:	2	<b>General Purpose Financial Statements (GPFS)</b>
1	<b>Accounting Terminologies / Definitions</b>		<p>The GPFS comprise of Statement of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by Kotagora Local Government Council and Accounting Policies and Notes to the Financial Statements. In Kotagora Local Government Council, the GPFS Accounting Policy include the following:</p> <ol style="list-style-type: none"> <li>I. Statement 1 - Cash Flow Statements: Statement of Cash Receipts and Payments which:                         <ul style="list-style-type: none"> <li>▪ recognizes all Cash Receipts, Cash Payments and Cash Balances controlled by Kotagora Local Government Council; and</li> <li>▪ separately identifies payments made by third parties on behalf of Kotagora Local Government Council.</li> </ul> </li> <li>II. Statement 2 - Statement of Assets and Liabilities: Statement of Financial Position (also known as Balance Sheet);</li> <li>III. Statement 3 - Statement of Consolidated Revenue Fund: Statement Recurrent Financial Performance (also known as Profit &amp; Loss Account);</li> <li>IV. Statement 4- Statement of Capital Development Fund: Statement of Capital Financial Performance (also known as Capital Expenditure);</li> <li>V. Notes to the Accounts: Additional disclosures to explain the GPFS; and</li> <li>VI. Accounting Policies and Explanatory Notes.</li> </ol>
	<ol style="list-style-type: none"> <li>I. <b>Accounting policies</b> are the specific principles, bases, conventions, rules and practices adopted by Kotagora Local Government Council in preparing and presenting Financial Statements.</li> <li>II. <b>Cash:</b> Cash comprises cash in hand, demand deposits in financial institutions and cash equivalents.</li> <li>III. <b>Cash equivalents</b> are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.</li> <li>IV. <b>Cash basis</b> means a basis of accounting that recognizes transactions and other events only when cash is received or paid.</li> <li>V. <b>Cash flows</b> are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.</li> <li>VI. <b>Cash receipts</b> are cash inflows.</li> <li>VII. <b>Cash payments</b> are cash outflows.</li> <li>VIII. <b>Cash Controlled by Kotagora Local Government Council:</b> Cash is deemed to be controlled by Kotagora Local Government Council when the government can freely use the available cash for the achievement of its objectives or enjoy benefit from the cash, and can also exclude or regulate the access of others to that benefit. Cash collected by, or appropriated or granted to the government which the government can freely use to fund its operating objectives, such as acquiring of capital assets or repaying its debt is controlled by the government.</li> <li>IX. <b>Notes to the GPFS</b> shall include narrative descriptions or more detailed schedules or analyses of amounts shown on the face of the GPFS, as well as additional information</li> </ol>		



<p><b>3 Basis of Preparation and Legal Provisions</b></p> <p>The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, GPFS are in compliance with the provisions of other financial regulations of Kotagora Local Government Council</p>	<p><b>6 Reporting Currency</b></p> <p>The General Purpose GPFS are prepared in Nigerian Naira.</p>
<p><b>4 Fundamental Accounting Concepts</b></p> <p>The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in Kotagora Local Government Council</p> <ul style="list-style-type: none"> <li>? Cash Basis of Accounting;</li> <li>? Understability;</li> <li>? Materiality,</li> <li>? Relevance;</li> <li>? Going Concern Concept;</li> <li>? Consistency Concept</li> <li>? Prudence</li> <li>? Completeness, etc.</li> </ul>	<p><b>7 LGC for Consolidation</b></p> <ul style="list-style-type: none"> <li>▪ The Consolidation of the GPFS are based on the Cash transactions of Kotagora Local Government Council except Government Business Enterprises (GBEs).</li> </ul>
<p><b>5 Accounting Period</b></p> <p>The accounting year (fiscal year) is from 1<sup>st</sup> January to 31<sup>st</sup> December. Each accounting year is divided into 12 calendar months (periods) and shall be set up as such in the accounting system.</p>	<p><b>8 Comparative Information</b></p> <ul style="list-style-type: none"> <li>▪ The General Purpose GPFS shall disclose all numerical information relating to previous period (at least one year).</li> </ul>
	<p><b>9 Budget Figures</b></p> <ul style="list-style-type: none"> <li>▪ These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation Law of Niger State.</li> </ul>
	<p><b>10 Receipts</b></p> <ul style="list-style-type: none"> <li>? These are Cash inflows within the Financial Year. They comprise of receipts from Statutory Allocations (FAAC monthly disbursement), Taxes, External Assistance (from Bilateral and Multilateral Agencies), Other Aid and Grants, Other Borrowings, Capital Receipts (Sale of Government Assets, etc), Receipts from Trading activities and Other Cash Receipts.</li> <li>? These items shall be disclosed at the face of the Statement of Cash Receipts and Payment for the year in accordance with the standardised GPFS. Notes shall be provided as per standardised Notes to GPFS.</li> </ul>



<p><b>11 External Assistance</b></p> <ul style="list-style-type: none"> <li>? Receipts from Loans are Funds received from external sources to be paid back at an agreed period of time. They are categorised either as Bilateral or Multilateral.</li> <li>? External Loans receipts shall be disclosed separately under Statement of Cash Receipts and Payment for the year.</li> <li>? The Local Governments did not receive external assistance during the two year.</li> </ul>	<p><b>15 Payments</b></p> <ul style="list-style-type: none"> <li>▪ These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorised either by Function and/or by Sector in the Statement of Cash Receipts and Payment.</li> <li>▪ Payments for purchase of items of capital nature( e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.</li> </ul>
<p><b>12 Other Borrowings / Grants&amp; Aid Received</b></p> <ul style="list-style-type: none"> <li>▪ These shall be categorised as either Short or Long term Loans.Short-Term Loans are those repayable within one calendar year (12 months), while Long - Term Loans and Debts shall fall due beyond one calendar year (above 12 months).Loans shall be disclosed separately and Grants shall also be separately disclosed under Statement of Cash Receipts and Payment for the year.</li> </ul>	<p><b>16 Loans Granted:</b></p> <ul style="list-style-type: none"> <li>▪ Payments to other Government and Agencies in form of Loans during the year shall be shown separately in the Statement of Receipts and Payments. Amount disclosed shall be actual amount paid during the year.</li> <li>▪ The Local Governments did not give any loan during the two year.</li> </ul>
<p><b>13 Interest Received</b></p> <ul style="list-style-type: none"> <li>? Interest actually received during the financial year shall be treated as a receipt</li> </ul>	<p><b>17 Loan Repayments</b></p> <p>Cash receipts from loans granted to other agencies and government shall be classified under loan repayments in the Statement of Receipts and Payments . Amount disclosed shall be actual amount received during the year.</p>
<p><b>14 Government Business Activities</b></p> <p>Cash Receipts from Trading Activities shall be received net (after deducting direct expenses) unless otherwise provided for by law or policy in force. Total receipts from all trading activities shall be disclosed in the Statement of Cash Receipts and Payments under 'Trading Activities' item.</p> <p>Where gross revenue is received, corresponding payments shall be charged under a corresponding payment item head ' Government Business Activities' in the Statement of Receipts and Payments.</p>	<p><b>18 Interest on Loans:</b></p> <ul style="list-style-type: none"> <li>▪ Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest payment in the Statement of Cash Receipts and Payments</li> </ul>



19	<p><b>Foreign Currency Transactions:</b></p> <ul style="list-style-type: none"><li>Foreign Currency Transactions throughout the year shall be converted into Nigerian Naira at the ruling (Central Bank of Nigeria –CBN) rate of exchange at the dates of the transactions. Foreign currency balances, as at the year end, shall be translated at the exchange rates prevailing on that date.</li><li>At the end of the financial year, additional amounts (in cash or at bank) arising out of Foreign Exchange Gains/Losses shall be recognised in the Statement of Cash Receipts and Payments either as Receipts / Payments respectively.</li><li>Hence the Kotagora Local Government Council did not have foreign currency transactions during the two year.</li></ul>
20	<p><b>Prepayments</b></p> <ul style="list-style-type: none"><li>Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.</li><li>The Local Governments did not make prepayment to contractors during the two year.</li></ul>
21	<p><b>Cash Balances</b></p> <p>This includes Cash in Hand, at Bank and Cash Equivalentents at the end of the Financial year.</p>

**COUNCIL OFFICIALS**

- COUNCIL MEMBERS DESIGNATION:**

Honourable Shehu S. Pawa	Executive Chairman
Honourable Saidu Bala Nabara	Secretary

- HEAD OF DEPARTMENTS:**

NAMES:	DEPARTMENTS	DESIGNATION
Yusuf Ibn Abdullahi	Personnel Management	H. O. D
Alhaji Yusha`u Garba	Finance and Supply	H. O. D
Hajiya Dije Barau	Primary Health Care	H. O. D
Hajiya Khadijat Abdullahi	Agriculture and Natural Resources	H. O. D
Alhaji Abdullahi Zakari	Works and Housing	H. O. D
Mallam Aliyu Usman	Budget and Planning	H. O. D
Hajiya Fatima Ibrahim	Social Development	H. O. D

- BANKERS**

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

**ADDRESS**

- AUDITORS**

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



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**AUDIT CERTIFICATE**

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, 2020 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 State Local Government Joint Account Allocation Committee are indicated in the Supplementary Note 1 to the Accounts. In my opinion, the Supplementary Note 1 to accounts presents fairly, in all material respects, the revenue from Federation Account received by Kontagora Local Government during the year ended December 31st, 2020.

In my opinion, the Financial Statements which are in agreement with the books of accounts and record shows a true and fair view of the financial position of the Kontagora Local Government for the year ended 31st December, 2020 and the transactions for the year ended at that date.



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



**STATEMENT NO. 1**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ANNUAL BUDGET 2021 N		COA	NOTES	ACTUAL YEAR 2021 N	PREVIOUS YEAR 2020 N
	<b>CashFlows from Operating Activities:</b>				
	<u>Receipts:</u>				
1,583,265,134.00	Statutory Allocations:FAAC		1	1,275,786,468.41	1,844,548,637.60
521,890,493.00	Value Added Tax Allocation		1	669,166,514.91	-
<b>2,105,155,627.00</b>	<b>Sub-total - Statutory Allocation</b>			<b>1,944,952,983.32</b>	<b>1,844,548,637.60</b>
1,540,000.00	Direct Taxes		2	1,375,650.00	124,000.00
18,067,900.00	Licences		2	17,875,602.90	8,023,507.20
-	Mining Rents:		2	-	-
-	Royalties		2	-	-
-	Fees:		2	-	-
-	Fines		2	-	-
-	Sales		2	-	-
10,324,556.00	Earnings :		2	17,750,488.00	18,740,710.33
5,100,000.00	Sales/Rent of Government Buildings:		2	7,120,496.20	6,379,400.00
-	Sale/Rent on Lands and Others:		2	-	-
5,450,000.00	Rates		2	4,694,840.20	4,705,499.20
-	Investment Income		2	-	-
150,000.00	Interest Earned		2	-	-
147,447,704.00	10% IGR From State		2	25,723,459.41	22,002,508.32
<b>188,080,160.00</b>	<b>Sub-total - Independent Revenue</b>			<b>74,540,536.71</b>	<b>59,975,625.05</b>
	<b>Other Revenue Sources of L/Government</b>				
-	Domrstic Grants		3	-	21,747,549.18
-	Grants From other LGs		3	-	-
<b>2,293,235,787.00</b>	<b>Total Receipts</b>			<b>2,019,493,520.03</b>	<b>1,926,271,811.83</b>
	<u>Payments:</u>				
1,061,167,142.00	Personnel Costs ( Including Salaries on CRF Charges):		4	912,704,931.61	902,176,329.20
-	Federa/ States/ LGC Govt Contribution to Pension:		5	-	-
422,700,000.00	Overhead Charges:		6	182,923,961.66	173,104,531.71
120,566,104.00	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)		7	108,754,769.40	94,686,314.12
28,800,000.00	Subvention to Parastatals:		8	28,800,000.00	102,000,000.00
250,586,582.00	Other Operating Activities		9	223,918,250.36	312,028,759.90
376,825,890.89	Other Transfers		10	376,825,890.89	240,828,842.32
<b>2,260,645,718.89</b>	<b>Total Payments</b>			<b>1,833,927,803.92</b>	<b>1,824,824,777.25</b>
<b>32,590,068.11</b>	<b>Net Cash Flow from Operating Activities</b>			<b>185,565,716.11</b>	<b>101,447,034.58</b>



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	<b>CashFlows from Investment Activities:</b>				
235,373,704.00	Capital Expenditure:Administrative Sector:		12	21,168,000.00	116,694,952.50
72,681,277.00	Capital Expenditure: Economic Sector:		12	35,871,000.00	67,084,545.10
-	Capital Expenditure: Law and Justice:		12	-	-
-	Capital Expenditure:Regional Development		12	-	-
200,780,292.00	capital expenditure: Social Service Sector:		12	11,200,000.00	148,292,737.10
-	Capital Expenditure: Funded from Aid and Grants:		11	-	-
<b>508,835,273.00</b>	<b>Net Cash Flow from Investment Activities:</b>			<b>68,239,000.00</b>	<b>332,072,234.70</b>
	<b>CashFlows from Financing Activities:</b>				
-	Proceeds from Aid and Grants		11	-	-
-	Proceeds from ExternaL Loan :		20	-	-
-	Proceeds from Internal Loans: FGN/Treasury Bonds :		21	-	-
-	Proceeds from InternaL Loan		22	-	224,000,000.00
-	Proceeds from Development of Nat Resources		23	-	-
-	Proceeds of Loans from Other Funds		24	-	-
-	Repayment of External Loans ( Including Servicing)		20	-	-
-	Repayment of FGN/Treasury Bonds :		21	-	-
96,000,000.00	Repayment of Internal Loan		22	96,000,000.00	40,000,000.00
-	Repayment of Loans from Development of Nat Resources		23	-	-
	Repayment of Loans from Other Funds		24	-	-
<b>96,000,000.00</b>	<b>Net Cash Flow from Financing Activities:</b>			<b>96,000,000.00</b>	<b>184,000,000.00</b>
	<b>Movement in Other Cash Equivalent Accounts</b>				
-	(Increase)/ Decrease in Investments			-	-
-	Net (Increase)/Decrease in Other Cash Equivalents:			-	-
-	<b>Total Cashflow from other Cash equivalent Accounts</b>			-	-
-	Net Cash for the year			21,326,716.11	46,625,200.12
-	Cash & Its Equivalent as at 1st January, 2021			902,551.66	47,527,751.78
-	Cash & Its Equivalent as at 31st December, 2021			<b>22,229,267.77</b>	<b>902,551.66</b>



**STATEMENT NO. 2**  
**STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	NOTES	CURRENT YEAR 2021	PREVIOUS YEAR 2020
		N	N
<b><u>ASSETS:-</u></b>			
<b>Liquid Assets:-</b>			
Cash Held by AGF:			
-CRF Bank Balance(CBN/ CRF Bank):		-	-
-Pension Account (CBN/ Bank):		-	-
-Other Bank of the Treasury		-	-
-Cash Balances of Trust & Other Funds of the FGN/ States/LGC:		-	-
-Cash Balances with Federal Pay Offices/ Sub-Treasury:		-	-
Cash Held by Agaie Local Government	15	22,229,267.77	902,551.66
<b>TOTAL LIQUID ASSETS</b>		<b>22,229,267.77</b>	<b>902,551.66</b>
<b>Investments and Other Cash Assets:</b>			
Federal/ State/ Local Government Investments	16	-	-
Imprests:-	17	-	-
Advances:-	18	-	-
Revolving Loans Granted:-	19	-	-
Intangible Assets		-	-
<b>TOTAL INVESTMENTS AND OTHER CASH ASSETS</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>22,229,267.77</b>	<b>902,551.66</b>
<b>LIABILITIES OVER ASSETS</b>		<b>103,889,104.04</b>	<b>229,782,423.44</b>
<b>TOTAL</b>		<b>126,118,371.81</b>	<b>230,684,975.10</b>
<b><u>LIABILITIES:-</u></b>			
<b><u>PUBLIC FUNDS</u></b>			
Consolidated Revenue Fund:		22,229,267.77	34,277,351.54
Capital Development Fund:		-	-
Trust & Other Public Funds:		-	-
Police Reward Fund		-	-
<b>TOTAL PUBLIC FUNDS</b>		<b>22,229,267.77</b>	<b>34,277,351.54</b>
<b>EXTERNAL AND INTERNAL LOANS</b>			
External Loans:FGN/States/ LGC	20	-	-
FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-
internal Loans	22	88,000,000.00	184,000,000.00
Development Loan Stock	23	-	-
Loan From other Funds	24	-	-
Internal Loans from Other Funds		-	-
<b>TOTAL EXTERNAL AND INTERNAL LOANS</b>		<b>88,000,000.00</b>	<b>184,000,000.00</b>
<b>OTHER LIABILITIES</b>			
Deposits:-	25	15,889,104.04	12,407,623.56
Overdrawn accounts	26	-	-
<b>TOTAL LIABILITIES</b>		<b>126,118,371.81</b>	<b>230,684,975.10</b>



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## STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021

ACTUAL PREVIOUS YEAR(2020)		NOTES	ACTUAL YEAR 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	VARIANCE ON FINAL BUDGET
			N	N	N	N	%
47,527,751.78	Opening Balance:		902,551.66				
	<b>ADD: REVENUE</b>						
1,844,548,637.60	Statutory Allocations:FAAC	1	1,275,786,468.41	1,583,265,134.00	1,583,265,134.00	-	80.58
-	Value Added Tax Allocation	1	669,166,514.91	521,890,493.00	521,890,493.00	-	-
<b>1,892,076,389.38</b>	<b>Sub-Total - Statutory Allocation</b>		<b>1,944,952,983.32</b>	<b>2,105,155,627.00</b>	<b>2,105,155,627.00</b>	-	-
124,000.00	Direct Taxes	2	1,375,650.00	1,540,000.00	1,540,000.00	-	-
8,023,507.20	Licences	2	17,875,602.90	18,067,900.00	18,067,900.00	-	98.94
-	Mining Rents:	2	-	-	-	-	-
-	Royalties	2	-	-	-	-	-
-	Fees:	2	-	-	-	-	-
-	Fines	2	-	-	-	-	-
-	Sales	2	-	-	-	-	-
18,740,710.33	Earnings :	2	17,750,488.00	10,324,556.00	10,324,556.00	-	171.92
6,379,400.00	Sales/Rent of Government Buildings:	2	7,120,496.20	5,100,000.00	5,100,000.00	-	-
-	Sale/Rent on Lands and Others:	2	-	-	-	-	-
4,705,499.20	RATES	2	4,694,840.20	5,450,000.00	5,450,000.00	-	86.14
-	Investment Income	2	-	-	-	-	-
-	Interest Earned	2	-	150,000.00	150,000.00	-	-
22,002,508.32	10% IGR From State	2	25,723,459.41	147,447,704.00	147,447,704.00	-	-
<b>59,975,625.05</b>	<b>Sub-Total - Independent Revenue</b>		<b>74,540,536.71</b>	<b>186,540,160.00</b>	<b>186,540,160.00</b>	-	39.96
-	<b>Other Revenue Sources of L/Government</b>		-	-	-	-	-
21,747,549.18	Domestic Grants	3	-	-	21,747,549.18	-	-
-	Grants From other LGs	3	-	-	-	-	-
<b>1,973,799,563.61</b>	<b>TOTAL REVENUE:</b>		<b>2,020,396,071.69</b>	<b>2,293,235,787.00</b>	<b>2,293,235,787.00</b>	-	-
	<b>LESS:EXPENDITURE</b>						
902,176,329.20	Personnel Costs ( Including Salaries on CRF Charges):	4	912,704,931.61	1,061,167,142.00	1,061,167,142.00	-	86.01
-	Federal/ States/ LGC Govt Contribution to Pension:	5	-	-	-	-	-
173,104,531.71	Overhead Charges:	6	182,923,961.66	422,700,000.00	422,700,000.00	-	43.28
94,686,314.12	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)	7	108,754,769.40	120,566,104.00	120,566,104.00	-	90.20
102,000,000.00	Subvention to Parastatals:	8	28,800,000.00	28,800,000.00	28,800,000.00	-	100.00
312,028,759.90	Other Operating Activities	9	223,918,250.36	250,586,582.00	250,586,582.00	-	89.36
240,828,842.32	Other Transfers	10	376,825,890.89	376,825,890.89	376,825,890.89	-	100.00
<b>1,824,824,777.25</b>	<b>TOTAL EXPENDITURE:</b>		<b>1,833,927,803.92</b>	<b>2,260,645,718.89</b>	<b>2,260,645,718.89</b>	-	81.12
	<b>OTHER RECURRENT PAYMENTS/EXPENDITURE:</b>						
-	Repayments:External Loans:FGN/States/ LGC	19	-	-	-	-	-
-	Repayments:FGN/ States/LGC Bonds & Treasury Bonds.	20	-	-	-	-	-
-	Repayments :Nigerian Treasury Bills (NTB)	21	-	-	-	-	-
40,000,000.00	Repayments:Internal Loans	22	96,000,000.00	96,000,000.00	96,000,000.00	-	-
-	Repayments: Internal Development Loans Stock	23	-	-	-	-	-
-	Repayments:Other Internal Loans( Promissory Notes)	24	-	-	-	-	-
<b>1,864,824,777.25</b>	<b>TOTAL EXPENDITURE:</b>		<b>1,929,927,803.92</b>	<b>2,356,645,718.89</b>	<b>2,356,645,718.89</b>	-	-
<b>108,974,786.36</b>	<b>OPERATING BALANCE:</b>		<b>90,468,267.77</b>	<b>- 63,409,931.89</b>	<b>- 63,409,931.89</b>	-	-
	<b>APPROPRIATIONS/TRANSFERS:</b>						
108,072,234.70	Transfer to Capital Development Fund:		68,239,000.00	508,835,273.00	508,835,273.00	-	13.41
<b>902,551.66</b>	<b>Closing Balance:</b>		<b>22,229,267.77</b>				



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**STATEMENT NO. 4**  
**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ACTUAL PREVIOUS YEAR(2020)		NOTES	TOTAL CAPITAL EXPENDITURE 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	PERFORMANCE ON TOTAL
N			N		N		%
-	Opening Balance:		-				
	<b><u>ADD: REVENUE</u></b>						
108,072,234.70	Transfer from Consolidated Revenue Fund:		68,239,000.00	508,835,273.00	508,835,273.00	-	13.41
-	Aid and Grants	11	-	-	-	-	-
-	External Loans:FGN/States/ LGC	20	-	-	-	-	-
-	FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-	-	-	-
224,000,000.00	Internal Loan	22	-	-	-	-	#DIV/0!
-	Development Loan Stock	23	-	-	-	-	-
-	Loan From Other Funds	24	-	-	-	-	-
<b>332,072,234.70</b>	<b>TOTAL REVENUE AVAILIABLE:</b>		<b>68,239,000.00</b>	<b>508,835,273.00</b>	508,835,273.00	-	13.41
	<b><u>LESS: CAPITAL EXPENDITURE</u></b>						
116,694,952.50	Capital Expenditure:Administrative Sector:	12	21,168,000.00	235,373,704.00	235,373,704.00	-	8.99
67,084,545.10	Capital Expenditure: Economic Sector:	12	35,871,000.00	72,681,277.00	72,681,277.00	-	49.35
-	Capital Expenditure: Law and Justice:	12	-	-	-	-	-
-	Capital Expenditure:Regional Development	12	-	-	-	-	-
148,292,737.10	Capital Expenditure: Social Service Sector:	12	11,200,000.00	200,780,292.00	200,780,292.00	-	5.58
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-	-	-	-
<b>332,072,234.70</b>	<b>TOTAL CAPITAL EXPENDITURE:</b>		<b>68,239,000.00</b>	<b>508,835,273.00</b>	<b>508,835,273.00</b>	-	13.41
	Intangible Assets		-				
-	<b>CLOSING BALANCE:</b>		-				



## NOTE TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021

<i>Details</i>					
<b>NOTE 1</b>	<b>Ref. Note</b>	<b>Amount</b>	<b>Amount</b>		<b>Remarks</b>
<b>A- Share of Statutory Allocation from FAAC</b>		<b>N</b>	<b>N</b>		
Net Share of Statutory Allocation from FAAC	<b>A</b>	1,196,970,709.14			
Add :Deduction at source for Loan Repayment	<b>B</b>	-			
Share of Exchange Gain Differencial	<b>C</b>	4,713,765.26			
Share of Federal Accounts Allocation- Excess Crude Oil	<b>D</b>	35,289,116.51			
<b>Non-oil Revenue</b>	<b>E</b>	38,812,877.50			
<b>Total FAAC Allocation to LG</b>			<b>1,275,786,468.41</b>		
<b>B. Value Added Tax</b>					
Share of Value Added Tax (VAT)		669,166,514.91	669,166,514.91		
<b>Total Statutory Allocation to LG</b>			<b>1,944,952,983.32</b>		

## NOTE 2

<b>Internally Generated Revenue (Independent Revenue)</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	
<b>Direct Taxes</b>				
Kontagora local government Internal Revenue	1,375,650.00	1,540,000.00	164,350.00	
<b>Total - Direct Taxes</b>	<b>1,375,650.00</b>	<b>1,540,000.00</b>	<b>164,350.00</b>	
<b>Licences</b>				
Kontagora local government Internal Revenue	17,875,602.90	18,067,900.00	192,297.10	
<b>Total Licences</b>	<b>17,875,602.90</b>	<b>18,067,900.00</b>	<b>192,297.10</b>	
<b>Mining Rents</b>				
Kontagora local government Internal Revenue	-	-	-	
<b>Total Mining Rents</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Royalties</b>				
Kontagora local government Internal Revenue	-	-	-	
<b>Total Royalties</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Fees</b>				
Kontagora local government Internal Revenue	-	-	-	
<b>Total Fees</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Fines</b>				
Kontagora local government Internal Revenue	-	-	-	
<b>Total Fines</b>	<b>-</b>	<b>-</b>	<b>-</b>	



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<b>Sales</b>					
Kontagora local government Internal Revenue		-	-	-	
<b>Total Sales</b>		-	-	-	
<b>Earnings</b>					
Kontagora local government Internal Revenue		17,750,488.00	10,324,556.00	-	7,425,932.00
<b>Total Earnings</b>		<b>17,750,488.00</b>	<b>10,324,556.00</b>	-	<b>7,425,932.00</b>
<b>Sales/Rent of Government Buildings</b>					
Kontagora local government Internal Revenue		7,120,496.20	5,100,000.00	-	2,020,496.20
<b>Total Sales/Rent of Government Buildings</b>		<b>7,120,496.20</b>	<b>5,100,000.00</b>	-	<b>2,020,496.20</b>
<b>Sale/Rent on Lands and Others:</b>					
Kontagora local government Internal Revenue		-	-	-	
<b>Total Sale/Rent on Lands and Others</b>		-	-	-	
<b>Rates</b>					
Kontagora local government Internal Revenue		4,694,840.20	5,450,000.00		755,159.80
<b>Total Rates</b>		<b>4,694,840.20</b>	<b>5,450,000.00</b>		<b>755,159.80</b>
<b>Investment Income</b>					
Kontagora local government Internal Revenue		-	-	-	
<b>Total Investment Income</b>		-	-	-	
<b>Interest Earned</b>					
Kontagora local government Internal Revenue		-	150,000.00		150,000.00
<b>Total Interest Earned</b>		-	<b>150,000.00</b>		<b>150,000.00</b>
<b>10% IGR From State</b>					
Kontagora local government Internal Revenue		25,723,459.41	147,447,704.00		121,724,244.59
<b>Total 10% IGR From State</b>		<b>25,723,459.41</b>	<b>147,447,704.00</b>		<b>121,724,244.59</b>
<b>Total - Independent Revenue</b>		<b>74,540,536.71</b>	<b>188,080,160.00</b>		<b>113,539,623.29</b>





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<b>NOTE 3</b>					
<b>Other Revenue Sources of L/Govt:</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Domestic Grants		-	-	-	
<b>Total Domestic Grants</b>		-	-	-	
Grant from other LGs		-	-	-	
<b>Total Grant from other LGS</b>		-	-	-	
<b>NOTE 4</b>					
<b>A - Total Personnel Costs ( Including Salaries directly charged to CRF in Note 4B below):</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		6,871,431.22	11,447,044.00	4,575,612.78	
The Council		31,382,467.25	37,045,138.00	5,662,670.75	
Office Of The Secretary		2,413,228.25	5,663,630.00	3,250,401.75	
Personnel Management		66,523,524.31	83,103,075.00	16,579,550.69	
<b>TOTAL Personnel Cost Administrative Sector</b>		<b>107,190,651.03</b>	<b>137,258,887.00</b>	<b>30,068,235.97</b>	
					CRF Charges in Note 3
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		47,747,127.36	49,891,840.00	2,144,712.64	
Budget, Planning & Research		7,859,457.81	10,266,993.00	2,407,535.19	
Works And Housing		48,301,598.13	55,122,853.00	6,821,254.87	
Agriculture And Natural Resources		67,152,541.34	78,017,831.00	10,865,289.66	
<b>TOTAL Personnel Cost Economic Sector</b>		<b>171,060,724.64</b>	<b>193,299,517.00</b>	<b>22,238,792.36</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		472,560,734.59	515,776,351.00	43,215,616.41	
Primary Health Cure		151,908,251.45	201,456,398.00	49,548,146.55	
Social Development		-	-	-	
Traditional Council		9,984,569.90	13,375,989.00	3,391,419.10	
<b>Total Personnel Cost Social Sector</b>		<b>634,453,555.94</b>	<b>730,608,738.00</b>	<b>96,155,182.06</b>	
<b>Total Personnel Cost For All Sectors</b>		<b>912,704,931.61</b>	<b>1,061,167,142.00</b>	<b>148,462,210.39</b>	
<b>B- Salaries directly charged to CRF( included in Note 4A above)</b>					
<b>List of Parastatals and Agencies:</b>					
Auditor -General for Local Government		-	-	-	
e.t.c.		-	-	-	
<b>Total</b>		<b>912,704,931.61</b>	<b>1,061,167,142.00</b>	<b>148,462,210.39</b>	



<b>NOTE 5</b>					
<b>Employers Contribution to Pension according to Sector</b>					
Administrative Sector		-	-	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Employers Contribution to Pension</b>		-	-	-	
<b>NOTE 6</b>					
<b>Overhead Costs</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		61,188,201.67	112,000,000.00	50,811,798.33	
The Council		24,573,841.14	48,000,000.00	23,426,158.86	
Office Of The Secretary		2,254,191.20	17,000,000.00	14,745,808.80	
Personnel Management		6,894,000.00	31,000,000.00	24,106,000.00	
<b>Total Overhead Cost Administrative Sector</b>		<b>94,910,234.01</b>	<b>208,000,000.00</b>	<b>113,089,765.99</b>	
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		68,960,753.78	108,000,000.00	39,039,246.22	
Budget, Planning & Research		720,000.00	9,000,000.00	8,280,000.00	
Works And Housing		7,477,033.87	29,000,000.00	21,522,966.13	
Agriculture And Natural Resources		7,685,000.00	22,700,000.00	15,015,000.00	
<b>TOTAL Overhead Cost Economic Sector</b>		<b>84,842,787.65</b>	<b>168,700,000.00</b>	<b>83,857,212.35</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		1,654,940.00	6,500,000.00	4,845,060.00	
Primary Health Cure		1,266,000.00	30,500,000.00	29,234,000.00	
Social Development		-	-	-	
Traditional Council		250,000.00	9,000,000.00	8,750,000.00	
<b>Total Overhead Cost Social Sector</b>		<b>3,170,940.00</b>	<b>46,000,000.00</b>	<b>42,829,060.00</b>	
<b>Total Overhead Cost For All Sectors</b>		<b>182,923,961.66</b>	<b>422,700,000.00</b>	<b>239,776,038.34</b>	
<b>NOTE 7</b>					
<b>Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Monthly Pension		108,754,769.40	120,566,104.00	11,811,334.60	
<b>Total Consolidated Revenue Fund Charges</b>		<b>108,754,769.40</b>	<b>120,566,104.00</b>	<b>11,811,334.60</b>	



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<b>NOTE 8</b>					
<i>Subventions to Parastatals (According to Sectors-List)</i>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		28,800,000.00	28,800,000.00	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Subventions to Parastatals</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	
<b>NOTE 9</b>					
<i>Other Operating Activities</i>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		223,918,250.36	250,586,582.00	26,668,331.64	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Other Operating Activities</b>		<b>223,918,250.36</b>	<b>250,586,582.00</b>	<b>26,668,331.64</b>	
<b>NOTE 10</b>					
<i>Other Transfer</i>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		19,200,000.00	19,200,000.00	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		69,455,000.00	69,455,000.00	-	
<b>sub-total</b>		<b>88,655,000.00</b>	<b>88,655,000.00</b>	<b>-</b>	
Transfers to other local governments		288,170,890.89	288,170,890.89	-	
<b>Total Other Transfer</b>		<b>376,825,890.89</b>	<b>376,825,890.89</b>	<b>-</b>	
<b>NOTE 11</b>					
<i>Details of Aid &amp; Grants Received</i>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
<b>Bilateral</b>		-	-	-	
<b>Multi Lateral</b>		-	-	-	
<b>ETC</b>		-	-	-	
<b>Total Details of Aid &amp; Grants Received</b>		<b>-</b>	<b>-</b>	<b>-</b>	



<b>NOTE 12</b>					
<b>A - Details of Total Capital Expenditures (According to Sectors)</b>					
	Actual	Total Budget	Variance		
Administrative Sector	21,168,000.00	235,373,704.00	214,205,704.00		
Economic Sector	35,871,000.00	108,552,277.00	72,681,277.00		
Law and Justice Sector	-	-	-		
Regional Sector	-	-	-		
Social Sector	11,200,000.00	200,780,292.00	189,580,292.00		
<b>Total Details of Capital Expenditures</b>	<b>68,239,000.00</b>	<b>544,706,273.00</b>	<b>476,467,273.00</b>		
<b>B - Details of Capital Expenditures of Parastatals (Included in 12A above)</b>					
	Actual	Total Budget	Variance		
Administrative Sector	-	-	-		
Economic Sector	-	-	-		
Law and Justice Sector	-	-	-		
Regional Sector	-	-	-		
Social Sector	-	-	-		
<b>Total Details of Capital Expenditures of Parastatals</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>NOTE 13</b>					
<b>CLOSING BOOK BALANCES OF OTHER FUNDS OF THE GOVERNMENT</b>					
	Amount 2021	Amount 2020			
List all the Other Funds Cash Book Balances	-	-			
<b>NOTE 14</b>					
<b>CLOSING CASH BOOK BALANCE OF FEDERAL PAY OFFICES/SUB-TREASURY OFFICES</b>					
	Amount 2021	Amount 2020			
List all the FPO/Sub-Treasuries Cash Book Balances	-	-			
<b>NOTE 15</b>					
<b>CLOSING CASH BOOK BALANCE OF KOTAGORA LOCAL GOVERNMENT</b>					
	Amount 2021	Amount 2020			
Kotagora Local Government	22,229,267.77	902,551.66			
<b>Total Details of Cash Book Balances</b>	<b>22,229,267.77</b>	<b>902,551.66</b>			



<b>NOTE 16</b>					
<b>INVESTMENTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Investments in Quoted Companies		-	-		
Investments in unQuoted Companies		-	-		
Loans to Government Companies		-	-		
Loans to Other Government		-	-		
<b>Total Investments</b>		-	-		
<b>NOTE17</b>					
<b>LIST OF OUTSTANDING IMPRESTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Imprests</b>		-	-		
<b>NOTE 18</b>					
<b>LIST OF OUTSTANDING ADVANCES</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Advances</b>		-	-		
<b>NOTE 19</b>					
<b>Revolving Loan Account</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-



<b>NOTE 20</b>					
<b>External Loans:FGN/States/ LGC</b>					
List the Loans		<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 21</b>					
<b>FGN/ States/LGC Bonds &amp; Treasury Bonds.</b>					
List the Loans		<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 22</b>					
<b>Internal Loan</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>Opening balance as at 1st january, 2021</b>		184,000,000.00	-		
Add: Additional Loan Issued		-	224,000,000.00		
Less: Repaid		96,000,000.00	40,000,000.00		
<b>Loans as at 31st December, 2021</b>		<b>88,000,000.00</b>	<b>184,000,000.00</b>		
<b>NOTE 23</b>					
<b>Development Loan Stock</b>					
List the Loans		<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-



<b>NOTE 24</b>					
<b>Internal Loans from Other Funds</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 25</b>					
<b>Schedule of Deposit</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Kontagora Local Government		15,889,104.04	12,407,623.56		
<b>Total Outstanding Deposits</b>		<b>15,889,104.04</b>	<b>12,407,623.56</b>		
<b>Details Of Deposits</b>					
5% Value Added Tax		5,311,516.98	3,098,872.79		
5% Withholding Tax		10,577,587.06	9,308,750.77		
1% Stamp Duty		-	-		
<b>TOTAL</b>		<b>15,889,104.04</b>	<b>12,407,623.56</b>		
<b>NOTE 26</b>					
<b>Schedule of Overdrawn accounts</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Kontagora Local Government		-	-		
<b>Total Overdrawn account</b>		-	-		
<b>NOTE 27</b>					
<b>CONTINGENT LIABILITES AS AT YEAR END</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>E.G.</b>					<b>List All the Contigent Liabilities</b>
... Pension and Gratuity Due		-	-		
....Outstanding Contractors Liabilities ( According to MDA)		-	-		
.....Pending Litigations ( According to MDA)		-	-		
.....Guarantees ( According to MDA)		-	-		
..... Others		-	-		
<b>Total Contigent Liabilities</b>		-	-		

**SUPPLEMENTARY NOTE**

1	<b>GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)</b>		
		<b>2021</b>	<b>2020</b>
	<b>MONTH</b>	<b>TOTAL</b>	<b>TOTAL</b>
	JANUARY	144,307,387.15	170,877,181.76
	FEBRUARY	151,878,651.72	157,771,772.09
	MARCH	124,380,395.72	141,085,106.33
	APRIL	141,571,692.59	160,457,545.11
	MAY	156,068,433.75	148,828,604.06
	JUNE	151,099,209.26	134,523,986.06
	JULY	178,191,566.01	163,351,198.97
	AUGUST	178,191,566.01	167,611,759.11
	SEPTEMBER	178,695,475.43	165,982,844.62
	OCTOBER	186,800,522.48	155,261,179.37
	NOVEMBER	177,889,237.33	140,165,395.97
	DECEMBER	175,878,845.87	138,632,064.15
<b>TOTAL</b>	<b>1,944,952,983.32</b>	<b>1,844,548,637.60</b>	

<b>INTERNELLY GENERATED REVENUE 2021</b>	
<b>DETAILS</b>	<b>AMOUNT</b>
Taxes	1,375,650.00
Rates	4,694,840.20
Lincences	17,875,602.90
Earning	17,750,488.00
Rent	7,120,496.20
interest	-
10% IGR From State	25,723,459.41
<b>TOTAL</b>	<b>74,540,536.71</b>





**1.1 INTRODUCTION**

In compliance with the provision of section 125 (2) of 1999 Constitution of the Federal Republic of Nigeria and Niger State Local Government Law (N.S.L.N. No. 14) of 2001, I have examined the Accounts and Financial Statement of Kontagora Local Governments for the year ended 31<sup>st</sup> December, 2021 in accordance with the Public Finance (Control Management Act. 1958).

I have therefore certified the accounts as correct subject to various observations raised and contained in this report while the irregularities discovered thereon had been forwarded through Audit Inspection reports to the attached Accounting officers for their comments and necessary actions

**2.0 FINANCIAL HIGHLIGHTS**

RECEIPTS DESCRIPTION	AMOUNT (?)	PERCENTAGE
Internally Generated Revenue	48,817,077.30	2.42%
10% IGR	25,723,459.41	1.27%
VAT	669,166,514.91	33.14%
Exchange Gain Differential	4,713,765.26	0.23%
Excess Crude Oil	35,289,116.51	1.75%
Non-Oil Revenue	38,812,877.50	1.92%
Statutory Allocation	1,196,970,709.14	59.27%
	<b><u>2,019,493,520.03</u></b>	<b><u>100.00%</u></b>

**2.1 ANALYSIS OF REVENUE AND EXPENDITURE****2.1.1 REVENUE**

The sum of ? 2,019,493,520.03 accrued to the Kontagora Local Government Councils as total receipts for the year ended 31<sup>st</sup> December, 2021

**2.1.1.1 INTERNALLY GENERATED REVENUE**

Kontagora Local Government Council generated the sum of ? 48,817,077.30 and ? 25,723,459.41 as Internally Generated Revenue and 10%IGR from State respectively, this amounted to a total of ? 74,540,536.71 only for the year ended 31<sup>st</sup> December, 2021 which represented 3.69% of the total accrued revenue of ? 2,019,493,520.03. This shows that the Council solely depends on statutory allocation from the Federation Account for survival despite my several advices to improve and explore other sources of revenue for the Council. This could result to non-survival of the councils if there is a decline of revenue from the Federation Account.

The Council promised to look for other ways of improving collections of its internally generated revenue.

I advise that the Council should make up extra efforts to generate more in the years ahead.



**2.1.1.2 FEDERAL STATUTORY ALLOCATION**

The sum of ₦ 1,196,170,709.14 which is 85.78% of the total receipts of ₦ 2,019,493,520.03 was disbursed to Kontagora Local Government Council for the year under review. This sum comprises the followings:

- I. VAT
- II. Exchange Gain Differentials
- III. Excess Crude Oil
- IV. Non-Oil Revenue
- V. Statutory Allocation

**2.1.2 EXPENDITURE****2.1.2.1 ANALYSIS OF EXPENDITURE**

The total sum of ₦2,019,493,520.03 was allocated directly to Kontagora Local Government Council and expended as follows:

DETAILS	AMOUNT (₦ )	PERCENTAGE
I. Personnel cost	912,704,931.61	45.68%
II. Overhead cost	182,923,961.66	9.15%
III. Consolidated Fund charges	108,754,769.40	5.44%
IV. Operating Activities	223,918,250.36	11.21%
V. Other Transfers	376,825,890.89	18.86%
VI. Contributions	28,800,000.00	1.44%
VII. Repayment of Loans	96,000,000.0	4.80%
VIII. Cash flow from investment	68,239,000.00	3.42%
	<b><u>1,998,166,803.92</u></b>	<b><u>100.00%</u></b>

**3.0 WEAKNESSES IN THE INTERNAL CONTROL SYSTEM**

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

**3.1. Unsupported payments by third party documentation**

I observed that most of the payment vouchers raised were not having documentary evidences such as delivery notes, Stores Received Vouchers, Stores Issues Vouchers, receipts etc. to justify the payments made. This implies some of the payments were made for goods not delivered or services not rendered.

I advised the Councils to ensure that all payments are supported appropriately.



### 3.1. Unremitted WHT, VAT and STAMP DUTIES Deductions

During the course of my audit I observed that, Kontagora Local Government Council had not remitted ₦ 15,889,104.04 to the appropriate authorities as at 31 December 2021. The outstanding amount comprises of ₦10,577,587.06 in respect of WHT, ₦5,311,516.98 in respect of VAT.

This exposes the Local Government Council to the risk of payment of fines and penalties for late remittance.

I advised the Council to remit the outstanding deductions immediately and in future, the Council should ensure all deductions are made and remitted in accordance with the relevant guidelines.

### 3.2. Payment Vouchers not checked nor passed by the Internal Audit Unit.

During the course of our audit exercise, it was observed that despite being raised in our previous reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued in some cases which contravene chapter 14 section 1-19 of Model Financial Memoranda. The non-compliance was evidenced by the Payment Vouchers which were prepared and paid out without endorsement by the Internal Audit Unit and Officer Controlling the Vote and Checks by the Accounting Officer. This exposes the Council to fraudulent practices.

I advised the Council to adhere strictly to the provisions of the Model Financial Memoranda.

### 3.3. Non-maintenance of Fixed/Moveable Asset register.

A Fixed Assets Register is a management tool to monitor and control use of assets. However, as pointed out in my previous reports, Kontagora Local Council did not maintain an up-to-date Fixed Assets Register during the year under review.

I advised the Council to ensure that an up-to-date Fixed Assets/Movable Assets Register is maintained.

### 3.4. Non-maintenance of Loan/Overdraft Register/Ledger.

We observed that Kontagora Local Government Council did not maintain Loans/Overdraft Register/Ledger during the year.

The risk is that the Council may not be able to reconcile loan balances with the lenders leading to overpayments or fines and penalties for under payments.

We recommend that the Council should immediately open and maintain Loans Register. In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that all issues raised above in this section should be addressed before my next audit.



**4.0 BUDGETARY CONTROL****4.1 REVENUE COMPARISON**

During the year under review, there was a shortfall in the target of Internally Generated Revenue in Kontagora Local Government Council in all revenue codes as shown below:

**KONTAGORA LOCAL GOVERNMENT BUDGETED INTERNALLY GENERATED REVENUE COMPARED WITH ACTUAL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**

S/N	CODES	DETAILS	BUDGET ?	ACTUAL ?	SHORTFALL ?
1	12010000	Taxes	1,540,000.00	1,375,650.00	(164,350.00)
2	12021700	Rates	5,450,000.00	4,694,840.20	(755,159.80)
3	12021300	Local Licenses, Fees, and Fine	18,067,900.00	17,875,602.90	(192,297.10)
4	12021500	Earning from Commercial undertakings	9,327,000.00	17,750,488.00	8,423,488.00
5	12021600	Rent on Local Government Properties	3,100,000.00	7,120,496.20	4,020,496.20
6	12021100	Interest	150,000.00	-	(150,000.00)
<b>TOTAL</b>			<b>37,634,900.00</b>	<b>48,817,077.30</b>	<b>11,182,177.30</b>

From the above table, it clearly shows that the Council solely relies on Statutory Allocation from the Federation Account for its survival despite the comparison between the total budgeted amount of ? 37,634,900.00 with actual Internally Generated Revenue of ? 48,817,077.30 with an excess of ? 11,182,177.30 during the year under review.

This implies that the Council was able to implement its planned programmes during the financial year or the budget was realistic.

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

- I. Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- II. Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- III. Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- IV. Control over issuance of revenue receipts
- V. Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.
- VI. The Council should ensure that realistic budgets are prepared.

**4.2 RECURRENT EXPENDITURE****4.2.1 PERSONNEL COST**



**6.1 OUTSTANDING ISSUES FROM PROJECT INSPECTION REPORT**

The following are the outstanding issues from projects Inspection for the year under review.

**AGX/D.107/VOL.9/1**

Suspicious payment made for Direct Labour project without; Labour card, Job Order and Cost Book attached to the payment voucher.

**DIRECT LABOUR WORK**

1. Grading of T/Wawa Market and Fencing 20% work done	= ? 600,000.00
2. Repairs of Lioji Dispensary 100% work completed	= ? 1,000,000.00
3. Construction of Wards at Maidubu PHC100% work completed	= ? 3,000,000.00
4. Abbatoir Overhead Tank 100% work completed	= ? 1,020,000.00
5. Flower Fence MCH k/gora100% work completed	= ? 500,000.00
6. Erosion Control Gabas Cemetery 100% work completed	= ? 100,000.00
7. Back of General Hospital Eiectrification100% work completed	= ? 100,000.00
8. Moulding of Block 100% work completed	= ? 500,000.00
9. Repair of Farin Shinge Clinic 70% work done	= ? 1,200,000.00

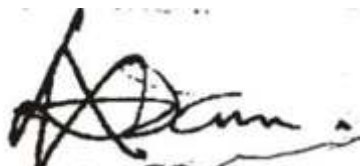
Management promised to follow up and resolve the issues raised above.

We recommend that the management of Kontagora Local Government should ensure the issues raised above are adequately addressed.

**7.0 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 Report.


**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, 2021

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



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Office of Director Finance & Supply  
**LAPAI LOCAL GOVERNMENT COUNCIL**  
LAPAI- NIGER STATE

Our Ref: \_\_\_\_\_

Your Ref: \_\_\_\_\_

Date: \_\_\_\_\_

**STATEMENT OF FINANCIAL RESPONSIBILITY STATEMENT NO.1**

These financial statements have been prepared by the Treasurer Lapai Local Government in accordance with the provision of finance (Council Management) Act 1958 as amended. The financial statement complies with general accepted accounting practices.

The Treasury is responsible for the establishing and maintaining a system internal control designed to provide assurances that the transaction seconded are within statutory authority and properly record the use of all public financial resources by the Local Government Council. To the best of my knowledge his system of internal control has operated adequately throughout the reporting period for the month of December, 2021.

Sign:  .....  
Treasurer

Date: 31.12.2021

We accept responsibility for these financial statements the information they contain and their compliance with the finance (Control and Management) ct 1958 as Amended.

In our opinion, the Financial Statement fairly reflects the financial position of Lapai Local Government Council as at 31<sup>st</sup> December, 2021 and its operation for the period ended on the date.

Sign:  .....  
Chairman

Date: 31/12/2021



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# NIGER STATE GOVERNMENT

## LAPAI LOCAL GOVERNMENT COUNCIL ACCOUNTING POLICIES (IPSAS CASH)

**ISSUED BY**

**OFFICE OF THE DIRECTOR FINANCE**

**LAPAI LOCAL GOVERNMENT COUNCIL**

**2021**



## List of Abbreviations/Acronyms

Abbreviation/Term	Description
CBN	Central Bank of Nigeria
COA	Chart of Account
FAAC	Federation Accounts Allocation Committee
FGN	Federal Government of Nigeria
FRC	Financial Reporting Council
GAAP	Generally Accepted Accounting Principles
GPFS	General Purpose Financial Statement
IPSAS	International Public Sector Accounting Standards
LFN	Law of the Federal Republic of Nigeria
LGC	Local Government Council
NCOA	National Chart of Account
GBE	Government Business Enterprises
FRCON	Financial Reporting Council of Nigeria
PPE	Properties, Plants and Equipment



## Introduction

In line with the adoption of the International Public Sector Accounting Standards (IPSAS) in Nigeria, a Standardised Chart of Account (COA) alongside a set of General Purpose Financial Statements (GPFS) have been designed and introduced by FAAC for adoption by all tiers of Government in Nigeria.

The standardised COA and the GPFS is hereby adopted by Lapai Local Government Council to comply with FAAC directive to harmonise public sector accounts reporting in Nigeria.

In order to ensure an effective and efficient utilisation of the COA and GPFS, the Accounting Policies have been developed as a set of guidelines to direct the Processes and Procedures relating to financial reporting in Lapai Local Government Council.

These policies shall form part of the universally agreed framework for financial reporting in Lapai Local Government Council.

## IPSAS Cash Basis of Accounting

The IPSAS Cash Basis of Accounting recognizes transactions and events only when Cash (including Cash Equivalents) is received or paid by the Local Government. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of Cash raised during the period, the purposes for which Cash was used and the Cash balances at the reporting date. The measurement focus in the GPFS balances are Cash and changes during the period. Therefore, Bank Reconciliation Statement shall form integral part of periodic Reports in Lapai Local Government Council.

Notes to the GPFS provide additional information about liabilities, including payables and borrowings, and non-cash assets that include receivables, investments and property, plant and equipment.

This Accounting Policy addresses the following fundamental accounting issues:

1. Definition of Accounting Terminologies
2. Recognition of Accounting Items
3. Measurement of Accounting Items
4. Treatment of Accounting items

The Accounting Policy is subject to periodic reviews and updates as shall be deemed necessary by the Director Finance, Lapai Local Government Council.





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S/N	Accounting Policies:	2	<b>General Purpose Financial Statements (GPFS)</b>
1	<p><b>Accounting Terminologies / Definitions</b></p> <ol style="list-style-type: none"> <li>I. <b>Accounting policies</b> are the specific principles, bases, conventions, rules and practices adopted by Lapai Local Government Council in preparing and presenting Financial Statements.</li> <li>II. <b>Cash:</b> Cash comprises cash in hand, demand deposits in financial institutions and cash equivalents.</li> <li>III. <b>Cash equivalents</b> are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.</li> <li>IV. <b>Cash basis</b> means a basis of accounting that recognizes transactions and other events only when cash is received or paid.</li> <li>V. <b>Cash flows</b> are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.</li> <li>VI. <b>Cash receipts</b> are cash inflows.</li> <li>VII. <b>Cash payments</b> are cash outflows.</li> <li>VIII. <b>Cash Controlled by Lapai Local Government Council:</b> Cash is deemed to be controlled by Lapai Local Government Council when the government can freely use the available cash for the achievement of its objectives or enjoy benefit from the cash, and can also exclude or regulate the access of others to that benefit. Cash collected by, or appropriated or granted to the government which the government can freely use to fund its operating objectives, such as acquiring of capital assets or repaying its debt is controlled by the government.</li> <li>IX. <b>Notes to the GPFS</b> shall include narrative descriptions or more detailed schedules or analyses of amounts shown on the face of the GPFS, as well as additional information</li> </ol>	<p>The GPFS comprise of Statement of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by Lapai Local Government Council and Accounting Policies and Notes to the Financial Statements. In Lapai Local Government Council, the GPFS Accounting Policy include the following:</p> <ol style="list-style-type: none"> <li>I. Statement 1 - Cash Flow Statements: Statement of Cash Receipts and Payments which:             <ul style="list-style-type: none"> <li>▪ recognizes all Cash Receipts, Cash Payments and Cash Balances controlled by Lapai Local Government Council; and</li> <li>▪ separately identifies payments made by third parties on behalf of Lapai Local Government Council.</li> </ul> </li> <li>II. Statement 2 - Statement of Assets and Liabilities: Statement of Financial Position (also known as Balance Sheet);</li> <li>III. Statement 3 - Statement of Consolidated Revenue Fund: Statement of Recurrent Financial Performance (also known as Profit &amp; Loss Account);</li> <li>IV. Statement 4 - Statement of Capital Development Fund: Statement of Capital Financial Performance (also known as Capital Expenditure);</li> <li>V. Notes to the Accounts: Additional disclosures to explain the GPFS; and</li> <li>VI. Accounting Policies and Explanatory Notes.</li> </ol>	



<p><b>3 Basis of Preparation and Legal Provisions</b></p> <p>The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, GPFS are in compliance with the provisions of other financial regulations of Lapai Local Government Council</p>	<p><b>6 Reporting Currency</b></p> <p>The General Purpose GPFS are prepared in Nigerian Naira.</p>
<p><b>4 Fundamental Accounting Concepts</b></p> <p>The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in Lapai Local Government Council</p> <ul style="list-style-type: none"> <li>? Cash Basis of Accounting;</li> <li>? Understability;</li> <li>? Materiality,</li> <li>? Relevance;</li> <li>? Going Concern Concept;</li> <li>? Consistency Concept</li> <li>? Prudence</li> <li>? Completeness, etc.</li> </ul>	<p><b>7 LGC for Consolidation</b></p> <ul style="list-style-type: none"> <li>▪ The Consolidation of the GPFS are based on the Cash transactions of Lapai Local Government Council except Government Business Enterprises (GBEs).</li> </ul>
<p><b>5 Accounting Period</b></p> <p>The accounting year (fiscal year) is from 1<sup>st</sup> January to 31<sup>st</sup> December. Each accounting year is divided into 12 calendar months (periods) and shall be set up as such in the accounting system.</p>	<p><b>8 Comparative Information</b></p> <ul style="list-style-type: none"> <li>▪ The General Purpose GPFS shall disclose all numerical information relating to previous period (at least one year).</li> </ul>
	<p><b>9 Budget Figures</b></p> <ul style="list-style-type: none"> <li>▪ These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation Law of Niger State.</li> </ul>
	<p><b>10 Receipts</b></p> <ul style="list-style-type: none"> <li>? These are Cash inflows within the Financial Year. They comprise of receipts from Statutory Allocations (FAAC monthly disbursement), Taxes, External Assistance (from Bilateral and Multilateral Agencies), Other Aid and Grants, Other Borrowings, Capital Receipts (Sale of Government Assets, etc), Receipts from Trading activities and Other Cash Receipts.</li> <li>? These items shall be disclosed at the face of the Statement of Cash Receipts and Payment for the year in accordance with the standardised GPFS. Notes shall be provided as per standardised Notes to GPFS.</li> </ul>



<p><b>11 External Assistance</b></p> <ul style="list-style-type: none"> <li>? Receipts from Loans are Funds received from external sources to be paid back at an agreed period of time. They are categorised either as Bilateral or Multilateral.</li> <li>? External Loans receipts shall be disclosed separately under Statement of Cash Receipts and Payment for the year.</li> <li>? The Local Governments did not receive external assistance during the two year.</li> </ul>	<p><b>15 Payments</b></p> <ul style="list-style-type: none"> <li>▪ These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorised either by Function and/or by Sector in the Statement of Cash Receipts and Payment.</li> <li>▪ Payments for purchase of items of capital nature( e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.</li> </ul>
<p><b>12 Other Borrowings / Grants&amp; Aid Received</b></p> <ul style="list-style-type: none"> <li>▪ These shall be categorised as either Short or Long term Loans.Short-Term Loans are those repayable within one calendar year (12 months), while Long - Term Loans and Debts shall fall due beyond one calendar year (above 12 months).Loans shall be disclosed separately and Grants shall also be separately disclosed under Statement of Cash Receipts and Payment for the year.</li> </ul>	<p><b>16 Loans Granted:</b></p> <ul style="list-style-type: none"> <li>▪ Payments to other Government and Agencies in form of Loans during the year shall be shown separately in the Statement of Receipts and Payments. Amount disclosed shall be actual amount paid during the year.</li> <li>▪ The Local Governments did not give any loan during the two year.</li> </ul>
<p><b>13 Interest Received</b></p> <ul style="list-style-type: none"> <li>? Interest actually received during the financial year shall be treated as a receipt</li> </ul>	<p><b>17 Loan Repayments</b></p> <p>Cash receipts from loans granted to other agencies and government shall be classified under loan repayments in the Statement of Receipts and Payments . Amount disclosed shall be actual amount received during the year.</p>
<p><b>14 Government Business Activities</b></p> <p>Cash Receipts from Trading Activities shall be received net (after deducting direct expenses) unless otherwise provided for by law or policy in force. Total receipts from all trading activities shall be disclosed in the Statement of Cash Receipts and Payments under 'Trading Activities' item.</p> <p>Where gross revenue is received, corresponding payments shall be charged under a corresponding payment item head ' Government Business Activities' in the Statement of Receipts and Payments.</p>	<p><b>18 Interest on Loans:</b></p> <ul style="list-style-type: none"> <li>▪ Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest payment in the Statement of Cash Receipts and Payments</li> </ul>



19	<p><b>Foreign Currency Transactions:</b></p> <ul style="list-style-type: none"><li>Foreign Currency Transactions throughout the year shall be converted into Nigerian Naira at the ruling (Central Bank of Nigeria –CBN) rate of exchange at the dates of the transactions. Foreign currency balances, as at the year end, shall be translated at the exchange rates prevailing on that date.</li><li>At the end of the financial year, additional amounts (in cash or at bank) arising out of Foreign Exchange Gains/Losses shall be recognised in the Statement of Cash Receipts and Payments either as Receipts / Payments respectively.</li><li>Hence the Lapai Local Government Council did not have foreign currency transactions during the two year.</li></ul>
20	<p><b>Prepayments</b></p> <ul style="list-style-type: none"><li>Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.</li><li>The Local Governments did not make prepayment to contractors during the two year.</li></ul>
21	<p><b>Cash Balances</b></p> <p>This includes Cash in Hand, at Bank and Cash Equivalentents at the end of the Financial year.</p>



**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.



NIGER STATE

**AUDIT CERTIFICATE**

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**

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 State Local Government Joint Account Allocation Committee are indicated in the Supplementary Note 1 to the Accounts. In my opinion, the Supplementary Note 1 to accounts presents fairly, in all material respects, the revenue from Federation Account received by Lapai Local Government during the year ended December 31st, 2020. In my opinion, the Financial Statements which are in agreement with the books of accounts and record shows a true and fair view of the financial position of the Lapai Local Government for the year ended 31st December, 2020 and the transactions for the year ended at that date.

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



**STATEMENT NO. 1**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ANNUAL BUDGET 2021 N		COA	NOTES	ACTUAL YEAR 2021 N	PREVIOUS YEAR 2020 N
	<b>CashFlows from Operating Activities:</b>				
	<u>Receipts:</u>				
1,577,709,043.00	Statutory Allocations:FAAC		1	1,244,752,948.82	1,769,195,765.43
348,618,664.00	Value Added Tax Allocation		1	609,443,709.11	-
<b>1,926,327,707.00</b>	<b>Sub-total - Statutory Allocation</b>			<b>1,854,196,657.93</b>	<b>1,769,195,765.43</b>
-	Direct Taxes		2	-	-
10,419,930.00	Licences		2	5,212,460.00	3,782,150.36
-	Mining Rents:		2	-	-
-	Royalties		2	-	-
-	Fees:		2	-	-
-	Fines		2	-	-
-	Sales		2	-	-
3,576,360.00	Earnings :		2	13,590,015.41	5,913,821.04
-	Sales/Rent of Government Buildings:		2	-	-
-	Sale/Rent on Lands and Others:		2	-	-
1,673,160.00	Rates		2	-	-
-	Investment Income		2	-	-
-	Interest Earned		2	-	-
147,447,704.00	10% IGR From State		2	25,723,459.41	22,002,508.32
<b>163,117,154.00</b>	<b>Sub-total - Independent Revenue</b>			<b>44,525,934.82</b>	<b>31,698,479.72</b>
	<b>Other Revenue Sources of L/Government</b>				
-	Domrstic Grants		3	-	<b>21,747,549.18</b>
-	Grants From other LGs		3	737,926,600.52	524,846,270.88
<b>2,089,444,861.00</b>	<b>Total Receipts</b>			<b>2,636,649,193.27</b>	<b>2,347,488,065.21</b>
	<u>Payments:</u>				
1,965,946,918.00	Personnel Costs ( Including Salaries on CRF Charges):		4	1,434,836,788.57	1,703,193,101.69
-	Federa/ States/ LGC Govt Contribution to Pension:		5	-	-
271,800,000.00	Overhead Charges:		6	147,234,692.67	112,426,636.05
233,999,206.00	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)		7	198,575,895.48	172,315,428.01
28,800,000.00	Subvention to Parastatals:		8	28,800,000.00	102,000,000.00
280,000,000.00	Other Operating Activities		9	439,708,593.85	183,316,960.00
28,800,000.00	Other Transfers		10	28,800,000.00	68,080,000.00
<b>2,809,346,124.00</b>	<b>Total Payments</b>			<b>2,277,955,970.57</b>	<b>2,341,332,125.75</b>
<b>-719,901,263.00</b>	<b>Net Cash Flow from Operating Activities</b>			<b>358,693,222.70</b>	<b>6,155,939.46</b>
	<b>CashFlows from Investment Activities:</b>				
25,000,000.00	Capital Expenditure:Administrative Sector:		12	56,200,000.00	59,380,077.00
310,000,000.00	Capital Expenditure: Economic Sector:		12	51,000,000.00	81,776,004.10
-	Capital Expenditure: Law and Justice:		12	-	-
-	Capital Expenditure:Regional Development		12	-	-
85,770,774.00	capital expenditure: Social Service Sector:		12	66,450,000.00	63,867,922.90
-	Capital Expenditure: Funded from Aid and Grants:		11	-	-
<b>420,770,774.00</b>	<b>Net Cash Flow from Investment Activities:</b>			<b>173,650,000.00</b>	<b>205,024,004.00</b>



	<b>CashFlows from Financing Activities:</b>				
-	Proceeds from Aid and Grants		11	-	-
-	Proceeds from External Loan :		20	-	-
-	Proceeds from Internal Loans: FGN/Treasury Bonds :		21	-	-
-	Proceeds from Internal Loan		22		198,000,000.00
-	Proceeds from Development of Nat Resources		23	-	-
-	Proceeds of Loans from Other Funds		24	-	-
-	Repayment of External Loans ( Including Servicing)		20	-	-
-	Repayment of FGN/Treasury Bonds :		21	-	-
96,000,000.00	Repayment of Internal Loan		22	104,000,000.00	- 32,000,000.00
-	Repayment of Loans from Development of Nat Resources		23	-	-
	Repayment of Loans from Other Funds		24	-	-
<b>96,000,000.00</b>	<b>Net Cash Flow from Financing Activities:</b>			<b>104,000,000.00</b>	<b>166,000,000.00</b>
	<b>Movement in Other Cash Equivalent Accounts</b>				
-	(Increase)/ Decrease in Investments			-	-
-	Net (Increase)/Decrease in Other Cash Equivalents:			-	-
-	<b>Total Cashflow from other Cash equivalent Accounts</b>			-	-
	Net Cash for the year			81,043,222.70	- 32,868,064.54
-	Cash & Its Equivalent as at 1st January, 2021			3,733,081.97	36,601,146.51
-	Cash & Its Equivalent as at 31st December, 2021			<b>84,776,304.67</b>	<b>3,733,081.97</b>



**STATEMENT NO. 2**  
**STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	NOTES	CURRENT YEAR 2021 N	PREVIOUS YEAR 2020 N
<b><u>ASSETS:-</u></b>			
<b>Liquid Assets:-</b>			
Cash Held by AGF:			
-CRF Bank Balance(CBN/ CRF Bank):		-	-
-Pension Account (CBN/ Bank):		-	-
-Other Bank of the Treasury		-	-
-Cash Balances of Trust & Other Funds of the FGN/ States/LGC:		-	-
-Cash Balances with Federal Pay Offices/ Sub-Treasury:		-	-
Cash Held by Agaie Local Government	15	84,776,304.67	3,733,081.97
<b>TOTAL LIQUID ASSETS</b>		<b>84,776,304.67</b>	<b>3,733,081.97</b>
<b>Investments and Other Cash Assets:</b>			
Federal/ State/ Local Government Investments	16	-	-
Imprests:-	17	-	-
Advances:-	18	-	-
Revolving Loans Granted:-	19	-	-
Intangible Assets		-	-
<b>TOTAL INVESTMENTS AND OTHER CASH ASSETS</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>84,776,304.67</b>	<b>3,733,081.97</b>
<b>LIABILITIES OVER ASSETS</b>		<b>143,813,921.16</b>	<b>247,813,921.16</b>
<b>TOTAL</b>		<b>228,590,225.83</b>	<b>251,547,003.13</b>
<b><u>LIABILITIES:-</u></b>			
<b><u>PUBLIC FUNDS</u></b>			
Consolidated Revenue Fund:		84,776,304.67	3,733,081.97
Capital Development Fund:		-	-
Trust & Other Public Funds:		-	-
Police Reward Fund		-	-
<b>TOTAL PUBLIC FUNDS</b>		<b>84,776,304.67</b>	<b>3,733,081.97</b>
<b><u>EXTERNAL AND INTERNAL LOANS</u></b>			
External Loans:FGN/States/ LGC	20	-	-
FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-
internal Loans	22	138,616,033.94	242,616,033.94
Development Loan Stock	23	-	-
Loan From other Funds	24	-	-
Internal Loans from Other Funds		-	-
<b>TOTAL EXTERNAL AND INTERNAL LOANS</b>		<b>138,616,033.94</b>	<b>242,616,033.94</b>
<b><u>OTHER LIABILITIES</u></b>			
Deposits:-	25	5,197,886.72	5,197,886.72
Overdrawn accounts	26	0.50	0.50
<b>TOTAL LIABILITIES</b>		<b>228,590,225.83</b>	<b>251,547,003.13</b>



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## STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021

ACTUAL PREVIOUS YEAR(2020)		NOTES	ACTUAL YEAR 2021 N	FINAL BUDGET 2021 N	INITIAL/ORIGINAL BUDGET 2021 N	SUPPLEMENTARY BUDGET 2021 N	VARIANCE ON FINAL BUDGET %
36,601,146.51	Opening Balance:		3,733,081.97				
	<b>ADD: REVENUE</b>						
1,769,195,765.43	Statutory Allocations:FAAC	1	1,244,752,948.82	1,577,709,043.00	1,577,709,043.00	-	78.90
-	Value Added Tax Allocation	1	609,443,709.11	348,618,664.00	348,618,664.00	-	-
1,769,195,765.43	<b>Sub-Total - Statutory Allocation</b>		<b>1,854,196,657.93</b>	<b>1,926,327,707.00</b>	<b>1,926,327,707.00</b>	-	-
-	Direct Taxes	2	-	-	-	-	-
3,782,150.36	Licences	2	5,212,460.00	10,419,930.00	10,419,930.00	-	50.02
-	Mining Rents:	2	-	-	-	-	-
-	Royalties	2	-	-	-	-	-
-	Fees:	2	-	-	-	-	-
-	Fines	2	-	-	-	-	-
-	Sales	2	-	-	-	-	-
5,913,821.04	Earnings :	2	13,590,015.41	3,576,360.00	3,576,360.00	-	380.00
-	Sales/Rent of Government Buildings:	2	-	-	-	-	-
-	Sale/Rent on Lands and Others:	2	-	-	-	-	-
-	RATES	2	-	1,673,160.00	1,673,160.00	-	0.00
-	Investment Income	2	-	-	-	-	-
-	Interest Earned	2	-	-	-	-	-
22,002,508.32	10% IGR From State	2	25,723,459.41	147,447,704.00	147,447,704.00	-	-
31,698,479.72	<b>Sub-Total - Independent Revenue</b>		<b>44,525,934.82</b>	<b>163,117,154.00</b>	<b>163,117,154.00</b>	-	27.30
	<b>Other Revenue Sources of L/Government</b>						
21,747,549.18	Domestic Grants	3	-	21,747,549.18	21,747,549.18	-	-
524,846,270.88	Grants From other LGs	3	737,926,600.52	524,846,270.88	524,846,270.88	-	-
2,384,089,211.72	<b>TOTAL REVENUE:</b>		<b>2,640,382,275.24</b>	<b>2,089,444,861.00</b>	<b>2,089,444,861.00</b>	-	-
	<b>LESS:EXPENDITURE</b>						
1,703,193,101.69	Personnel Costs ( Including Salaries on CRF Charges):	4	1,434,836,788.57	1,965,946,918.00	1,965,946,918.00	-	72.98
-	Federa/ States/ LGC Govt Contribution to Pension:	5	-	-	-	-	-
112,426,636.05	Overhead Charges:	6	147,234,692.67	271,800,000.00	271,800,000.00	-	54.17
172,315,428.01	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)	7	198,575,895.48	233,999,206.00	233,999,206.00	-	84.86
102,000,000.00	Subvention to Parastatals:	8	28,800,000.00	28,800,000.00	28,800,000.00	-	100.00
183,316,960.00	Other Operating Activities	9	439,708,593.85	280,000,000.00	280,000,000.00	-	157.04
68,080,000.00	Other Transfers	10	28,800,000.00	28,800,000.00	28,800,000.00	-	100.00
2,341,332,125.75	<b>TOTAL EXPENDITURE:</b>		<b>2,277,955,970.57</b>	<b>2,809,346,124.00</b>	<b>2,809,346,124.00</b>	-	81.08
	<b>OTHER RECURRENT PAYMENTS/EXPENDITURE:</b>						
-	Repayments:External Loans:FGN/States/ LGC	19	-	-	-	-	-
-	Repayments:FGN/ States/LGC Bonds & Treasury Bonds.	20	-	-	-	-	-
-	Repayments :Nigerian Treasury Bills (NTB)	21	-	-	-	-	-
32,000,000.00	Repayments:Internal Loans	22	104,000,000.00	96,000,000.00	96,000,000.00	-	-
-	Repayments: Internal Development Loans Stock	23	-	-	-	-	-
-	Repayments:Other Internal Loans( Promissory Notes)	24	-	-	-	-	-
2,373,332,125.75	<b>TOTAL EXPENDITURE:</b>		<b>2,381,955,970.57</b>	<b>2,905,346,124.00</b>	<b>2,905,346,124.00</b>	-	-
10,757,085.97	<b>OPERATING BALANCE:</b>		<b>258,426,304.67</b>	<b>- 815,901,263.00</b>	<b>- 815,901,263.00</b>	-	-
	<b>APPROPRIATIONS/TRANSFERS:</b>						
7,024,004.00	Transfer to Capital Development Fund:		173,650,000.00	420,770,774.00	420,770,774.00	-	41.27
3,733,081.97	<b>Closing Balance:</b>		<b>84,776,304.67</b>				



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**STATEMENT NO. 4**  
**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ACTUAL PREVIOUS YEAR(2019)		NOTES	TOTAL CAPITAL EXPENDITURE 2020	FINAL BUDGET 2020	INITIAL/ORIGINAL BUDGET 2020	SUPPLEMENTARY BUDGET 2020	PERFORMANCE ON TOTAL
N			N		N		%
-	<b>Opening Balance:</b>		-				
	<b>ADD: REVENUE</b>						
56,749,900.00	Transfer from Consolidated Revenue Fund:		173,650,000.00	125,192,691.00	125,192,691.00	-	138.71
-	Aid and Grants	11	-	-	-	-	-
-	External Loans:FGN/States/ LGC	20	-	-	-	-	-
-	FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-	-	-	-
-	Internal Loan	22	-	-	-	-	#DIV/0!
-	Development Loan Stock	23	-	-	-	-	-
-	Loan From Other Funds	24	-	-	-	-	-
<b>56,749,900.00</b>	<b>TOTAL REVENUE AVAILABLE:</b>		<b>173,650,000.00</b>	<b>125,192,691.00</b>	125,192,691.00	-	138.71
	<b>LESS: CAPITAL EXPENDITURE</b>						
24,013,000.00	Capital Expenditure:Administrative Sector:	12	56,200,000.00	90,364,676.00	90,364,676.00	-	62.19
30,486,900.00	Capital Expenditure: Economic Sector:	12	51,000,000.00	128,921,564.00	128,921,564.00	-	39.56
-	Capital Expenditure: Law and Justice:	12	-	-	-	-	-
-	Capital Expenditure:Regional Development	12	-	-	-	-	-
2,250,000.00	Capital Expenditure: Social Service Sector:	12	66,450,000.00	85,770,774.00	85,770,774.00	-	77.47
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-	-	-	-
<b>56,749,900.00</b>	<b>TOTAL CAPITAL EXPENDITURE:</b>		<b>173,650,000.00</b>	<b>305,057,014.00</b>	<b>305,057,014.00</b>	-	56.92
	Intangible Assets		-				
-	<b>CLOSING BALANCE:</b>		-				



**NOTE TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

<i>Details</i>					
<b>NOTE 1</b>	<b>Ref. Note</b>	<b>Amount</b>	<b>Amount</b>		<b>Remarks</b>
<b>A- Share of Statutory Allocation from FAAC</b>		<b>N</b>	<b>N</b>		
<i>Net Share of Statutory Allocation from FAAC</i>	<b>A</b>	1,167,766,132.39			
Add :Deduction at source for Loan Repayment	<b>B</b>	-			
<i>Share of Exchange Gain Differencial</i>	<b>C</b>	4,604,380.96			
Share of Federal Accounts Allocation- Excess Crude Oil	<b>D</b>	34,470,222.19			
<b>Non-oil Revenue</b>	<b>E</b>	37,912,213.28			
<b>Total FAAC Allocation to LG</b>			<b>1,244,752,948.82</b>		
<b>B. Value Added Tax</b>					
Share of Value Added Tax (VAT)		609,443,709.11	609,443,709.11		
<b>Total Statutory Allocation to LG</b>			<b>1,854,196,657.93</b>		

**NOTE 2**

<b>Internally Generated Revenue (Independent Revenue)</b>		<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	
<b>Direct Taxes</b>					
Lapai local government Internal Revenue		-	-	-	
<b>Total - Direct Taxes</b>		-	-	-	
<b>Licences</b>					
Lapai local government Internal Revenue		5,212,460.00	10,419,930.00	5,207,470.00	
<b>Total Licences</b>		<b>5,212,460.00</b>	<b>10,419,930.00</b>	<b>5,207,470.00</b>	
<b>Mining Rents</b>					
Lapai local government Internal Revenue		-	-	-	
<b>Total Mining Rents</b>		-	-	-	
<b>Royalties</b>					
Lapai local government Internal Revenue		-	-	-	
<b>Total Royalties</b>		-	-	-	
<b>Fees</b>					
Lapai local government Internal Revenue		-	-	-	
<b>Total Fees</b>		-	-	-	
<b>Fines</b>					
Lapai local government Internal Revenue		-	-	-	
<b>Total Fines</b>		-	-	-	



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<b>Sales</b>					
Lapai local government Internal Revenue		-	-	-	
<b>Total Sales</b>		-	-	-	
<b>Earnings</b>					
Lapai local government Internal Revenue		13,590,015.41	3,576,360.00	-	10,013,655.41
<b>Total Earnings</b>		<b>13,590,015.41</b>	<b>3,576,360.00</b>	-	<b>10,013,655.41</b>
<b>Sales/Rent of Government Buildings</b>					
Lapai local government Internal Revenue		-	-	-	
<b>Total Sales/Rent of Government Buildings</b>		-	-	-	
<b>Sale/Rent on Lands and Others:</b>					
Lapai local government Internal Revenue		-	-	-	
<b>Total Sale/Rent on Lands and Others</b>		-	-	-	
<b>Rates</b>					
Lapai local government Internal Revenue		-	1,673,160.00		1,673,160.00
<b>Total Rates</b>		-	<b>1,673,160.00</b>		<b>1,673,160.00</b>
<b>Investment Income</b>					
Lapai local government Internal Revenue		-	-	-	
<b>Total Investment Income</b>		-	-	-	
<b>Interest Earned</b>					
Lapai local government Internal Revenue		-	-	-	
<b>Total Interest Earned</b>		-	-	-	
<b>10% IGR From State</b>					
Lapai local government Internal Revenue		25,723,459.41	147,447,704.00		121,724,244.59
<b>Total 10% IGR From State</b>		<b>25,723,459.41</b>	<b>147,447,704.00</b>		<b>121,724,244.59</b>
<b>Total - Independent Revenue</b>		<b>44,525,934.82</b>	<b>163,117,154.00</b>		<b>118,591,219.18</b>

<b>NOTE 3</b>					
<b>Other Revenue Sources of L/Govt:</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Domestic Grants		-	-	-	
<b>Total Domestic Grants</b>		-	-	-	
Grant from other LGs		737,926,600.52	-	-	737,926,600.52
<b>Total Grant from other LGS</b>		<b>737,926,600.52</b>	-	-	<b>737,926,600.52</b>
<b>NOTE 4</b>					
<b>A - Total Personnel Costs ( Including Salaries directly charged to CRF in Note 4B below):</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		5,432,197.62	15,093,114.00	9,660,916.38	
The Council		25,501,381.08	31,093,000.00	5,591,618.92	
Office Of The Secretary		2,509,029.59	2,809,300.00	300,270.41	
Personnel Management		216,039,147.42	229,127,970.00	13,088,822.58	
<b>TOTAL Personnel Cost Administrative Sector</b>		<b>249,481,755.71</b>	<b>278,123,384.00</b>	<b>28,641,628.29</b>	
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		98,852,096.78	106,809,780.00	7,957,683.22	
Budget, Planning & Research		-	-	-	
Works And Housing		86,419,813.90	99,565,116.00	13,145,302.10	
Agriculture And Natural Resources		81,359,175.01	93,283,914.00	11,924,738.99	
<b>TOTAL Personnel Cost Economic Sector</b>		<b>266,631,085.69</b>	<b>299,658,810.00</b>	<b>33,027,724.31</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		726,992,352.31	947,256,128.00	220,263,775.69	
Primary Health Cure		119,549,994.20	206,694,991.00	87,144,996.80	
Social Development		-	151,001,834.00	151,001,834.00	
Traditional Council		72,181,600.66	83,211,771.00	11,030,170.34	
<b>Total Personnel Cost Social Sector</b>		<b>918,723,947.17</b>	<b>1,388,164,724.00</b>	<b>469,440,776.83</b>	
<b>Total Personnel Cost For All Sectors</b>		<b>1,434,836,788.57</b>	<b>1,965,946,918.00</b>	<b>531,110,129.43</b>	



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<b>B- Salaries directly charged to CRF( included in Note 4A above)</b>				
<b>List of Parastatals and Agencies:</b>		-	-	-
Judges of Supreme Court of Nigeria		-	-	-
Judges of Court of Appeal		-	-	-
other Judges of Court in Nigeria		-	-	-
Auditor -General for Federation		-	-	-
Auditor -General for State		-	-	-
Auditor -General for Local Government		-	-	-
INEC Chairman and Commissioners		-	-	-
e.t.c.		-	-	-
<b>Total</b>		<b>1,434,836,788.57</b>	<b>1,965,946,918.00</b>	<b>531,110,129.43</b>
<b>NOTE 5</b>				
<b>Employers Contribution to Pension according to Sector</b>		-	-	-
Administrative Sector		-	-	-
Economic Sector		-	-	-
Law and Justice Sector		-	-	-
Regional Sector		-	-	-
Social Sector		-	-	-
<b>Total Employers Contribution to Pension</b>		-	-	-
<b>NOTE 6</b>				
<b>Overhead Costs</b>				
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Office Of The Chairman		82,862,647.09	96,000,000.00	13,137,352.91
The Council		27,862,938.66	33,000,000.00	5,137,061.34
Office Of The Secretary		1,354,700.00	6,600,000.00	5,245,300.00
Personnel Management		2,841,000.00	11,200,000.00	8,359,000.00
<b>Total Overhead Cost Administrative Sector</b>		<b>114,921,285.75</b>	<b>146,800,000.00</b>	<b>31,878,714.25</b>
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Finance And Supply		15,096,406.92	96,000,000.00	80,903,593.08
Budget, Planning & Research		-	1,000,000.00	1,000,000.00
Works And Housing		2,470,000.00	9,000,000.00	6,530,000.00
Agriculture And Natural Resources		9,535,000.00	5,100,000.00	- 4,435,000.00
<b>TOTAL Overhead Cost Economic Sector</b>		<b>27,101,406.92</b>	<b>111,100,000.00</b>	<b>83,998,593.08</b>



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<b>Social Sector</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Adult Education	2,770,000.00	1,700,000.00	- 1,070,000.00
Primary Health Cure	2,142,000.00	9,200,000.00	7,058,000.00
Social Development	-	-	-
Traditional Council	300,000.00	3,000,000.00	2,700,000.00
<b>Total Overhead Cost Social Sector</b>	<b>5,212,000.00</b>	<b>13,900,000.00</b>	<b>8,688,000.00</b>
<b>Total Overhead Cost For All Sectors</b>	<b>147,234,692.67</b>	<b>271,800,000.00</b>	<b>124,565,307.33</b>
<b>NOTE 7</b>			
<b>Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Monthly Pension	198,575,895.48	233,999,206.00	35,423,310.52
<b>Total Consolidated Revenue Fund Charges</b>	<b>198,575,895.48</b>	<b>233,999,206.00</b>	<b>35,423,310.52</b>
<b>NOTE 8</b>			
<b>Subventions to Parastatals (According to Sectors-List)</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Administrative Sector	28,800,000.00	28,800,000.00	-
Economic Sector	-	-	-
Law and Justice Sector	-	-	-
Regional Sector	-	-	-
Social Sector	-	-	-
<b>Total Subventions to Parastatals</b>	<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>
<b>NOTE 9</b>			
<b>Other Operating Activities</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Administrative Sector	439,708,593.85	280,000,000.00	- 159,708,593.85
Economic Sector	-	-	-
Law and Justice Sector	-	-	-
Regional Sector	-	-	-
Social Sector	-	-	-
<b>Total Other Operating Activities</b>	<b>439,708,593.85</b>	<b>280,000,000.00</b>	<b>- 159,708,593.85</b>
<b>NOTE 10</b>			
<b>Other Transfer</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Administrative Sector	19,200,000.00	19,200,000.00	-
Economic Sector	-	-	-
Law and Justice Sector	-	-	-
Regional Sector	-	-	-
Social Sector	9,600,000.00	9,600,000.00	-
<b>Total Other Transfer</b>	<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>



<b>NOTE 11</b>					
<b>Details of Aid &amp; Grants Received</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
<b>Bilateral</b>		-	-	-	
<b>Multi Lateral</b>		-	-	-	
<b>ETC</b>		-	-	-	
<b>Total Details of Aid &amp; Grants Received</b>		-	-	-	
<b>NOTE 12</b>					
<b>A - Details of Total Capital Expenditures (According to Sectors)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		56,200,000.00	25,000,000.00	- 31,200,000.00	
Economic Sector		51,000,000.00	310,000,000.00	259,000,000.00	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		66,450,000.00	85,770,774.00	19,320,774.00	
<b>Total Details of Capital Expenditures</b>		<b>173,650,000.00</b>	<b>420,770,774.00</b>	<b>247,120,774.00</b>	
<b>B - Details of Capital Expenditures of Parastatals (Included in 12A`above)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		-	-	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Details of Capital Expenditures of Parastatals</b>		-	-	-	
<b>NOTE 13</b>					
<b>CLOSING BOOK BALANCES OF OTHER FUNDS OF THE GOVERNMENT</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the Other Funds Cash Book Balances		-	-		



<b>NOTE 14</b>					
<b>CLOSING CASH BOOK BALANCE OF FEDERAL PAY OFFICES/SUB-TREASURY OFFICES</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the FPO/Sub-Treasuries Cash Book Balances		-	-		
<b>NOTE 15</b>					
<b>CLOSING CASH BOOK BALANCE OF LAPAI LOCAL GOVERNMENT</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Lapai Local Government		84,776,304.67	3,733,081.97		
<b>Total Details of Cash Book Balances</b>		<b>84,776,304.67</b>	<b>3,733,081.97</b>		
<b>NOTE 16</b>					
<b>INVESTMENTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Investments in Quoted Companies		-	-		
Investments in unQuoted Companies		-	-		
Loans to Government Companies		-	-		
Loans to Other Government		-	-		
<b>Total Investments</b>		<b>-</b>	<b>-</b>		
<b>NOTE17</b>					
<b>LIST OF OUTSTANDING IMPRESTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Imprests</b>		<b>-</b>	<b>-</b>		
<b>NOTE 18</b>					
<b>LIST OF OUTSTANDING ADVANCES</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Advances</b>		<b>-</b>	<b>-</b>		



<b>NOTE 19</b>					
<b>Revolving Loan Account</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 20</b>					
<b>External Loans:FGN/States/ LGC</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 21</b>					
<b>FGN/ States/LGC Bonds &amp; Treasury Bonds.</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 22</b>					
<b>Internal Loan</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>Opening balance at as 1st january, 2021</b>		242,616,033.94	76,616,033.94		
Add: Additional Loan Issued		-	198,000,000.00		
Less: Repaid		104,000,000.00	32,000,000.00		
<b>Loans as at 31st December, 2021</b>		<b>138,616,033.94</b>	<b>242,616,033.94</b>		



<b>NOTE 23</b>					
<b>Development Loan Stock</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-

<b>NOTE 24</b>					
<b>Internal Loans from Other Funds</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-

<b>NOTE 25</b>					
<b>Schedule of Deposit</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Lapai Local Government		5,197,886.72	5,197,886.72		
<b>Total Outstanding Deposits</b>		<b>5,197,886.72</b>	<b>5,197,886.72</b>		
<b>Details Of Deposits</b>					
5% VAT		955,560.91	955,560.91		
Withholding Tax		4,242,325.81	4,242,325.81		
1% Stamp Duty		-	-		
<b>TOTAL</b>		<b>5,197,886.72</b>	<b>5,197,886.72</b>		

<b>NOTE 26</b>					
<b>Schedule of Overdrawn accounts</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Lapai Local Government		0.50	0.50		
<b>Total Overdrawn account</b>		<b>0.50</b>	<b>0.50</b>		

<b>NOTE 27</b>					
<b>CONTINGENT LIABILITES AS AT YEAR END</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>E.G.</b>					<b>List All the Contigent Liabilities</b>
... Pension and Gratuity Due		-	-		
....Outstanding Contractors Liabilities ( According to MDA)		-	-		
.....Pending Litigations ( According to MDA)		-	-		
.....Guarantees ( According to MDA)		-	-		
..... Others		-	-		
<b>Total Contigent Liabilities</b>		-	-		



**SUPPLEMENTARY NOTE**



1	<b>GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)</b>		
		<b>2021</b>	<b>2020</b>
	<b>MONTH</b>	<b>TOTAL</b>	<b>TOTAL</b>
	JANUARY	137,094,865.19	164,431,732.74
	FEBRUARY	144,953,420.91	151,837,351.91
	MARCH	117,766,277.81	135,650,377.51
	APRIL	134,205,554.30	154,130,123.10
	MAY	148,488,232.26	143,317,502.79
	JUNE	143,535,703.13	129,155,893.68
	JULY	170,571,979.37	156,767,202.00
	AUGUST	170,571,979.37	160,842,769.76
	SEPTEMBER	170,558,998.07	158,731,311.11
	OCTOBER	178,742,684.93	148,435,944.56
	NOVEMBER	170,145,850.53	134,043,348.85
	DECEMBER	167,561,112.06	131,852,207.42
<b>TOTAL</b>	<b>1,854,196,657.93</b>	<b>1,769,195,765.43</b>	
<b>INTERNELLY GENERATED REVENUE 2021</b>			
<b>DETAILS</b>	<b>AMOUNT</b>		
Taxes	-		
Rates	-		
Lincences	5,212,460.00		
Earning	13,590,015.41		
Rent	-		
interest	-		
10% IGR From State	25,723,459.41		
<b>TOTAL</b>	<b>44,525,934.82</b>		

**1.1 INTRODUCTION**

In compliance with the provision of section 125 (2) of 1999 Constitution of the Federal Republic of Nigeria and Niger State Local Government Law (N.S.L.N. No. 14) of 2001, I have examined the Accounts and Financial Statement of Lapai Local Government for the year ended 31<sup>st</sup> December, 2021 in accordance with the Public Finance (Control Management Act. 1958).

I have therefore certified the accounts as correct subject to various observations raised and contained in this report while the irregularities discovered thereon had been forwarded through Audit Inspection reports to the attached for Accounting officer`s comments and necessary actions

**2.0 FINANCIAL HIGHLIGHTS**

RECEIPTS DESCRIPTION	AMOUNT (?)	PERCENTAGE
Internally Generated Revenue	18,802,475.41	0.71%
10% IGR	25,723,459.41	0.97%
Grant from other LGs	737,926,600.52	28.33%
VAT	609,443,709.11	23.01%
Exchange Gain Differentials	4,604,380.96	0.17%
Excess Crude Oil	34,470,222.19	1.30%
Non-Oil Revenue	37,912,213.28	1.43%
Statutory Allocation	1,167,766,132.39	44.08%
	<b><u>2,636,649,193.27</u></b>	<b><u>100.00%</u></b>

**2.1 ANALYSIS OF REVENUE AND EXPENDITURE****2.2 REVENUE**

The sum of ? 2,636,649,193.27 accrued to Lapai Local Government Council as total receipts for the year ended 31<sup>st</sup> December, 2021

**2.1.1.1 INTERNALLY GENERATED REVENUE**

Lapai Local Government Council generated the sum of ? 18,802,475.41 and ? 25,723,459.41 as Internally Generated Revenue and 10% IGR from State respectively. The Local Government council also received ? 21,747,549.18 as grant from other LGs which amounted to a total of ? 737,926,600.52 only for the year ended 31<sup>st</sup> December, 2021 which represented 30.01% of the total accrued revenue of ? 2,649,384,293.27. This shows that the Council solely depends on statutory allocation from the Federation Account and grants from other sources for survival despite my several advices to improve and explore other sources of revenue for the Council. This could result to non-survival of the councils if there is a decline of revenue from the Federation Account. Also, I advise that the Council should make up extra efforts to generate more in the years ahead.



NIGER STATE

**2.1.1.2 FEDERAL STATUTORY ALLOCATION**

The sum of ₦ 1,167,766,132.39 which is 44.08% of the total receipts of ₦ 2,649,384,293.27 was disbursed to Lapai Local Government Council for the year under review. This sum comprises the followings:

- i. VAT
- ii. Exchange Gain Differentials
- iii. Excess Crude Oil
- iv. Non-Oil Revenue
- v. Statutory Allocation

**2.1.2 EXPENDITURE****2.1.2.1 ANALYSIS OF EXPENDITURE**

The total sum of N2,649,384,293.27 was allocated directly to Lapai Local Government Council and expended as follows:

DETAILS	AMOUNT (₦)	PERCENTAGE
Personnel cost	1,434,836,788.57	55.87%
Overhead cost	147,234,692.67	5.73%
Consolidated Fund charges	198,575,895.48	7.73%
Operating Activities	439,708,593.85	17.62%
Other Transfers	28,800,000.00	1.12%
Contributions	28,800,000.00	1.12%
Repayment of Loans	104,000,000.00	4.05%
Cash flow from investment	173,650,000.00	6.76%
	<u>2,555,605,970.57</u>	<u>100.00%</u>

**3.0 WEAKNESSES IN THE INTERNAL CONTROL SYSTEM**

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

**3.1 Unsupported payments by third party documentation**

I observed that most of the payment vouchers raised were not having documentary evidences such as delivery notes, Stores Received Vouchers, Stores Issues Vouchers, receipts etc. to justify the payments made. This implies some of the payments were made for goods not delivered or services not rendered.

I advised the Councils to ensure that all payments are supported appropriately.



### 3.1. Unremitted WHT, VAT and STAMP DUTIES Deductions

During the course of my audit I observed that Lapai Local Government Council had not remitted ₦ 5,197,886.72 to the appropriate authorities as at 31 December 2021. The outstanding amount comprises of ₦4,242,325.81 in respect of WHT and ₦955,560.91 in respect of VAT.

This exposes the Local Government Council to the risk of payment of fines and penalties for late remittance.

I advised the Council to remit the outstanding deductions immediately and in future, the Council should ensure all deductions are made and remitted in accordance with the relevant guidelines.

### 3.2. Payment Vouchers not checked nor passed by the Internal Audit Unit.

During the course of our audit exercise, it was observed that despite being raised in our previous reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued in some cases which contravene chapter 14 section 1-19 of Model Financial Memoranda. The non-compliance was evidenced by the Payment Vouchers which were prepared and paid out without endorsement by the Internal Audit Unit and Officer Controlling the Vote and Checks by the Accounting Officer. This exposes the Council to fraudulent practices.

I advised the Council to adhere strictly to the provisions of the Model Financial Memoranda.

### 3.3. Non-maintenance of Fixed/Moveable Asset register.

A Fixed Assets Register is a management tool to monitor and control use of assets. However, as pointed out in my previous reports, Lapai Local Council did not maintain an up-to-date Fixed Assets Register during the year under review.

I advised the Council to ensure that an up-to-date Fixed Assets/Movable Assets Register is maintained.

### 3.4. Non-maintenance of Loan/Overdraft Register/Ledger.

We observed that Lapai Local Government Council did not maintain Loans/Overdraft Register/Ledger during the year.

The risk is that the Council may not be able to reconcile loan balances with the lenders leading to overpayments or fines and penalties for under payments.

We recommend that the Council should immediately open and maintain Loans Register. In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that all issues raised above in this section should be addressed before my next audit. .

## 4.0 BUDGETARY CONTROL

### 4.1 REVENUE COMPARISON



During the year under review, there was a shortfall in the target of Internally Generated Revenue in Lapai Local Government Council in all revenue codes as shown below:

**LAPAI LOCAL GOVERNMENT BUDGETED INTERNALLY GENERATED REVENUE COMPARED WITH ACTUAL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**

S/N	CODES	DETAILS	BUDGET ?	ACTUAL ?	SHORTFALL ?
1	12010000	Taxes	-	-	-
2	12021700	Rates	1,673,160.00	-	(1,673,160.00)
3	12021300	Local Licenses, Fees, and Fine	10,419,930.00	5,212,460.00	(5,207,470.00)
4	12021500	Earning from Commercial undertakings	3,576,360.00	13,590,015.41	10,013,655.41
5	12021600	Rent on Local Government Properties	-	-	-
6	12021100	Interest	-	-	-
<b>TOTAL</b>			<b>15,669,450.00</b>	<b>18,802,475.41</b>	<b>3,133,025.41</b>

From the above table, it clearly shows that the Council rely solely on Statutory Allocation from the Federation Account for its survival despite the comparison between the total budgeted amount of ? 15,669,450.00 with actual Internally Generated Revenue of ? 18,802,475.41 with an excess of ? 3,133,025.41 during the year under review.

This implies that the Council could not fully implement its planned programs in some areas of revenue points during the financial year or the budget was not realistic.

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

- i. Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- ii. Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- iii. Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- iv. Control over issuance of revenue receipts
- v. Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.
- vi. The Council should ensure that realistic budgets are prepared.

## 4.2 RECURRENT EXPENDITURE

### 4.2.1 PERSONNEL COST

As regards to the personnel cost, it was observed that, the sum of ? 1,703,193,101.69 and ? 1,434,836,788.57 was spent as personnel cost in 2020 and 2021 respectively with a decrease of ? 268,356,313.12 over the previous year. The decrease represents 18.70% of personnel cost for the year under review. The decrease was due to inability of the Council to pay 100% salaries during the year under review.



**4.2.2 CAPITAL EXPENDITURE****4.2.2.1 CAPITAL PROJECT**

During the year under review it was observed that the sum of ₦ 173,650,000.00 was spent on capital project by Lapai local Government Council. This was made by the council to boost the developmental activities in the Rural areas in which various Project were executed and some were still in progress. Though the capital expenditure were underutilized as approved Estimate was ₦ 420,770,774.00 and only the sum of ₦ 173,650,000.00-representing 41.27% was Expended leading to a variance of ₦ 247,120,774.00.

I advised the council to ensure that estimates should be based on realistic and cognizance of Environmental factor, and the cashflow should be adequately monitored in order to reduce unnecessary expenses in overhead and give priority to capital project execution.

**5.0 ANALYSIS OF ASSETS AND LIABILITIES****5.1 ASSETS****5.1.1 CASH AND ITS EQUIVALENTS**

The closing cash and its equivalents amounted to the sum of ₦ 3,733,081.97k for Lapai Local Government as at 31<sup>st</sup> December, 2021.

**5.2. LIABILITIES****5.2.1. DEPOSITS**

Deposits comprise unremitted statutory deductions and bank overdrafts as explained below.

- **Statutory Deposits** ₦ 5,197,887.22

**5.2.1.1 UNREMITTED DEDUCTIONS**

The balance on the unremitted deductions account was ₦ 5,197,887.22 as at 31<sup>st</sup> December, 2021. The unremitted deductions include deductions from payments made on behalf of Government Agencies and various other bodies by the Local Government which ought to be promptly remitted to the appropriate authorities.

The management of Lapai Local Government Council has been advised to ensure that all Deposits are remitted timely to avoid accumulating liabilities and attracting fines and penalties for the Local Government.

**5.2.1.2. BANK OVERDRAFTS**

The total sum of ₦ 0.50 stood as consolidated bank overdraft owed to Lapai Local Governments during the year under review.

I recommend that appropriate action be taken towards the clearance of outstanding Bank overdraft as it will continue to attract further interest and penalty if remains unclear.

**6.0 OUTSTANDING ISSUES FROM THE AUDIT INSPECTION REPORT**

The following are outstanding issues from Inspection Report for the period under review

AGX/F.O.21/TA/LAP/VOL.1

Dated – 23/03/2022

(i)	Undocumented payment vouchers	=	₦ 6,800,000.00
(ii)	Payment of Duty Tour Allowance	=	₦ 9,751,000.00

(iii)	Payment made without chairman approval as well as Internal Audit checks	=	? 42,531,035.30
(iv)	Unaccounted payment made on security	=	? 80,000,000.00
(v)	Fraudulent withdrawal of council's fund without payment vouchers	=	? 23,000,000.00
(vi)	Repair/maintenance undertaken without due process	=	? 3,720,000.00
(vii)	Payment not accounted for	=	? 8,800,000.00

## 2 AGX/D.105/VOL.9/1 PROJECTS

### DIRECT LABOUR WORK

1. Suspicious payment made for purchase of Land without purchases Agreement, Proof of Ownership, Location, Land size and receipt attached to the payment voucher. = ? 4,700,000.00
2. Suspicious payment made for purchase of Security Equipment without memo, Purchase Receipts SRV and SIV We're not attached to payment voucher. = ? 10,000,000.00

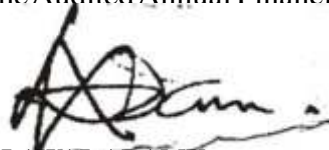
Management promised to follow up and resolve the issues raised above.

We recommend that the management of Lapai Local Government should ensure the issues raised above are adequately addressed.

## 8.0 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, 2021

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



NIGER STATE



NIGER STATE



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NIGER STATE

# LAVUN LOCAL GOVERNMENT COUNCIL

## DEPARTMENT OF FINANCE AND SUPPLY

In Reply Please Quoted  
This No. And Date



POSTAL ADDRESS  
P.M.B 1  
Kutigi, Niger State.  
066

Our Ref: LLG/DFS/SUB/89/SS. II

Your Ref: \_\_\_\_\_

Date: 31st Jan. 2022

### STATEMENT OF FINANCIAL RESPONSIBILITY FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER, 2021

These Financial statement have been prepared by the Treasurer of Lavun Local government council in accordance with the provisions of the financial Council and Management Act 1958 as amended. The Financial Statement complies with generally accepted accounting practices.

The treasury is responsible for the establishing and maintaining a system of internal controls designed to provide reasonable assurance that the transactions seconded are within statutory authority and properly record the use of all public financial resources by the local government council. To the best of my knowledge, system of internal control has operated adequately throughout the reporting period.

Sign..... 

Treasurer..... 

Date 31-1-2022


We accept responsibility for these financial statements, the information they contain and their compliance with fiancé Control and Management Act 1958 as amended.

In our opinion, these Financial Statements fairly reflect the finance of Lavun Local Government as at 31<sup>st</sup> December, 2021 and its operations for the Year ended.

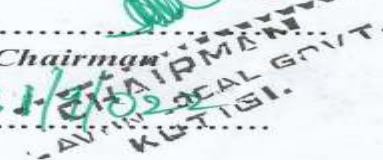
Treasurer..... 

Date 31-1-2022



Chairman..... 

Date 31/1/2022





NIGER STATE

**NIGER STATE GOVERNMENT**

**LAVUN LOCAL GOVERNMENT COUNCIL**

**ACCOUNTING POLICIES**

**(IPSAS CASH)**

**ISSUED BY**

**OFFICE OF THE DIRECTOR FINANCE**

**LAVUN LOCAL GOVERNMENT COUNCIL**

**2021**



## List of Abbreviations/Acronyms

Abbreviation/Term	Description
CBN	Central Bank of Nigeria
COA	Chart of Account
FAAC	Federation Accounts Allocation Committee
FGN	Federal Government of Nigeria
FRC	Financial Reporting Council
GAAP	Generally Accepted Accounting Principles
GPFS	General Purpose Financial Statement
IPSAS	International Public Sector Accounting Standards
LFN	Law of the Federal Republic of Nigeria
LGC	Local Government Council
NCOA	National Chart of Account
GBE	Government Business Enterprises
FRCON	Financial Reporting Council of Nigeria
PPE	Properties, Plants and Equipment



**Introduction**

In line with the adoption of the International Public Sector Accounting Standards (IPSAS) in Nigeria, a Standardised Chart of Account (COA) alongside a set of General Purpose Financial Statements (GPFS) have been designed and introduced by FAAC for adoption by all tiers of Government in Nigeria.

The standardised COA and the GPFS is hereby adopted by Lavun Local Government Council to comply with FAAC directive to harmonise public sector accounts reporting in Nigeria.

In order to ensure an effective and efficient utilisation of the COA and GPFS, the Accounting Policies have been developed as a set of guidelines to direct the Processes and Procedures relating to financial reporting in Lavun Local Government Council.

These policies shall form part of the universally agreed framework for financial reporting in Lavun Local Government Council.

**IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when Cash (including Cash Equivalents) is received or paid by the Local Government. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of Cash raised during the period, the purposes for which Cash was used and the Cash balances at the reporting date. The measurement focus in the GPFS balances are Cash and changes during the period. Therefore, Bank Reconciliation Statement shall form integral part of periodic Reports in Lavun Local Government Council.

Notes to the GPFS provide additional information about liabilities, including payables and borrowings, and non-cash assets that include receivables, investments and property, plant and equipment.

This Accounting Policy addresses the following fundamental accounting issues:

1. Definition of Accounting Terminologies
2. Recognition of Accounting Items
3. Measurement of Accounting Items
4. Treatment of Accounting items

The Accounting Policy is subject to periodic reviews and updates as shall be deemed necessary by the Director Finance, Lavun Local Government Council.





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S/N	Accounting Policies:	
1	<p><b>Accounting Terminologies / Definitions</b></p> <p>I. <b>Accounting policies</b> are the specific principles, bases, conventions, rules and practices adopted by Lavun Local Government Council in preparing and presenting Financial Statements.</p> <p>II. <b>Cash:</b> Cash comprises cash in hand, demand deposits in financial institutions and cash equivalents.</p> <p>III. <b>Cash equivalents</b> are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.</p> <p>IV. <b>Cash basis</b> means a basis of accounting that recognizes transactions and other events only when cash is received or paid.</p> <p>V. <b>Cash flows</b> are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.</p> <p>VI. <b>Cash receipts</b> are cash inflows.</p> <p>VII. <b>Cash payments</b> are cash outflows.</p> <p>VIII. <b>Cash Controlled by Lavun Local Government Council:</b> Cash is deemed to be controlled by Lavun Local Government Council when the government can freely use the available cash for the achievement of its objectives or enjoy benefit from the cash, and can also exclude or regulate the access of others to that benefit. Cash collected by, or appropriated or granted to the government which the government can freely use to fund its operating objectives, such as acquiring of capital assets or repaying its debt is controlled by the government.</p> <p>IX. <b>Notes to the GPFs</b> shall include narrative descriptions or more detailed schedules or analyses of amounts shown on the face of the GPFs, as well as additional information</p>	<p>2 <b>General Purpose Financial Statements (GPFS)</b></p> <p>The GPFS comprise of Statement of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by Lavun Local Government Council and Accounting Policies and Notes to the Financial Statements. In Lavun Local Government Council, the GPFS Accounting Policy include the following:</p> <p>I. Statement 1 - Cash Flow Statements: Statement of Cash Receipts and Payments which:</p> <ul style="list-style-type: none"> <li>▪ recognizes all Cash Receipts, Cash Payments and Cash Balances controlled by Lavun Local Government Council; and</li> <li>▪ separately identifies payments made by third parties on behalf of Lavun Local Government Council.</li> </ul> <p>II. Statement 2 - Statement of Assets and Liabilities: Statement of Financial Position (also known as Balance Sheet);</p> <p>III. Statement 3 - Statement of Consolidated Revenue Fund: Statement of Recurrent Financial Performance (also known as Profit &amp; Loss Account);</p> <p>IV. Statement 4 - Statement of Capital Development Fund: Statement of Capital Financial Performance (also known as Capital Expenditure);</p> <p>V. Notes to the Accounts: Additional disclosures to explain the GPFS; and</p> <p>VI. Accounting Policies and Explanatory Notes.</p>



<p><b>3 Basis of Preparation and Legal Provisions</b></p> <p>The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, GPFS are in compliance with the provisions of other financial regulations of Lavun Local Government Council</p>	<p><b>6 Reporting Currency</b></p> <p>The General Purpose GPFS are prepared in Nigerian Naira.</p>
<p><b>4 Fundamental Accounting Concepts</b></p> <p>The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in Lavun Local Government Council</p> <ul style="list-style-type: none"> <li>? Cash Basis of Accounting;</li> <li>? Understability;</li> <li>? Materiality,</li> <li>? Relevance;</li> <li>? Going Concern Concept;</li> <li>? Consistency Concept</li> <li>? Prudence</li> <li>? Completeness, etc.</li> </ul>	<p><b>7 LGC for Consolidation</b></p> <ul style="list-style-type: none"> <li>▪ The Consolidation of the GPFS are based on the Cash transactions of Lavun Local Government Council except Government Business Enterprises (GBEs).</li> </ul>
<p><b>5 Accounting Period</b></p> <p>The accounting year (fiscal year) is from 1<sup>st</sup> January to 31<sup>st</sup> December. Each accounting year is divided into 12 calendar months (periods) and shall be set up as such in the accounting system.</p>	<p><b>8 Comparative Information</b></p> <ul style="list-style-type: none"> <li>▪ The General Purpose GPFS shall disclose all numerical information relating to previous period (at least one year).</li> </ul>
	<p><b>9 Budget Figures</b></p> <ul style="list-style-type: none"> <li>▪ These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation Law of Niger State.</li> </ul>
	<p><b>10 Receipts</b></p> <ul style="list-style-type: none"> <li>? These are Cash inflows within the Financial Year. They comprise of receipts from Statutory Allocations (FAAC monthly disbursement), Taxes, External Assistance (from Bilateral and Multilateral Agencies), Other Aid and Grants, Other Borrowings, Capital Receipts (Sale of Government Assets, etc), Receipts from Trading activities and Other Cash Receipts.</li> <li>? These items shall be disclosed at the face of the Statement of Cash Receipts and Payment for the year in accordance with the standardised GPFS. Notes shall be provided as per standardised Notes to GPFS.</li> </ul>



<p><b>11 External Assistance</b></p> <ul style="list-style-type: none"> <li>? Receipts from Loans are Funds received from external sources to be paid back at an agreed period of time. They are categorised either as Bilateral or Multilateral.</li> <li>? External Loans receipts shall be disclosed separately under Statement of Cash Receipts and Payment for the year.</li> <li>? The Local Governments did not receive external assistance during the two year.</li> </ul>	<p><b>15 Payments</b></p> <ul style="list-style-type: none"> <li>▪ These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorised either by Function and/or by Sector in the Statement of Cash Receipts and Payment.</li> <li>▪ Payments for purchase of items of capital nature( e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.</li> </ul>
<p><b>12 Other Borrowings / Grants&amp; Aid Received</b></p> <ul style="list-style-type: none"> <li>▪ These shall be categorised as either Short or Long term Loans. Short-Term Loans are those repayable within one calendar year (12 months), while Long - Term Loans and Debts shall fall due beyond one calendar year (above 12 months). Loans shall be disclosed separately and Grants shall also be separately disclosed under Statement of Cash Receipts and Payment for the year.</li> </ul>	<p><b>16 Loans Granted:</b></p> <ul style="list-style-type: none"> <li>▪ Payments to other Government and Agencies in form of Loans during the year shall be shown separately in the Statement of Receipts and Payments. Amount disclosed shall be actual amount paid during the year.</li> <li>▪ The Local Governments did not give any loan during the two year.</li> </ul>
<p><b>13 Interest Received</b></p> <ul style="list-style-type: none"> <li>? Interest actually received during the financial year shall be treated as a receipt</li> </ul>	<p><b>17 Loan Repayments</b></p> <p>Cash receipts from loans granted to other agencies and government shall be classified under loan repayments in the Statement of Receipts and Payments . Amount disclosed shall be actual amount received during the year.</p>
<p><b>14 Government Business Activities</b></p> <p>Cash Receipts from Trading Activities shall be received net (after deducting direct expenses) unless otherwise provided for by law or policy in force. Total receipts from all trading activities shall be disclosed in the Statement of Cash Receipts and Payments under 'Trading Activities' item.</p> <p>Where gross revenue is received, corresponding payments shall be charged under a corresponding payment item head ' Government Business Activities' in the Statement of Receipts and Payments.</p>	<p><b>18 Interest on Loans:</b></p> <ul style="list-style-type: none"> <li>▪ Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest payment in the Statement of Cash Receipts and Payments</li> </ul>





19	<p><b>Foreign Currency Transactions:</b></p> <ul style="list-style-type: none"><li>Foreign Currency Transactions throughout the year shall be converted into Nigerian Naira at the ruling (Central Bank of Nigeria –CBN) rate of exchange at the dates of the transactions. Foreign currency balances, as at the year end, shall be translated at the exchange rates prevailing on that date.</li><li>At the end of the financial year, additional amounts (in cash or at bank) arising out of Foreign Exchange Gains/Losses shall be recognised in the Statement of Cash Receipts and Payments either as Receipts / Payments respectively.</li><li>Hence the Lavun Local Government Council did not have foreign currency transactions during the two year.</li></ul>
20	<p><b>Prepayments</b></p> <ul style="list-style-type: none"><li>Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.</li><li>The Local Governments did not make prepayment to contractors during the two year.</li></ul>
21	<p><b>Cash Balances</b></p> <p>This includes Cash in Hand, at Bank and Cash Equivalentents at the end of the Financial year.</p>

**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.



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**AUDIT CERTIFICATE**

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, 2020 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 State Local Government Joint Account Allocation Committee are indicated in the Supplementary Note 1 to the Accounts. In my opinion, the Supplementary Note 1 to accounts presents fairly, in all material respects, the revenue from Federation Account received by Lavun Local Government during the year ended December 31st, 2020. In my opinion, the Financial Statements which are in agreement with the books of accounts and record shows a true and fair view of the financial position of the Lavun Local Government for the year ended 31st December, 2020 and the transactions for the year ended at that date.



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

**STATEMENT NO. 1**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ANNUAL BUDGET 2021 N	COA	NOTES	ACTUAL YEAR 2021		PREVIOUS YEAR 2020
			N	N	N
<b>CashFlows from Operating Activities:</b>					
<u>Receipts:</u>					
1,803,533,878.00		1	1,458,498,853.12		2,094,561,471.23
547,471,843.00		1	751,963,229.67		-
<b>2,351,005,721.00</b>			<b>2,210,462,082.79</b>		<b>2,094,561,471.23</b>
<b>Sub-total - Statutory Allocation</b>					
2,300,000.00		2	25,200.00		-
4,055,000.00		2	3,268,515.70		1,748,090.00
-		2	-		-
-		2	-		-
-		2	-		-
-		2	-		-
-		2	-		-
3,680,693.00		2	4,748,290.44		2,668,820.00
325,000.00		2	655,000.00		239,000.00
-		2	-		-
4,578,760.00		2	387,549.02		420,000.00
-		2	-		-
325,000.00		2	-		-
147,447,704.00		2	25,723,459.41		22,002,508.32
<b>162,712,157.00</b>			<b>34,808,014.57</b>		<b>27,078,418.32</b>
<b>Sub-total - Independent Revenue</b>					
<b>Other Revenue Sources of L/Government</b>					
-		3	-		<b>21,747,549.18</b>
-		3	315,874,151.59		388,817,159.22
<b>2,513,717,878.00</b>			<b>2,561,144,248.95</b>		<b>2,532,204,597.95</b>
<b>Total Receipts</b>					
<u>Payments:</u>					
2,084,684,221.00		4	1,700,038,855.95		1,793,783,954.76
-		5	-		-
433,400,000.00		6	132,515,229.31		92,559,208.00
334,983,655.00		7	302,684,901.36		246,375,201.18
28,800,000.00		8	28,800,000.00		102,000,000.00
150,000,000.00		9	208,081,196.90		216,405,091.11
28,800,000.00		10	28,800,000.00		68,080,000.00
<b>3,060,667,876.00</b>			<b>2,400,920,183.52</b>		<b>2,519,203,455.05</b>
<b>Total Payments</b>					
<b>-546,949,998.00</b>			<b>160,224,065.43</b>		<b>13,001,142.90</b>
<b>Net Cash Flow from Operating Activities</b>					



	<b>CashFlows from Investment Activities:</b>				
87,552,999.00	Capital Expenditure:Administrative Sector:	12	5,500,000.00	55,556,630.40	
122,682,794.00	Capital Expenditure: Economic Sector:	12	-	77,643,369.60	
-	Capital Expenditure: Law and Justice:	12	-	-	
-	Capital Expenditure:Regional Development	12	-	-	
80,070,828.00	capital expenditure: Social Service Sector:	12	13,600,000.00	50,800,000.00	
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-	
<b>290,306,621.00</b>	<b>Net Cash Flow from Investment Activities:</b>		<b>19,100,000.00</b>	<b>184,000,000.00</b>	
	<b>CashFlows from Financing Activities:</b>				
-	Proceeds from Aid and Grants	11	-	-	
-	Proceeds from ExternaL Loan :	20	-	-	
-	Proceeds from Internal Loans: FGN/Treasury Bonds :	21	-	-	
-	Proceeds from Internal Loan	22	-	174,000,000.00	
-	Proceeds from Development of Nat Resources	23	-	-	
-	Proceeds of Loans from Other Funds	24	-	-	
-	Repayment of External Loans ( Including Servicing)	20	-	-	
-	Repayment of FGN/Treasury Bonds :	21	-	-	
96,000,000.00	Repayment of Internal Loan	22	112,412,570.78	- 40,000,000.00	
-	Repayment of Loans from Development of Nat Resources	23	-	-	
	Repayment of Loans from Other Funds	24	-	-	
<b>96,000,000.00</b>	<b>Net Cash Flow from Financing Activities:</b>		<b>112,412,570.78</b>	<b>134,000,000.00</b>	
	<b>Movement in Other Cash Equivalent Accounts</b>				
-	(Increase)/ Decrease in Investments		-	-	
-	Net (Increase)/Decrease in Other Cash Equivalents:		-	-	
-	<b>Total Cashflow from other Cash equivalent Accounts</b>		-	-	
-	Net Cash for the year		28,711,494.65	- 36,998,857.10	
-	Cash & Its Equivalent as at 1st January, 2021		158,577.83	37,157,434.93	
-	Cash & Its Equivalent as at 31st December, 2021		<b>28,870,072.48</b>	<b>158,577.83</b>	



**STATEMENT NO. 2**  
**STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	NOTES	CURRENT YEAR 2021 N	PREVIOUS YEAR 2020 N
<b><u>ASSETS:-</u></b>			
<b><u>Liquid Assets:-</u></b>			
Cash Held by AGF:			
-CRF Bank Balance(CBN/ CRF Bank):		-	-
-Pension Account (CBN/ Bank):		-	-
-Other Bank of the Treasury		-	-
-Cash Balances of Trust & Other Funds of the FGN/ States/LGC:		-	-
-Cash Balances with Federal Pay Offices/ Sub-Treasury:		-	-
Cash Held by Agaie Local Government	15	28,870,072.48	158,577.83
<b>TOTAL LIQUID ASSETS</b>		<b>28,870,072.48</b>	<b>158,577.83</b>
<b><u>Investments and Other Cash Assets:</u></b>			
Federal/ State/ Local Government Investments	16	-	-
Imprests:-	17	-	-
Advances:-	18	-	-
Revolving Loans Granted:-	19	-	-
Intangible Assets		-	-
<b>TOTAL INVESTMENTS AND OTHER CASH ASSETS</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>28,870,072.48</b>	<b>158,577.83</b>
LIABILITIES OVER ASSETS		47,076,400.00	201,621,113.68
<b>TOTAL</b>		<b>75,946,472.48</b>	<b>201,779,691.51</b>
<b><u>LIABILITIES:-</u></b>			
<b><u>PUBLIC FUNDS</u></b>			
Consolidated Revenue Fund:		28,870,072.48	43,159,720.73
Capital Development Fund:		-	-
Trust & Other Public Funds:		-	-
Police Reward Fund		-	-
<b>TOTAL PUBLIC FUNDS</b>		<b>28,870,072.48</b>	<b>43,159,720.73</b>
<b><u>EXTERNAL AND INTERNAL LOANS</u></b>			
External Loans:FGN/States/ LGC	20	-	-
FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-
internal Loans	22	38,000,000.00	150,412,570.78
Development Loan Stock	23	-	-
Loan From other Funds	24	-	-
Internal Loans from Other Funds		-	-
<b>TOTAL EXTERNAL AND INTERNAL LOANS</b>		<b>38,000,000.00</b>	<b>150,412,570.78</b>
<b><u>OTHER LIABILITIES</u></b>			
Deposits:-	25	9,076,400.00	8,207,400.00
Overdrawn accounts	26	-	-
<b>TOTAL OTHER LIABILITIES</b>		<b>9,076,400.00</b>	<b>8,207,400.00</b>
<b>TOTAL LIABILITIES</b>		<b>75,946,472.48</b>	<b>201,779,691.51</b>



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## STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021

ACTUAL PREVIOUS YEAR(2020)		NOTES	ACTUAL YEAR 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	VARIANCE ON FINAL BUDGET
			N	N	N	N	%
37,157,434.93	Opening Balance:		158,577.83				
	<b>ADD: REVENUE</b>						
2,094,561,471.23	Statutory Allocations:FAAC	1	1,458,498,853.12	1,803,533,878.00	1,803,533,878.00	-	80.87
-	Value Added Tax Allocation	1	751,963,229.67	547,471,843.00	547,471,843.00	-	-
<b>2,094,561,471.23</b>	<b>Sub-Total - Statutory Allocation</b>		<b>2,210,462,082.79</b>	<b>2,351,005,721.00</b>	<b>2,351,005,721.00</b>	-	-
-	Direct Taxes	2	25,200.00	2,300,000.00	2,300,000.00	-	-
1,748,090.00	Licences	2	3,268,515.70	4,055,000.00	4,055,000.00	-	80.60
-	Mining Rents:	2	-	-	-	-	-
-	Royalties	2	-	-	-	-	-
-	Fees:	2	-	-	-	-	-
-	Fines	2	-	-	-	-	-
-	Sales	2	-	-	-	-	-
2,668,820.00	Earnings :	2	4,748,290.44	3,680,693.00	3,680,693.00	-	129.01
239,000.00	Sales/Rent of Government Buildings:	2	655,000.00	325,000.00	325,000.00	-	-
-	Sale/Rent on Lands and Others:	2	-	-	-	-	-
420,000.00	RATES	2	387,549.02	4,578,760.00	4,578,760.00	-	8.46
-	Investment Income	2	-	-	-	-	-
-	Interest Earned	2	-	-	-	-	-
22,002,508.32	10% IGR From State	2	25,723,459.41	147,447,704.00	147,447,704.00	-	-
<b>27,078,418.32</b>	<b>Sub-Total - Independent Revenue</b>		<b>34,808,014.57</b>	<b>160,087,157.00</b>	<b>160,087,157.00</b>	-	21.74
	<b>Other Revenue Sources of L/Government</b>						
21,747,549.18	Domestic Grants	3	-	-	-	-	-
388,817,159.22	Grants From other LGs	3	315,874,151.59	-	-	-	-
<b>2,569,362,032.88</b>	<b>TOTAL REVENUE:</b>		<b>2,561,302,826.78</b>	<b>2,513,392,878.00</b>	<b>2,513,392,878.00</b>	-	-
	<b>LESS: EXPENDITURE</b>						
1,793,783,954.76	Personnel Costs ( Including Salaries on CRF Charges):	4	1,700,038,855.95	2,084,684,221.00	2,084,684,221.00	-	81.55
-	Federal/ States/ LGC Govt Contribution to Pension:	5	-	-	-	-	-
92,559,208.00	Overhead Charges:	6	132,515,229.31	433,400,000.00	433,400,000.00	-	30.58
246,375,201.18	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)	7	302,684,901.36	334,983,655.00	334,983,655.00	-	90.36
102,000,000.00	Subvention to Parastatals:	8	28,800,000.00	28,800,000.00	28,800,000.00	-	100.00
216,405,091.11	Other Operating Activities	9	208,081,196.90	150,000,000.00	150,000,000.00	-	138.72
68,080,000.00	Other Transfers	10	28,800,000.00	28,800,000.00	28,800,000.00	-	100.00
<b>2,519,203,455.05</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,400,920,183.52</b>	<b>3,060,667,876.00</b>	<b>3,060,667,876.00</b>	-	78.44
	<b>OTHER RECURRENT PAYMENTS/EXPENDITURE:</b>						
-	Repayments:External Loans:FGN/States/ LGC	19	-	-	-	-	-
-	Repayments:FGN/ States/LGC Bonds & Treasury Bonds.	20	-	-	-	-	-
-	Repayments :Nigerian Treasury Bills (NTB)	21	-	-	-	-	-
40,000,000.00	Repayments:Internal Loans	22	112,412,570.78	96,000,000.00	96,000,000.00	-	-
-	Repayments: Internal Development Loans Stock	23	-	-	-	-	-
-	Repayments:Other Internal Loans( Promissory Notes)	24	-	-	-	-	-
<b>2,559,203,455.05</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,513,332,754.30</b>	<b>3,156,667,876.00</b>	<b>3,156,667,876.00</b>	-	-
<b>10,158,577.83</b>	<b>OPERATING BALANCE:</b>		<b>47,970,072.48</b>	<b>- 643,274,998.00</b>	<b>- 643,274,998.00</b>	-	-
	<b>APPROPRIATIONS/TRANSFERS:</b>						
10,000,000.00	Transfer to Capital Development Fund:		19,100,000.00	290,306,621.00	290,306,621.00	-	6.58
<b>158,577.83</b>	<b>Closing Balance:</b>		<b>28,870,072.48</b>				



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**STATEMENT NO. 4**  
**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ACTUAL PREVIOUS YEAR(2020)		NOTES	TOTAL CAPITAL EXPENDITURE 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	PERFORMANCE ON TOTAL
N			N		N		%
-	Opening Balance:		-				
	<b><u>ADD: REVENUE</u></b>						
10,000,000.00	Transfer from Consolidated Revenue Fund:		19,100,000.00	290,306,621.00	290,306,621.00	-	6.58
-	Aid and Grants	11	-	-	-	-	-
-	External Loans:FGN/States/ LGC	20	-	-	-	-	-
-	FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-	-	-	-
174,000,000.00	Internal Loan	22	-	-	-	-	#DIV/0!
-	Development Loan Stock	23	-	-	-	-	-
-	Loan From Other Funds	24	-	-	-	-	-
<b>184,000,000.00</b>	<b>TOTAL REVENUE AVAILABLE:</b>		<b>19,100,000.00</b>	<b>290,306,621.00</b>	<b>290,306,621.00</b>	<b>-</b>	<b>6.58</b>
	<b><u>LESS: CAPITAL EXPENDITURE</u></b>						
55,556,630.40	Capital Expenditure:Administrative Sector:	12	5,500,000.00	87,552,999.00	87,552,999.00	-	6.28
77,643,369.60	Capital Expenditure: Economic Sector:	12	-	122,682,794.00	122,682,794.00	-	-
-	Capital Expenditure: Law and Justice:	12	-	-	-	-	-
-	Capital Expenditure:Regional Development	12	-	-	-	-	-
50,800,000.00	Capital Expenditure: Social Service Sector:	12	13,600,000.00	80,070,828.00	80,070,828.00	-	16.98
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-	-	-	-
<b>184,000,000.00</b>	<b>TOTAL CAPITAL EXPENDITURE:</b>		<b>19,100,000.00</b>	<b>290,306,621.00</b>	<b>290,306,621.00</b>	<b>-</b>	<b>6.58</b>
	Intangible Assets		-				
-	<b>CLOSING BALANCE:</b>		-				





## NOTE TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021

<i>Details</i>					
<b>NOTE 1</b>	<b>Ref. Note</b>	<b>Amount</b>	<b>Amount</b>		<b>Remarks</b>
<b>A- Share of Statutory Allocation from FAAC</b>		<b>N</b>	<b>N</b>		
<i>Net Share of Statutory Allocation from FAAC</i>	<b>A</b>	1,368,915,390.20			
<i>Add :Deduction at source for Loan Repayment</i>	<b>B</b>	-			
<i>Share of Exchange Gain Differencial</i>	<b>C</b>	5,357,753.57			
<i>Share of Federal Accounts Allocation- Excess Crude Oil</i>	<b>D</b>	40,110,268.41			
<b>Non-oil Revenue</b>	<b>E</b>	44,115,440.94			
<b>Total FAAC Allocation to LG</b>			<b>1,458,498,853.12</b>		
<b>B. Value Added Tax</b>					
<i>Share of Value Added Tax (VAT)</i>		751,963,229.67	751,963,229.67		
<b>Total Statutory Allocation to LG</b>			<b>2,210,462,082.79</b>		
<b>NOTE 2</b>					
<b>Internally Generated Revenue (Independent Revenue)</b>		<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	
<b>Direct Taxes</b>					
<i>Lavun local government Internal Revenue</i>		25,200.00	2,300,000.00	2,274,800.00	
<b>Total - Direct Taxes</b>		<b>25,200.00</b>	<b>2,300,000.00</b>	<b>2,274,800.00</b>	
<b>Licences</b>					
<i>Lavun local government Internal Revenue</i>		3,268,515.70	4,055,000.00	786,484.30	
<b>Total Licences</b>		<b>3,268,515.70</b>	<b>4,055,000.00</b>	<b>786,484.30</b>	
<b>Mining Rents</b>					
<i>Lavun local government Internal Revenue</i>		-	-	-	
<b>Total Mining Rents</b>		-	-	-	
<b>Royalties</b>					
<i>Lavun local government Internal Revenue</i>		-	-	-	
<b>Total Royalties</b>		-	-	-	
<b>Fees</b>					
<i>Lavun local government Internal Revenue</i>		-	-	-	
<b>Total Fees</b>		-	-	-	
<b>Fines</b>					
<i>Lavun local government Internal Revenue</i>		-	-	-	
<b>Total Fines</b>		-	-	-	



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<b>Sales</b>					
Lavun local government Internal Revenue		-	-	-	
<b>Total Sales</b>		-	-	-	
<b>Earnings</b>					
Lavun local government Internal Revenue		4,748,290.44	3,680,693.00	-	1,067,597.44
<b>Total Earnings</b>		<b>4,748,290.44</b>	<b>3,680,693.00</b>	-	<b>1,067,597.44</b>
<b>Sales/Rent of Government Buildings</b>					
Lavun local government Internal Revenue		655,000.00	325,000.00	-	330,000.00
<b>Total Sales/Rent of Government Buildings</b>		<b>655,000.00</b>	<b>325,000.00</b>	-	<b>330,000.00</b>
<b>Sale/Rent on Lands and Others:</b>					
Lavun local government Internal Revenue		-	-	-	
<b>Total Sale/Rent on Lands and Others</b>		-	-	-	
<b>Rates</b>					
Lavun local government Internal Revenue		387,549.02	4,578,760.00		4,191,210.98
<b>Total Rates</b>		<b>387,549.02</b>	<b>4,578,760.00</b>		<b>4,191,210.98</b>
<b>Investment Income</b>					
Lavun local government Internal Revenue		-	-	-	
<b>Total Investment Income</b>		-	-	-	
<b>Interest Earned</b>					
Lavun local government Internal Revenue		-	325,000.00		325,000.00
<b>Total Interest Earned</b>		-	<b>325,000.00</b>		<b>325,000.00</b>
<b>10% IGR From State</b>					
Lavun local government Internal Revenue		25,723,459.41	147,447,704.00		121,724,244.59
<b>Total 10% IGR From State</b>		<b>25,723,459.41</b>	<b>147,447,704.00</b>		<b>121,724,244.59</b>
<b>Total - Independent Revenue</b>		<b>34,808,014.57</b>	<b>162,712,157.00</b>		<b>127,904,142.43</b>



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<b>NOTE 3</b>					
<b>Other Revenue Sources of L/Govt:</b>					
		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Domestic Grants		-	-	-	
<b>Total Domestic Grants</b>		-	-	-	
Grant from other LGs		315,874,151.59	315,874,151.59	-	
<b>Total Grant from other LGS</b>		<b>315,874,151.59</b>	<b>315,874,151.59</b>	-	
<b>NOTE 4</b>					
<b>A - Total Personnel Costs ( Including Salaries directly charged to CRF in Note 4B below):</b>					
<b>Administrative Sector</b>					
		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		6,043,193.15	11,305,065.00	5,261,871.85	
The Council		40,489,294.76	51,602,300.00	11,113,005.24	
Office Of The Secretary		3,255,008.18	3,425,615.00	170,606.82	
Personnel Management		70,328,167.16	76,770,211.00	6,442,043.84	
<b>TOTAL Personnel Cost Administrative Sector</b>		<b>120,115,663.25</b>	<b>143,103,191.00</b>	<b>22,987,527.75</b>	
					CRF Charges in Note 3
<b>Economic Sector</b>					
		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		72,809,457.65	93,770,211.00	20,960,753.35	
Budget, Planning & Research		1,850,679.17	5,500,000.00	3,649,320.83	
Works And Housing		63,208,870.06	65,164,377.00	1,955,506.94	
Agriculture And Natural Resources		60,954,762.23	74,234,757.00	13,279,994.77	
<b>TOTAL Personnel Cost Economic Sector</b>		<b>198,823,769.11</b>	<b>238,669,345.00</b>	<b>39,845,575.89</b>	
<b>Social Sector</b>					
		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		1,015,124,148.73	1,203,000,000.00	187,875,851.27	
Primary Health Cure		217,823,235.32	343,262,060.00	125,438,824.68	
Social Development		82,000,317.91	88,014,635.00	6,014,317.09	
Traditional Council		66,151,721.63	68,634,990.00	2,483,268.37	
<b>Total Personnel Cost Social Sector</b>		<b>1,381,099,423.59</b>	<b>1,702,911,685.00</b>	<b>321,812,261.41</b>	
<b>Total Personnel Cost For All Sectors</b>		<b>1,700,038,855.95</b>	<b>2,084,684,221.00</b>	<b>384,645,365.05</b>	
<b>B- Salaries directly charged to CRF( included in Note 4A above)</b>					
<b>List of Parastatals and Agencies:</b>					
Judges of Supreme Court of Nigeria		-	-	-	
Judges of Court of Appeal		-	-	-	
other Judges of Court in Nigeria		-	-	-	
Auditor -General for Federation		-	-	-	
Auditor -General for State		-	-	-	
Auditor -General for Local Government		-	-	-	
INEC Chairman and Commissioners		-	-	-	
e.t.c.		-	-	-	
<b>Total</b>		<b>1,700,038,855.95</b>	<b>2,084,684,221.00</b>	<b>384,645,365.05</b>	



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<b>NOTE 5</b>					
<b>Employers Contribution to Pension according to Sector</b>					
Administrative Sector		-	-	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Employers Contribution to Pension</b>		-	-	-	
<b>NOTE 6</b>					
<b>Overhead Costs</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		62,061,074.53	219,000,000.00	156,938,925.47	
The Council		9,307,903.38	20,500,000.00	11,192,096.62	
Office Of The Secretary		2,790,000.01	8,800,000.00	6,009,999.99	
Personnel Management		6,165,000.00	22,000,000.00	15,835,000.00	
<b>Total Overhead Cost Administrative Sector</b>		<b>80,323,977.92</b>	<b>270,300,000.00</b>	<b>189,976,022.08</b>	
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		30,501,251.39	87,200,000.00	56,698,748.61	
Budget, Planning & Research		1,955,000.00	4,400,000.00	2,445,000.00	
Works And Housing		11,145,000.00	47,700,000.00	36,555,000.00	
Agriculture And Natural Resources		4,000,000.00	11,200,000.00	7,200,000.00	
<b>TOTAL Overhead Cost Economic Sector</b>		<b>47,601,251.39</b>	<b>150,500,000.00</b>	<b>102,898,748.61</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		-	-	-	
Primary Health Cure		2,075,000.00	7,000,000.00	4,925,000.00	
Social Development		2,515,000.00	3,200,000.00	685,000.00	
Traditional Council		-	2,400,000.00	2,400,000.00	
<b>Total Overhead Cost Social Sector</b>		<b>4,590,000.00</b>	<b>12,600,000.00</b>	<b>8,010,000.00</b>	
<b>Total Overhead Cost For All Sectors</b>		<b>132,515,229.31</b>	<b>433,400,000.00</b>	<b>300,884,770.69</b>	



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<b>NOTE 7</b>					
<b>Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Monthly Pension		302,684,901.36	334,983,655.00	32,298,753.64	
<b>Total Consolidated Revenue Fund Charges</b>		<b>302,684,901.36</b>	<b>334,983,655.00</b>	<b>32,298,753.64</b>	
<b>NOTE 8</b>					
<b>Subventions to Parastatals (According to Sectors-List)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		28,800,000.00	28,800,000.00	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Subventions to Parastatals</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	
<b>NOTE 9</b>					
<b>Other Operating Activities</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		208,081,196.90	150,000,000.00	- 58,081,196.90	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Other Operating Activities</b>		<b>208,081,196.90</b>	<b>150,000,000.00</b>	<b>- 58,081,196.90</b>	
<b>NOTE 10</b>					
<b>Other Transfer</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		19,200,000.00	19,200,000.00	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		9,600,000.00	9,600,000.00	-	
<b>sub-total</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	
Transfers to other local governments		-	-	-	
<b>Total Other Transfer</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	



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<b>NOTE 11</b>					
<b>Details of Aid &amp; Grants Received</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Bilateral		-	-	-	
Multi Lateral		-	-	-	
ETC		-	-	-	
<b>Total Details of Aid &amp; Grants Received</b>		<b>-</b>	<b>-</b>	<b>-</b>	
<b>NOTE 12</b>					
<b>A - Details of Total Capital Expenditures (According to Sectors)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		5,500,000.00	87,552,999.00	82,052,999.00	
Economic Sector		-	122,682,794.00	122,682,794.00	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		13,600,000.00	80,070,828.00	66,470,828.00	
<b>Total Details of Capital Expenditures</b>		<b>19,100,000.00</b>	<b>290,306,621.00</b>	<b>271,206,621.00</b>	
<b>B - Details of Capital Expenditures of Parastatals (Included in 12A' above)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		-	-	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Details of Capital Expenditures of Parastatals</b>		<b>-</b>	<b>-</b>	<b>-</b>	
<b>NOTE 13</b>					
<b>CLOSING BOOK BALANCES OF OTHER FUNDS OF THE GOVERNMENT</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the Other Funds Cash Book Balances		-	-		



<b>NOTE 14</b>					
<b>CLOSING CASH BOOK BALANCE OF FEDERAL PAY OFFICES/SUB-TREASURY OFFICES</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the FPO/Sub-Treasuries Cash Book Balances		-	-		
<b>NOTE 15</b>					
<b>CLOSING CASH BOOK BALANCE OF AGAIE LOCAL GOVERNMENT</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Lavun Local Government		28,870,072.48	158,577.83		
<b>Total Details of Cash Book Balances</b>		<b>28,870,072.48</b>	<b>158,577.83</b>		
<b>NOTE 16</b>					
<b>INVESTMENTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Investments in Quoted Companies		-	-		
Investments in unQuoted Companies		-	-		
Loans to Government Companies		-	-		
Loans to Other Government		-	-		
<b>Total Investments</b>		<b>-</b>	<b>-</b>		
<b>NOTE 17</b>					
<b>LIST OF OUTSTANDING IMPRESTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Imprests</b>		<b>-</b>	<b>-</b>		
<b>NOTE 18</b>					
<b>LIST OF OUTSTANDING ADVANCES</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Advances</b>		<b>-</b>	<b>-</b>		



<b>NOTE 19</b>					
<b>Revolving Loan Account</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-

<b>NOTE 20</b>					
<b>External Loans:FGN/States/ LGC</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-

<b>NOTE 21</b>					
<b>FGN/ States/LGC Bonds &amp; Treasury Bonds.</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-

<b>NOTE 22</b>					
<b>Internal Loan</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>Opening balance as at 1st january, 2021</b>		150,412,570.78	16,412,570.78		
Add: Additional Loan Issued		-	174,000,000.00		
Less: Repaid		112,412,570.78	40,000,000.00		
<b>Loans as at 31st December, 2021</b>		<b>38,000,000.00</b>	<b>150,412,570.78</b>		

<b>NOTE 23</b>					
<b>Development Loan Stock</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-





**NOTE 24**

<b>Internal Loans from Other Funds</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-

**NOTE 25**

<b>Schedule of Deposit</b>			
		<b>Amount 2021</b>	<b>Amount 2020</b>
Lavun Local Government		9,076,400.00	8,207,400.00
<b>Total Outstanding Deposits</b>		<b>9,076,400.00</b>	<b>8,207,400.00</b>
<b>Details Of Deposits</b>			
5% VAT		4,408,500.00	4,063,500.00
Withholding Tax		4,215,000.00	3,770,000.00
1% Stamp Duty		452,900.00	373,900.00
<b>TOTAL</b>		<b>9,076,400.00</b>	<b>8,207,400.00</b>

**NOTE 26**

<b>Schedule of Overdrawn accounts</b>			
		<b>Amount 2021</b>	<b>Amount 2020</b>
Lavun Local Government		-	-
<b>Total Overdrawn account</b>		-	-

**NOTE 27**

<b>CONTINGENT LIABILITES AS AT YEAR END</b>			
		<b>Amount 2021</b>	<b>Amount 2020</b>
<b>E.G.</b>			
... Pension and Gratuity Due		-	-
....Outstanding Contractors Liabilities ( According to MDA)		-	-
.....Pending Litigations ( According to MDA)		-	-
.....Guarantees ( According to MDA)		-	-
..... Others		-	-
<b>Total Contigent Liabilities</b>		-	-

List All the Contigent Liabilities

**SUPPLEMENTARY NOTE**

1 GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)			
		2021	2020
	MONTH	TOTAL	TOTAL
	JANUARY	164,269,615.65	193,749,145.83
	FEBRUARY	171,988,664.81	178,954,386.26
	MARCH	142,667,887.68	160,009,458.44
	APRIL	161,078,736.47	181,917,292.04
	MAY	177,492,570.06	168,866,508.56
	JUNE	171,851,503.79	152,488,667.18
	JULY	202,768,501.79	185,197,800.59
	AUGUST	202,768,501.79	190,049,407.23
	SEPTEMBER	203,128,120.65	188,948,996.06
	OCTOBER	211,777,190.49	176,816,811.26
	NOVEMBER	201,614,876.73	159,602,604.11
	DECEMBER	199,055,912.88	157,960,393.67
	<b>TOTAL</b>	<b>2,210,462,082.79</b>	<b>2,094,561,471.23</b>

INTERNELLY GENERATED REVENUE 2021	
DETAILS	AMOUNT
Taxes	25,200.00
Rates	387,549.02
Lincences	3,268,515.70
Earning	4,748,290.44
Rent	655,000.00
interest	-
10% IGR From State	25,723,459.41
<b>TOTAL</b>	<b>34,808,014.57</b>



**1.1 INTRODUCTION**

In compliance with the provision of section 125 (2) of 1999 Constitution of the Federal Republic of Nigeria and Niger State Local Government Law (N.S.L.N. No. 14) of 2001, I have examined the Accounts and Financial Statement of Lavun Local Government for the year ended 31<sup>st</sup> December, 2021 in accordance with the Public Finance (Control Management Act. 1958).

I have therefore certified the accounts as correct subject to various observations raised and contained in this report while the irregularities discovered thereon had been forwarded through Audit Inspection reports to the attached for Accounting officer`s comments and necessary actions

**2.0 FINANCIAL HIGHLIGHTS**

RECEIPTS DESCRIPTION	AMOUNT (?)	PERCENTAGE
Internally Generated Revenue	9,084,555.16	0.35%
10% IGR	25,723,459.41	1.00%
Grant from other LGs	315,874,459.59	12.34%
VAT	751,963,229.67	29.36%
Exchange Gain Differentials	5,357,753.57	0.21%
Excess Crude Oil	40,110,268.41	1.57%
Non-Oil Revenue	44,115,440.94	1.72%
Statutory Allocation	1,368,915,390.20	53.45%
	<u>? 2,561,144,248.95</u>	<u>100.00%</u>

**2.1 ANALYSIS OF REVENUE AND EXPENDITURE****2.1.1 REVENUE**

The sum of ? 2,561,144,248.95 accrued to the Lavun Local Government Councils as total receipts for the year ended 31<sup>st</sup> December, 2021

**2.1.1.1 INTERNALLY GENERATED REVENUE**

Lavun Local Government Council generated the sum of ? 9,084,555.16 and ? 25,723,459.41 as Internally Generated Revenue and 10%IGR from State respectively. The Local Government council also received ? 315,874,459.59 as grant from Other Local Governments respectively which amounted to a total of ? 350,682,474.16 only for the year ended 31<sup>st</sup> December, 2021 which represented 13.69% of the total accrued revenue of ? 2,561,144,248.95. This shows that the Council solely depends on statutory allocation from the Federation Account and grants from other sources for survival despite my several advices to improve and explore other sources of revenue for the Council. This could result to non-survival of the councils if there is a decline of revenue from the Federation Account.

I advise that the Council should make up extra efforts to generate more in the years ahead.



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**2.1.1.2 FEDERAL STATUTORY ALLOCATION**

The sum of ₦ 1,368,915,390.20 which is 53.45% of the total receipts of ₦ 2,561,144,248.95 was disbursed to Lavun Local Government Council for the year under review. This sum comprises the followings:

- i. VAT
- ii. Exchange Gain Differentials
- iii. Excess Crude Oil
- iv. Non-Oil Revenue
- v. Statutory Allocation

**2.1.2 EXPENDITURE****2.1.2.1 ANALYSIS OF EXPENDITURE**

The total sum of ₦ 2,561,144,248.95 was allocated directly to Lavun Local Government Council and expended as follows:

DETAILS	AMOUNT (₦)	PERCENTAGE
i. Personnel cost	1,700,038,855.95	67.13%
ii. Overhead cost	132,515,229.31	5.23%
iii. Consolidated Fund charges	302,684,901.36	11.95%
iv. Operating Activities	208,081,196.90	8.23%
v. Other Transfers	28,800,000.00	1.14%
vi. Contributions	28,800,000.00	1.14%
vii. Repayment of Loans	112,412,570.78	4.43%
viii. Cash flow from investment	19,100,000.00	0.75%
	<b><u>2,532,432,754.30</u></b>	<b><u>100.00%</u></b>

**3.0 WEAKNESSES IN THE INTERNAL CONTROL SYSTEM**

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

**3.1 Unsupported payments by third party documentation**

I observed that most of the payment vouchers raised were not having documentary evidences such as delivery notes, Stores Received Vouchers, Stores Issues Vouchers, receipts etc. to justify the payments made. This implies some of the payments were made for goods not delivered or services not rendered.

I advised the Councils to ensure that all payments are supported appropriately.

### 3.1. Unremitted WHT and VAT Deductions

During the course of my audit I observed that Lavun Local Government Council had not remitted ₦ 9,076,400.00 to the appropriate authorities as at 31 December 2021. The outstanding amount comprises of N4,215,000.00 in respect of WHT, N4,408,500.00 in respect of VAT and N452,900.00 in respect of Stamp duty

This exposes the Local Government Council to the risk of payment of fines and penalties for late remittance.

I advised the Council to remit the outstanding deductions immediately and in future, the Council should ensure all deductions are made and remitted in accordance with the relevant guidelines.

### 3.2. Payment Vouchers not checked nor passed by the Internal Audit Unit.

During the course of our audit exercise, it was observed that despite being raised in our previous reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued in some cases which contravene chapter 14 section 1-19 of Model Financial Memoranda. The non-compliance was evidenced by the Payment Vouchers which were prepared and paid out without endorsement by the Internal Audit Unit and Officer Controlling the Vote and Checks by the Accounting Officer. This exposes the Council to fraudulent practices.

I advised the council to adhere strictly to the provisions of the Model Financial Memoranda.

### 3.3. Non-maintenance of Fixed/Moveable Asset register.

A Fixed Assets Register is a management tool to monitor and control use of assets. However, as pointed out in my previous reports, Lavun Local Council did not maintain an up-to-date Fixed Assets Register during the year under review.

I advised the Council to ensure that an up-to-date Fixed Assets/Movable Assets Register is maintained.

### 3.4. Non-maintenance of Loan/Overdraft Register/Ledger.

We observed that Lavun Local Government Council did not maintain Loans/Overdraft Register/Ledger during the year.

The risk is that the Council may not be able to reconcile loan balances with the lenders leading to overpayments or fines and penalties for under payments.

We recommend that the Council should immediately open and maintain Loans Register. In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that all issues raised above in this section should be addressed before my next audit



**4.0 BUDGETARY CONTROL****4.1 REVENUE COMPARISON**

During the year under review, there was a shortfall in the target of Internally Generated Revenue in Lavun Local Government Council in all revenue codes as shown below:

**LAVUN LOCAL GOVERNMENT BUDGETED INTERNALLY GENERATED REVENUE COMPARED WITH ACTUAL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**

S/N	CODES	DETAILS	BUDGET ?	ACTUAL ?	SHORTFALL ?
1	12010000	Taxes	2,300,000.00	25,200.00	(2,274,800.00)
2	12021700	Rates	4,578,760.00	387,549.02	(4,191,210.98)
3	12021300	Local Licenses, Fees, and Fine	4,055,000.00	3,268,515.70	(786,484.30)
4	12021500	Earning from Commercial undertakings	3,680,693.00	4,748,290.44	1,067,597.44
5	12021600	Rent on Local Government Properties	325,000.00	655,000.00	330,000.00
6	12021100	Interest	325,000.00	-	(325,000.00)
<b>TOTAL</b>			<b>15,264,453.00</b>	<b>9,084,555.16</b>	<b>(6,179,897.84)</b>

From the above table, it clearly shows that the Council rely solely on Statutory Allocation from the Federation Account for its survival despite the comparison between the total budgeted amount of ? 15,264,453.00 with actual Internally Generated Revenue of ? 9,084,555.16 leaving a shortfall of ? 6,179,897.84 during the year under review.

This implies that the Council could not fully implement its planned programs during the financial year or the budget was not realistic.

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

- i. Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- ii. Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- iii. Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- iv. Control over issuance of revenue receipts
- v. Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.
- vi. The Council should ensure that realistic budgets are prepared.

**4.2 RECURRENT EXPENDITURE****4.2.1 PERSONNEL COST**

As regards to the personnel cost, it was observed that, the sum of ? 1,793,783,954.76 and ? 1,700,038,855.95 was spent as personnel cost in 2020 and 2021 respectively with a decrease of ? 93,745,098.81 over the previous year. The decrease represents 5.22% of personnel cost and was due to the Council inability to pay 100% Salary during the year under review



**4.2.2 CAPITAL EXPENDITURE****4.2.2.1 CAPITAL PROJECT**

During the year under review it was observed that the sum of ₦ 19,100,000.00 was spent on capital project by Lavun local Government Council. This was made by the council to boost the developmental activities in the Rural areas in which various Project were executed and some are still in progress. Though the approved capital expenditure Estimate was ₦ 290,306,621.00 and only the sum of ₦ 19,100,000.00 representing 6.58% was Expended leading to a variance of ₦ 271,206,621.00.

I advised the council to ensure that estimate should be based on realistic and cognizance of Environmental factor, and the cashflow should be adequately monitored in order to reduce unnecessary expenses in overhead and give priority to capital project execution.

**5.0 ANALYSIS OF ASSETS AND LIABILITIES****5.1 ASSETS****5.1.1 CASH AND ITS EQUIVALENTS**

The closing cash and its equivalents amounted to the sum of ₦ 28,870,072.48k for Lavun Local Government as at 31<sup>st</sup> December, 2021.

**5.2. LIABILITIES****5.2.1. DEPOSITS**

Deposits comprise unremitted statutory deductions and Non statutory deductions for the council as shown below.

• Statutory Deposits	₦ 9,076,400.00
• Non-Statutory Deposits	NIL
<b>TOTAL</b>	<b>₦ 9,076,400.00</b>

**5.2.1.1 UNREMITTED DEDUCTIONS**

The balance on the unremitted deductions account was ₦ 9,076,400.00 as at 31<sup>st</sup> December, 2021. The unremitted deductions include deductions from payments made on behalf of Government Agencies and various other bodies by the Local Government which ought to be promptly remitted to the appropriate authorities.

The management of Lavun Local Government Council has been advised to ensure that all Deposits are remitted timely to avoid accumulating liabilities and attracting fines and penalties for the Local Government.

**5.2.1.2. BANK OVERDRAFTS**

The council has no bank overdraft during the year under review.

**6.0 OUTSTANDING ISSUES FROM THE AUDIT INSPECTION REPORT**

The Council has the following outstanding issues from Inspection Report for the period under review.

**AGX/F.O.21/TA/LAV/VOL.1****Dated – 01/12/2021**

(i) Payment made without Approval by the council Chairman	= ₦ 50,000.00
(ii) Payment made in respect of Duty Tour without letter of invitation and certificate of attendance attached to payment voucher	= ₦ 500,000.00
(iv) Granting of financial assistance without letter of request and acknowledgement receipt attached to payment voucher	= ₦ 380,000.00



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**2 AGX/D.104/VOL.9/1 PROJECTS**

Suspicious payment made for purchase of 500 kva Transformer without purchasing receipt,  
Store Received Vouchers and Store Issued Vouchers attached to the payment Vouchers = ? 5,320,000.00

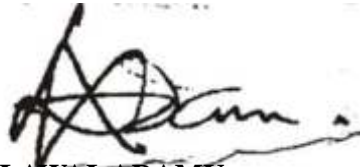
Management promised to follow up and resolve the issues raised above.

We recommend that the management of Lavun Local Government should ensure the issues raised above are adequately addressed.

**7.0 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





NIGER STATE GOVERNMENT OF NIGERIA  
MAGAMA LOCAL GOVERNMENT COUNCIL

**AUDITED ACCOUNTS**  
FOR THE YEAR ENDED 31ST DECEMBER, 2021

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



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OFFICE OF THE EXECUTIVE CHAIRMAN  
**MAGAMA LOCAL GOVERNMENT COUNCIL**

ADDRESS:  
Local Government Secretariat,  
P.M.B. 435, Nasko, Niger State.

Our Ref: \_\_\_\_\_

Your Ref: \_\_\_\_\_

Date: 29/12/2021

**STATEMENT OF FINANCIAL RESPONSIBILITY STATEMENT NO.1**

These financial statements have been by the treasurer of Magama Local Government council in accordance with the provision of the finance (council and management) act 1958 as amended. The financial statements comply with generally accepted accounting practices.

The treasury is responded for the establishing and maintaining a system of internal controls designed to provide reasonable assurance that the transactions seconded are within statutory authority and properly record the use of all public financial resources by the local government council. To the best of my knowledge, his system of internal control has operated adequately throughout the reporting period.

**Adamu Mohammed Anabba**  
Treasurer

Date: 31/12/2021

We accept responsibility for these financial statements, the information they contain and their compliance with the finance 9control and management) act 1958 as amended.

In our opinion, these financial statements fairly reflect the financial positions for the month ended

**Adamu Mohammed Anaba**  
Treasurer

Date: 31<sup>ST</sup> December, 2021

**Alh. Safiyanu Y. Ibeto**  
Chairman

DATE: 31<sup>st</sup> December 2021



NIGER STATE

**NIGER STATE GOVERNMENT**

**MAGAMA LOCAL GOVERNMENT COUNCIL**

**ACCOUNTING POLICIES**

**(IPSAS CASH)**

**ISSUED BY**

**OFFICE OF THE DIRECTOR FINANCE**

**MAGAMA LOCAL GOVERNMENT COUNCIL**

**2021**



## List of Abbreviations/Acronyms

Abbreviation/Term	Description
CBN	Central Bank of Nigeria
COA	Chart of Account
FAAC	Federation Accounts Allocation Committee
FGN	Federal Government of Nigeria
FRC	Financial Reporting Council
GAAP	Generally Accepted Accounting Principles
GPFS	General Purpose Financial Statement
IPSAS	International Public Sector Accounting Standards
LFN	Law of the Federal Republic of Nigeria
LGC	Local Government Council
NCOA	National Chart of Account
GBE	Government Business Enterprises
FRCON	Financial Reporting Council of Nigeria
PPE	Properties, Plants and Equipment



**Introduction**

In line with the adoption of the International Public Sector Accounting Standards (IPSAS) in Nigeria, a Standardised Chart of Account (COA) alongside a set of General Purpose Financial Statements (GPFS) have been designed and introduced by FAAC for adoption by all tiers of Government in Nigeria.

The standardised COA and the GPFS is hereby adopted by Magama Local Government Council to comply with FAAC directive to harmonise public sector accounts reporting in Nigeria.

In order to ensure an effective and efficient utilisation of the COA and GPFS, the Accounting Policies have been developed as a set of guidelines to direct the Processes and Procedures relating to financial reporting in Magama Local Government Council.

These policies shall form part of the universally agreed framework for financial reporting in Magama Local Government Council.

**IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when Cash (including Cash Equivalents) is received or paid by the Local Government. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of Cash raised during the period, the purposes for which Cash was used and the Cash balances at the reporting date. The measurement focus in the GPFS balances are Cash and changes during the period. Therefore, Bank Reconciliation Statement shall form integral part of periodic Reports in Magama Local Government Council.

Notes to the GPFS provide additional information about liabilities, including payables and borrowings, and non-cash assets that include receivables, investments and property, plant and equipment.

This Accounting Policy addresses the following fundamental accounting issues:

1. Definition of Accounting Terminologies
2. Recognition of Accounting Items
3. Measurement of Accounting Items
4. Treatment of Accounting items

The Accounting Policy is subject to periodic reviews and updates as shall be deemed necessary by the Director Finance, Magama Local Government Council.





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S/N	<b>Accounting Policies:</b>	2	<b>General Purpose Financial Statements (GPFS)</b>
1	<b>Accounting Terminologies / Definitions</b>		<p>The GPFS comprise of Statement of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by Magama Local Government Council and Accounting Policies and Notes to the Financial Statements .In Magama Local Government Council, the GPFS Accounting Policy include the following:</p> <ol style="list-style-type: none"> <li>I. Statement 1 - Cash Flow Statements: Statement of Cash Receipts and Payments which:                         <ul style="list-style-type: none"> <li>▪ recognizes all Cash Receipts, Cash Payments and Cash Balances controlled by Magama Local Government Council; and</li> <li>▪ separately identifies payments made by third parties on behalf of Magama Local Government Council.</li> </ul> </li> <li>II. Statement 2 - Statement of Assets and Liabilities: Statement of Financial Position (also known as Balance Sheet);</li> <li>III. Statement 3 - Statement of Consolidated Revenue Fund: Statement Recurrent Financial Performance (also known as Profit &amp; Loss Account);</li> <li>IV. Statement 4- Statement of Capital Development Fund: Statement of Capital Financial Performance (also known as Capital Expenditure);</li> <li>V. Notes to the Accounts: Additional disclosures to explain the GPFS; and</li> <li>VI. Accounting Policies and Explanatory Notes.</li> </ol>
	<ol style="list-style-type: none"> <li>I. <b>Accounting policies</b> are the specific principles, bases, conventions, rules and practices adopted by Magama Local Government Council in preparing and presenting Financial Statements.</li> <li>II. <b>Cash:</b> Cash comprises cash in hand, demand deposits in financial institutions and cash equivalents.</li> <li>III. <b>Cash equivalents</b> are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.</li> <li>IV. <b>Cash basis</b> means a basis of accounting that recognizes transactions and other events only when cash is received or paid.</li> <li>V. <b>Cash flows</b> are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.</li> <li>VI. <b>Cash receipts</b> are cash inflows.</li> <li>VII. <b>Cash payments</b> are cash outflows.</li> <li>VIII. <b>Cash Controlled by Magama Local Government Council:</b> Cash is deemed to be controlled by Magama Local Government Council when the government can freely use the available cash for the achievement of its objectives or enjoy benefit from the cash, and can also exclude or regulate the access of others to that benefit. Cash collected by, or appropriated or granted to the government which the government can freely use to fund its operating objectives, such as acquiring of capital assets or repaying its debt is controlled by the government.</li> <li>IX. <b>Notes to the GPFS</b> shall include narrative descriptions or more detailed schedules or analyses of amounts shown on the face of the GPFS, as well as additional information</li> </ol>		



<p><b>3 Basis of Preparation and Legal Provisions</b></p> <p>The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, GPFS are in compliance with the provisions of other financial regulations of Magama Local Government Council</p>	<p><b>6 Reporting Currency</b></p> <p>The General Purpose GPFS are prepared in Nigerian Naira.</p>
<p><b>4 Fundamental Accounting Concepts</b></p> <p>The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in Magama Local Government Council</p> <ul style="list-style-type: none"> <li>? Cash Basis of Accounting;</li> <li>? Understability;</li> <li>? Materiality,</li> <li>? Relevance;</li> <li>? Going Concern Concept;</li> <li>? Consistency Concept</li> <li>? Prudence</li> <li>? Completeness, etc.</li> </ul>	<p><b>7 LGC for Consolidation</b></p> <ul style="list-style-type: none"> <li>▪ The Consolidation of the GPFS are based on the Cash transactions of Magama Local Government Council except Government Business Enterprises (GBEs).</li> </ul>
<p><b>5 Accounting Period</b></p> <p>The accounting year (fiscal year) is from 1<sup>st</sup> January to 31<sup>st</sup> December. Each accounting year is divided into 12 calendar months (periods) and shall be set up as such in the accounting system.</p>	<p><b>8 Comparative Information</b></p> <ul style="list-style-type: none"> <li>▪ The General Purpose GPFS shall disclose all numerical information relating to previous period (at least one year).</li> </ul>
	<p><b>9 Budget Figures</b></p> <ul style="list-style-type: none"> <li>▪ These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation Law of Niger State.</li> </ul>
	<p><b>10 Receipts</b></p> <ul style="list-style-type: none"> <li>? These are Cash inflows within the Financial Year. They comprise of receipts from Statutory Allocations (FAAC monthly disbursement), Taxes, External Assistance (from Bilateral and Multilateral Agencies), Other Aid and Grants, Other Borrowings, Capital Receipts (Sale of Government Assets, etc), Receipts from Trading activities and Other Cash Receipts.</li> <li>? These items shall be disclosed at the face of the Statement of Cash Receipts and Payment for the year in accordance with the standardised GPFS. Notes shall be provided as per standardised Notes to GPFS.</li> </ul>





<p><b>11 External Assistance</b></p> <ul style="list-style-type: none"> <li>? Receipts from Loans are Funds received from external sources to be paid back at an agreed period of time. They are categorised either as Bilateral or Multilateral.</li> <li>? External Loans receipts shall be disclosed separately under Statement of Cash Receipts and Payment for the year.</li> <li>? The Local Governments did not receive external assistance during the two year.</li> </ul>	<p><b>15 Payments</b></p> <ul style="list-style-type: none"> <li>▪ These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorised either by Function and/or by Sector in the Statement of Cash Receipts and Payment.</li> <li>▪ Payments for purchase of items of capital nature( e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.</li> </ul>
<p><b>12 Other Borrowings / Grants&amp; Aid Received</b></p> <ul style="list-style-type: none"> <li>▪ These shall be categorised as either Short or Long term Loans.Short-Term Loans are those repayable within one calendar year (12 months), while Long - Term Loans and Debts shall fall due beyond one calendar year (above 12 months).Loans shall be disclosed separately and Grants shall also be separately disclosed under Statement of Cash Receipts and Payment for the year.</li> </ul>	<p><b>16 Loans Granted:</b></p> <ul style="list-style-type: none"> <li>▪ Payments to other Government and Agencies in form of Loans during the year shall be shown separately in the Statement of Receipts and Payments. Amount disclosed shall be actual amount paid during the year.</li> <li>▪ The Local Governments did not give any loan during the two year.</li> </ul>
<p><b>13 Interest Received</b></p> <ul style="list-style-type: none"> <li>? Interest actually received during the financial year shall be treated as a receipt</li> </ul>	<p><b>17 Loan Repayments</b></p> <p>Cash receipts from loans granted to other agencies and government shall be classified under loan repayments in the Statement of Receipts and Payments . Amount disclosed shall be actual amount received during the year.</p>
<p><b>14 Government Business Activities</b></p> <p>Cash Receipts from Trading Activities shall be received net (after deducting direct expenses) unless otherwise provided for by law or policy in force. Total receipts from all trading activities shall be disclosed in the Statement of Cash Receipts and Payments under 'Trading Activities' item.</p> <p>Where gross revenue is received, corresponding payments shall be charged under a corresponding payment item head ' Government Business Activities' in the Statement of Receipts and Payments.</p>	<p><b>18 Interest on Loans:</b></p> <ul style="list-style-type: none"> <li>▪ Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest payment in the Statement of Cash Receipts and Payments</li> </ul>



19	<p><b>Foreign Currency Transactions:</b></p> <ul style="list-style-type: none"><li>Foreign Currency Transactions throughout the year shall be converted into Nigerian Naira at the ruling (Central Bank of Nigeria –CBN) rate of exchange at the dates of the transactions. Foreign currency balances, as at the year end, shall be translated at the exchange rates prevailing on that date.</li><li>At the end of the financial year, additional amounts (in cash or at bank) arising out of Foreign Exchange Gains/Losses shall be recognised in the Statement of Cash Receipts and Payments either as Receipts / Payments respectively.</li><li>Hence the Magama Local Government Council did not have foreign currency transactions during the two year.</li></ul>
20	<p><b>Prepayments</b></p> <ul style="list-style-type: none"><li>Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.</li><li>The Local Governments did not make prepayment to contractors during the two year.</li></ul>
21	<p><b>Cash Balances</b></p> <p>This includes Cash in Hand, at Bank and Cash Equivalentents at the end of the Financial year.</p>

**COUNCIL OFFICIALS**

- COUNCIL MEMBERS DESIGNATION:**

Honourable Safiyanu Yahaya

Executive Chairman

Honourable Abu-Kasim

Secretary

- HEAD OF DEPARTMENTS:**

<b>NAMES:</b>	<b>DEPARTMENTS</b>	<b>DESIGNATION</b>
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.



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**AUDIT CERTIFICATE**

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, 2020 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 State Local Government Joint Account Allocation Committee are indicated in the Supplementary Note 1 to the Accounts. In my opinion, the Supplementary Note 1 to accounts presents fairly, in all material respects, the revenue from Federation Account received by Magama Local Government during the year ended December 31st, 2020. In my opinion, the Financial Statements which are in agreement with the books of accounts and record shows a true and fair view of the financial position of the Magama Local Government for the year ended 31st December, 2020 and the transactions for the year ended at that date.

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



**STATEMENT NO. 1**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ANNUAL BUDGET 2021 N		COA	NOTES	ACTUAL YEAR 2021	PREVIOUS YEAR 2020
				N	N
	<b>CashFlows from Operating Activities:</b>				
	<u>Receipts:</u>				
1,848,107,517.00	Statutory Allocations:FAAC		1	1,495,545,356.70	2,104,087,284.16
525,180,872.00	Value Added Tax Allocation		1	711,596,742.78	-
<b>2,373,288,389.00</b>	<b>Sub-total - Statutory Allocation</b>			<b>2,207,142,099.48</b>	<b>2,104,087,284.16</b>
350,000.00	Direct Taxes		2	-	-
11,034,000.00	Licences		2	4,446,535.00	4,437,288.00
-	Mining Rents:		2	-	-
-	Royalties		2	-	-
-	Fees:		2	-	-
-	Fines		2	-	-
-	Sales		2	-	-
7,460,000.00	Earnings :		2	9,213,790.85	4,651,055.59
500,000.00	Sales/Rent of Government Buildings:		2	59,000.00	434,650.00
-	Sale/Rent on Lands and Others:		2	-	-
6,656,000.00	Rates		2	455,000.00	-
-	Investment Income		2	-	-
-	Interest Earned		2	-	-
147,447,704.00	10% IGR From State		2	25,723,459.41	22,002,508.32
<b>173,447,704.00</b>	<b>Sub-total - Independent Revenue</b>			<b>39,897,785.26</b>	<b>31,525,501.91</b>
	<b>Other Revenue Sources of L/Government</b>				
-	Domestic Grants		3	-	21,747,549.18
-	Grants From other LGs		3	-	-
<b>2,546,736,093.00</b>	<b>Total Receipts</b>			<b>2,247,039,884.74</b>	<b>2,157,360,335.25</b>
	<u>Payments:</u>				
967,355,071.00	Personnel Costs ( Including Salaries on CRF Charges):		4	750,345,433.74	863,918,966.11
-	Federal/ States/ LGC Govt Contribution to Pension:		5	-	-
451,100,000.00	Overhead Charges:		6	166,156,673.46	104,653,036.25
150,702,894.00	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)		7	139,772,639.59	114,365,044.90
28,800,000.00	Subvention to Parastatals:		8	28,800,000.00	102,000,000.00
370,444,255.00	Other Operating Activities	330,436,960.00	9	362,632,130.73	292,901,022.20
611,140,401.30	Other Transfers		10	611,140,401.30	622,531,834.89
<b>2,579,542,621.30</b>	<b>Total Payments</b>			<b>2,058,847,278.82</b>	<b>2,100,369,904.35</b>
<b>-32,806,528.30</b>	<b>Net Cash Flow from Operating Activities</b>			<b>188,192,605.92</b>	<b>56,990,430.90</b>



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	<b>CashFlows from Investment Activities:</b>				
99,513,740.00	Capital Expenditure:Administrative Sector:		12	-	-
370,159,301.00	Capital Expenditure: Economic Sector:		12	21,672,552.84	145,056,676.76
-	Capital Expenditure: Law and Justice:		12	-	-
-	Capital Expenditure:Regional Development		12	-	-
350,657,938.00	capital expenditure: Social Service Sector:		12	46,984,644.35	114,628,403.96
-	Capital Expenditure: Funded from Aid and Grants:		11	-	-
<b>820,330,979.00</b>	<b>Net Cash Flow from Investment Activities:</b>			<b>68,657,197.19</b>	<b>259,685,080.72</b>
	<b>CashFlows from Financing Activities:</b>				
-	Proceeds from Aid and Grants		11	-	-
-	Proceeds from ExternaL Loan :		20	-	-
-	Proceeds from Internal Loans: FGN/Treasury Bonds :		21	-	-
-	Proceeds from Internala Loan		22	-	224,000,000.00
-	Proceeds from Development of Nat Resources		23	-	-
-	Proceeds of Loans from Other Funds		24	-	-
-	Repayment of External Loans ( Including Servicing)		20	-	-
-	Repayment of FGN/Treasury Bonds :		21	-	-
96,000,000.00	Repayment of Internal Loan		22	96,000,000.00	40,000,000.00
-	Repayment of Loans from Development of Nat Resources		23	-	-
	Repayment of Loans from Other Funds		24	-	-
<b>96,000,000.00</b>	<b>Net Cash Flow from Financing Activities:</b>			<b>96,000,000.00</b>	<b>184,000,000.00</b>
	<b>Movement in Other Cash Equivalent Accounts</b>				
-	(Increase)/ Decrease in Investments			-	-
-	Net (Increase)/Decrease in Other Cash Equivalents:			-	-
-	<b>Total Cashflow from other Cash equivalent Accounts</b>			<b>-</b>	<b>-</b>
-	Net Cash for the year			23,535,408.73	- 18,694,649.82
-	Cash & Its Equivalent as at 1st January, 2021			26,996.31	18,721,646.13
-	Cash & Its Equivalent as at 31st December, 2021			<b>23,562,405.04</b>	<b>26,996.31</b>



**STATEMENT NO. 2**  
**STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	NOTES	CURRENT YEAR 2021	PREVIOUS YEAR 2020
		N	N
<b>ASSETS:-</b>			
<b>Liquid Assets:-</b>			
Cash Held by AGF:			
-CRF Bank Balance(CBN/ CRF Bank):		-	-
-Pension Account (CBN/ Bank):		-	-
-Other Bank of the Treasury		-	-
-Cash Balances of Trust & Other Funds of the FGN/ States/LGC:		-	-
-Cash Balances with Federal Pay Offices/ Sub-Treasury:		-	-
Cash Held by Agaie Local Government	15	23,562,405.04	26,996.31
<b>TOTAL LIQUID ASSETS</b>		<b>23,562,405.04</b>	<b>26,996.31</b>
<b>Investments and Other Cash Assets:</b>			
Federal/ State/ Local Government Investments	16	-	-
Imprests:-	17	-	-
Advances:-	18	-	-
Revolving Loans Granted:-	19	-	-
Intangible Assets		-	-
<b>TOTAL INVESTMENTS AND OTHER CASH ASSETS</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>23,562,405.04</b>	<b>26,996.31</b>
<b>LIABILITIES OVER ASSETS</b>		<b>108,808,245.81</b>	<b>262,748,060.42</b>
<b>TOTAL</b>		<b>132,370,650.85</b>	<b>262,775,056.73</b>
<b>LIABILITIES:-</b>			
<b>PUBLIC FUNDS</b>			
Consolidated Revenue Fund:		23,562,405.04	61,332,346.49
Capital Development Fund:		-	-
Trust & Other Public Funds:		-	-
Police Reward Fund		-	-
<b>TOTAL PUBLIC FUNDS</b>		<b>23,562,405.04</b>	<b>61,332,346.49</b>
<b>EXTERNAL AND INTERNAL LOANS</b>			
External Loans:FGN/States/ LGC	20	-	-
FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-
internal Loans	22	88,000,000.00	184,000,000.00
Development Loan Stock	23	-	-
Loan From other Funds	24	-	-
Internal Loans from Other Funds		-	-
<b>TOTAL EXTERNAL AND INTERNAL LOANS</b>		<b>88,000,000.00</b>	<b>184,000,000.00</b>
<b>OTHER LIABILITIES</b>			
Deposits:-	25	20,808,245.81	17,442,710.24
Overdrawn accounts	26	-	-
<b>TOTAL LIABILITIES</b>		<b>132,370,650.85</b>	<b>262,775,056.73</b>



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## STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021

ACTUAL PREVIOUS YEAR(2020)		NOTES	ACTUAL YEAR 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	VARIANCE ON FINAL BUDGET
			N	N	N	N	%
18,721,646.13	Opening Balance:		26,996.31				
	<b>ADD: REVENUE</b>						
2,104,087,284.16	Statutory Allocations:FAAC	1	1,495,545,356.70	1,848,107,517.00	1,848,107,517.00	-	80.92
-	Value Added Tax Allocation	1	711,596,742.78	525,180,872.00	525,180,872.00	-	-
<b>2,122,808,930.29</b>	<b>Sub-Total - Statutory Allocation</b>		<b>2,207,142,099.48</b>	<b>2,373,288,389.00</b>	<b>2,373,288,389.00</b>	-	-
-	Direct Taxes	2	-	350,000.00	350,000.00	-	-
4,437,288.00	Licences	2	4,446,535.00	11,034,000.00	11,034,000.00	-	40.30
-	Mining Rents:	2	-	-	-	-	-
-	Royalties	2	-	-	-	-	-
-	Fees:	2	-	-	-	-	-
-	Fines	2	-	-	-	-	-
-	Sales	2	-	-	-	-	-
4,651,055.59	Earnings :	2	9,213,790.85	7,460,000.00	7,460,000.00	-	123.51
434,650.00	Sales/Rent of Government Buildings:	2	59,000.00	500,000.00	500,000.00	-	-
-	Sale/Rent on Lands and Others:	2	-	-	-	-	-
-	RATES	2	455,000.00	6,656,000.00	6,656,000.00	-	6.84
-	Investment Income	2	-	-	-	-	-
-	Interest Earned	2	-	-	-	-	-
22,002,508.32	10% IGR From State	2	25,723,459.41	-	-	-	-
<b>31,525,501.91</b>	<b>Sub-Total - Independent Revenue</b>		<b>39,897,785.26</b>	<b>25,650,000.00</b>	<b>25,650,000.00</b>	-	155.55
-	<b>Other Revenue Sources of L/Government</b>	3	-	-	-	-	-
21,747,549.18	Domestic Grants		-	-	-	-	-
	Grants From other LGs						
<b>2,176,081,981.38</b>	<b>TOTAL REVENUE:</b>		<b>2,247,066,881.05</b>	<b>2,398,938,389.00</b>	<b>2,398,938,389.00</b>	-	-
	<b>LESS: EXPENDITURE</b>						
863,918,966.11	Personnel Costs ( Including Salaries on CRF Charges):	4	750,345,433.74	967,355,071.00	967,355,071.00	-	77.57
-	Federal/ States/ LGC Govt Contribution to Pension:	5	-	-	-	-	-
104,653,036.25	Overhead Charges:	6	166,156,673.46	451,100,000.00	451,100,000.00	-	36.83
114,365,044.90	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)	7	139,772,639.59	150,702,894.00	150,702,894.00	-	92.75
102,000,000.00	Subvention to Parastatals:	8	28,800,000.00	28,800,000.00	28,800,000.00	-	100.00
292,901,022.20	Other Operating Activities	9	362,632,130.73	370,444,255.00	370,444,255.00	-	97.89
622,531,834.89	Other Transfers	10	611,140,401.30	611,140,401.30	611,140,401.30	-	100.00
<b>2,100,369,904.35</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,058,847,278.82</b>	<b>2,579,542,621.30</b>	<b>2,579,542,621.30</b>	-	79.81
	<b>OTHER RECURRENT PAYMENTS/EXPENDITURE:</b>						
-	Repayments:External Loans:FGN/States/ LGC	19	-	-	-	-	-
-	Repayments:FGN/ States/LGC Bonds & Treasury Bonds.	20	-	-	-	-	-
-	Repayments :Nigerian Treasury Bills (NTB)	21	-	-	-	-	-
40,000,000.00	Repayments:Internal Loans	22	96,000,000.00	96,000,000.00	96,000,000.00	-	-
-	Repayments: Internal Development Loans Stock	23	-	-	-	-	-
-	Repayments:Other Internal Loans( Promissory Notes)	24	-	-	-	-	-
<b>2,140,369,904.35</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,154,847,278.82</b>	<b>2,675,542,621.30</b>	<b>2,675,542,621.30</b>	-	-
<b>35,712,077.03</b>	<b>OPERATING BALANCE:</b>		<b>92,219,602.23</b>	<b>- 276,604,232.30</b>	<b>- 276,604,232.30</b>	-	-
	<b>APPROPRIATIONS/TRANSFERS:</b>						
35,685,080.72	Transfer to Capital Development Fund:		68,657,197.19	820,330,979.00	820,330,979.00	-	8.37
<b>26,996.31</b>	<b>Closing Balance:</b>		<b>23,562,405.04</b>				



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**STATEMENT NO. 4**  
**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ACTUAL PREVIOUS YEAR(2020)		NOTES	TOTAL CAPITAL EXPENDITURE 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	PERFORMANCE ON TOTAL
N			N		N		%
-	Opening Balance:		-				
	<b><u>ADD: REVENUE</u></b>						
35,685,080.72	Transfer from Consolidated Revenue Fund:		68,657,197.19	820,330,979.00	820,330,979.00	-	8.37
-	Aid and Grants	11	-	-	-	-	-
-	External Loans:FGN/States/ LGC	20	-	-	-	-	-
-	FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-	-	-	-
224,000,000.00	Internal Loan	22	-	-	-	-	#DIV/0!
-	Development Loan Stock	23	-	-	-	-	-
-	Loan From Other Funds	24	-	-	-	-	-
					-	-	-
					-	-	-
					-	-	-
<b>259,685,080.72</b>	<b>TOTAL REVENUE AVAILIABLE:</b>		<b>68,657,197.19</b>	<b>820,330,979.00</b>	820,330,979.00	-	8.37
						-	-
	<b><u>LESS: CAPITAL EXPENDITURE</u></b>					-	-
						-	-
-	Capital Expenditure:Administrative Sector:	12	-	99,513,740.00	99,513,740.00	-	-
145,056,676.76	Capital Expenditure: Economic Sector:	12	21,672,552.84	370,159,301.00	370,159,301.00	-	5.85
-	Capital Expenditure: Law and Justice:	12	-	-	-	-	-
-	Capital Expenditure:Regional Development	12	-	-	-	-	-
114,628,403.96	Capital Expenditure: Social Service Sector:	12	46,984,644.35	350,657,938.00	350,657,938.00	-	13.40
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-	-	-	-
					-	-	-
<b>259,685,080.72</b>	<b>TOTAL CAPITAL EXPENDITURE:</b>		<b>68,657,197.19</b>	<b>820,330,979.00</b>	<b>820,330,979.00</b>	-	8.37
	Intangible Assets		-				
-	<b>CLOSING BALANCE:</b>		-				



## NOTE TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021

<i>Details</i>					
<b>NOTE 1</b>	<b>Ref. Note</b>	<b>Amount</b>	<b>Amount</b>		
<b>A- Share of Statutory Allocation from FAAC</b>		<b>N</b>	<b>N</b>	<b>Remarks</b>	
<i>Net Share of Statutory Allocation from FAAC</i>	<b>A</b>	1,403,778,649.01			
<i>Add :Deduction at source for Loan Repayment</i>	<b>B</b>	-			
<i>Share of Exchange Gain Differencial</i>	<b>C</b>	5,488,327.75			
<i>Share of Federal Accounts Allocation- Excess Crude Oil</i>	<b>D</b>	41,087,798.79			
<b>Non-oil Revenue</b>	<b>E</b>	45,190,581.15			
<b>Total FAAC Allocation to LG</b>			<b>1,495,545,356.70</b>		
<b>B. Value Added Tax</b>					
Share of Value Added Tax (VAT)		711,596,742.78	711,596,742.78		
<b>Total Statutory Allocation to LG</b>			<b>2,207,142,099.48</b>		

## NOTE 2

<b>Internally Generated Revenue (Independent Revenue)</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>		
<b>Direct Taxes</b>					
Magama local government Internal Revenue	-	350,000.00	350,000.00		
<b>Total - Direct Taxes</b>	<b>-</b>	<b>350,000.00</b>	<b>350,000.00</b>		
<b>Licences</b>					
Magama local government Internal Revenue	4,446,535.00	11,034,000.00	6,587,465.00		
<b>Total Licences</b>	<b>4,446,535.00</b>	<b>11,034,000.00</b>	<b>6,587,465.00</b>		
<b>Mining Rents</b>					
Magama local government Internal Revenue	-	-	-		
<b>Total Mining Rents</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Royalties</b>					
Magama local government Internal Revenue	-	-	-		
<b>Total Royalties</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Fees</b>					
Magama local government Internal Revenue	-	-	-		
<b>Total Fees</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Fines</b>					
Magama local government Internal Revenue	-	-	-		
<b>Total Fines</b>	<b>-</b>	<b>-</b>	<b>-</b>		





<b>Sales</b>					
Magama local government Internal Revenue		-	-	-	
<b>Total Sales</b>		-	-	-	
<b>Earnings</b>					
Magama local government Internal Revenue		9,213,790.85	7,460,000.00	-	1,753,790.85
<b>Total Earnings</b>		<b>9,213,790.85</b>	<b>7,460,000.00</b>	-	<b>1,753,790.85</b>
<b>Sales/Rent of Government Buildings</b>					
Magama local government Internal Revenue		59,000.00	500,000.00		441,000.00
<b>Total Sales/Rent of Government Buildings</b>		<b>59,000.00</b>	<b>500,000.00</b>		<b>441,000.00</b>
<b>Sale/Rent on Lands and Others:</b>					
Magama local government Internal Revenue		-	-		-
<b>Total Sale/Rent on Lands and Others</b>		-	-		-
<b>Rates</b>					
Magama local government Internal Revenue		455,000.00	6,656,000.00		6,201,000.00
<b>Total Rates</b>		<b>455,000.00</b>	<b>6,656,000.00</b>		<b>6,201,000.00</b>
<b>Investment Income</b>					
Magama local government Internal Revenue		-	-		-
<b>Total Investment Income</b>		-	-		-
<b>Interest Earned</b>					
Magama local government Internal Revenue		-	-		-
<b>Total Interest Earned</b>		-	-		-
<b>10% IGR From State</b>					
Magama local government Internal Revenue		25,723,459.41	147,447,704.00		121,724,244.59
<b>Total 10% IGR From State</b>		<b>25,723,459.41</b>	<b>147,447,704.00</b>		<b>121,724,244.59</b>
<b>Total - Independent Revenue</b>		<b>39,897,785.26</b>	<b>173,447,704.00</b>		<b>133,549,918.74</b>



<b>NOTE 3</b>					
<b>Other Revenue Sources of L/Govt:</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Domestic Grants		-	-	-	
<b>Total Domestic Grants</b>		-	-	-	
Grant from other LGs		-	-	-	
<b>Total Grant from other LGs</b>		-	-	-	
<b>NOTE 4</b>					
<b>A - Total Personnel Costs ( Including Salaries directly charged to CRF in Note 4B below):</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		12,938,814.87	20,305,065.00	7,366,250.13	
The Council		39,484,075.97	21,602,300.00	17,881,775.97	
Office Of The Secretary		3,140,844.87	3,425,615.00	284,770.13	
Personnel Management		35,264,810.04	46,770,211.00	11,505,400.96	
<b>TOTAL Personnel Cost Administrative Sector</b>		<b>90,828,545.75</b>	<b>92,103,191.00</b>	<b>1,274,645.25</b>	
					CRF Charges in Note 3
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		42,985,087.29	43,770,211.00	785,123.71	
Budget, Planning & Research		3,786,084.09	5,500,000.00	1,713,915.91	
Works And Housing		32,264,093.73	61,164,377.00	28,900,283.27	
Agriculture And Natural Resources		41,633,914.86	34,234,757.00	7,399,157.86	
<b>TOTAL Personnel Cost Economic Sector</b>		<b>120,669,179.97</b>	<b>144,669,345.00</b>	<b>24,000,165.03</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		416,119,746.22	420,670,850.00	4,551,103.78	
Primary Health Cure		114,401,729.71	243,262,060.00	128,860,330.29	
Social Development		-	48,014,635.00	48,014,635.00	
Traditional Council		8,326,232.09	18,634,990.00	10,308,757.91	
<b>Total Personnel Cost Social Sector</b>		<b>538,847,708.02</b>	<b>730,582,535.00</b>	<b>191,734,826.98</b>	
<b>Total Personnel Cost For All Sectors</b>		<b>750,345,433.74</b>	<b>967,355,071.00</b>	<b>217,009,637.26</b>	
<b>B- Salaries directly charged to CRF( included in Note 4A above)</b>					
<b>List of Parastatals and Agencies:</b>					
Judges of Supreme Court of Nigeria		-	-	-	
Judges of Court of Appeal		-	-	-	
other Judges of Court in Nigeria		-	-	-	
Auditor -General for Federation		-	-	-	
Auditor -General for State		-	-	-	
Auditor -General for Local Government		-	-	-	
INEC Chairman and Commissioners		-	-	-	
e.t.c.		-	-	-	
<b>Total</b>		<b>750,345,433.74</b>	<b>967,355,071.00</b>	<b>217,009,637.26</b>	

<b>NOTE 5</b>					
<b>Employers Contribution to Pension according to Sector</b>					
Administrative Sector		-	-	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Employers Contribution to Pension</b>		-	-	-	
<b>NOTE 6</b>					
<b>Overhead Costs</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		78,028,385.27	219,000,000.00	140,971,614.73	
The Council		29,776,153.91	20,500,000.00	- 9,276,153.91	
Office Of The Secretary		2,624,689.91	8,800,000.00	6,175,310.09	
Personnel Management		2,746,000.00	22,000,000.00	19,254,000.00	
<b>Total Overhead Cost Administrative Sector</b>		<b>113,175,229.09</b>	<b>270,300,000.00</b>	<b>157,124,770.91</b>	
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		16,262,038.91	87,200,000.00	70,937,961.09	
Budget, Planning & Research		540,000.00	4,400,000.00	3,860,000.00	
Works And Housing		8,416,999.00	47,700,000.00	39,283,001.00	
Agriculture And Natural Resources		3,100,000.00	11,200,000.00	8,100,000.00	
<b>TOTAL Overhead Cost Economic Sector</b>		<b>28,319,037.91</b>	<b>150,500,000.00</b>	<b>122,180,962.09</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		18,022,406.46	20,900,000.00	2,877,593.54	
Primary Health Cure		5,340,000.00	7,000,000.00	1,660,000.00	
Social Development		-	-	-	
Traditional Council		1,300,000.00	2,400,000.00	1,100,000.00	
<b>Total Overhead Cost Social Sector</b>		<b>24,662,406.46</b>	<b>30,300,000.00</b>	<b>5,637,593.54</b>	
<b>Total Overhead Cost For All Sectors</b>		<b>166,156,673.46</b>	<b>451,100,000.00</b>	<b>284,943,326.54</b>	



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<b>NOTE 7</b>					
<b>Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Monthly Pension		139,772,639.59	150,702,894.00	10,930,254.41	
<b>Total Consolidated Revenue Fund Charges</b>		<b>139,772,639.59</b>	<b>150,702,894.00</b>	<b>10,930,254.41</b>	
<b>NOTE 8</b>					
<b>Subventions to Parastatals (According to Sectors-List)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		28,800,000.00	28,800,000.00	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Subventions to Parastatals</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	
<b>NOTE 9</b>					
<b>Other Operating Activities</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		362,632,130.73	370,444,255.00	7,812,124.27	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Other Operating Activities</b>		<b>362,632,130.73</b>	<b>370,444,255.00</b>	<b>7,812,124.27</b>	
<b>NOTE 10</b>					
<b>Other Transfer</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		19,200,000.00	19,200,000.00	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		9,600,000.00	9,600,000.00	-	
<b>sub-total</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	
Transfers to other local governments		582,340,401.30	582,340,401.30	-	
<b>Total Other Transfer</b>		<b>611,140,401.30</b>	<b>611,140,401.30</b>	<b>-</b>	

<b>NOTE 11</b>					
<b>Details of Aid &amp; Grants Received</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Bilateral		-	-	-	
Multi Lateral		-	-	-	
ETC		-	-	-	
<b>Total Details of Aid &amp; Grants Received</b>		<b>-</b>	<b>-</b>	<b>-</b>	
<b>NOTE 12</b>					
<b>A - Details of Total Capital Expenditures (According to Sectors)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		-	99,513,740.00	99,513,740.00	
Economic Sector		21,672,552.84	370,159,301.00	348,486,748.16	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		46,984,644.35	350,657,938.00	303,673,293.65	
<b>Total Details of Capital Expenditures</b>		<b>68,657,197.19</b>	<b>820,330,979.00</b>	<b>751,673,781.81</b>	
<b>B - Details of Capital Expenditures of Parastatals (Included in 12A` above)</b>					
		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		-	-	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Details of Capital Expenditures of Parastatals</b>		<b>-</b>	<b>-</b>	<b>-</b>	



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<b>NOTE 13</b>					
<b>CLOSING BOOK BALANCES OF OTHER FUNDS OF THE GOVERNMENT</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the Other Funds Cash Book Balances		-	-		
<b>NOTE 14</b>					
<b>CLOSING CASH BOOK BALANCE OF FEDERAL PAY OFFICES/SUB-TREASURY OFFICES</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the FPO/Sub-Treasuries Cash Book Balances		-	-		
<b>NOTE 15</b>					
<b>CLOSING CASH BOOK BALANCE OF MAGAMA LOCAL GOVERNMENT</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Magama Local Government		23,562,405.04	26,996.31		
<b>Total Details of Cash Book Balances</b>		<b>23,562,405.04</b>	<b>26,996.31</b>		
<b>NOTE 16</b>					
<b>INVESTMENTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Investments in Quoted Companies		-	-		
Investments in unQuoted Companies		-	-		
Loans to Government Companies		-	-		
Loans to Other Government		-	-		
<b>Total Investments</b>		<b>-</b>	<b>-</b>		
<b>NOTE 17</b>					
<b>LIST OF OUTSTANDING IMPRESTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Imprests</b>		<b>-</b>	<b>-</b>		
<b>NOTE 18</b>					
<b>LIST OF OUTSTANDING ADVANCES</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Advances</b>		<b>-</b>	<b>-</b>		





<b>NOTE 19</b>					
<b>Revolving Loan Account</b>					
List the Loans	<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>	
Loan 1	-	-	-	-	
Loan 2	-	-	-	-	
Loan 3	-	-	-	-	
Loan 4	-	-	-	-	
<b>Total</b>	-	-	-	-	
<b>NOTE 20</b>					
<b>External Loans:FGN/States/ LGC</b>					
List the Loans	<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>	
Loan 1	-	-	-	-	
Loan 2	-	-	-	-	
Loan 3	-	-	-	-	
Loan 4	-	-	-	-	
<b>Total</b>	-	-	-	-	
<b>NOTE 21</b>					
<b>FGN/ States/LGC Bonds &amp; Treasury Bonds.</b>					
List the Loans	<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>	
Loan 1	-	-	-	-	
Loan 2	-	-	-	-	
Loan 3	-	-	-	-	
Loan 4	-	-	-	-	
<b>Total</b>	-	-	-	-	
<b>NOTE 22</b>					
<b>Internal Loan</b>					
<b>Opening balance at as 1st january, 2021</b>	<b>Amount 2021</b>	<b>Amount 2020</b>			
	184,000,000.00	-			
Add: Additional Loan Issued	-	224,000,000.00			
Less: Repaid	96,000,000.00	40,000,000.00			
<b>Loans as at 31st December, 2021</b>	<b>88,000,000.00</b>	<b>184,000,000.00</b>			
<b>NOTE 23</b>					
<b>Development Loan Stock</b>					
List the Loans	<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>	
Loan 1	-	-	-	-	
Loan 2	-	-	-	-	
Loan 3	-	-	-	-	
Loan 4	-	-	-	-	
<b>Total</b>	-	-	-	-	



**NOTE 24**

<b>Internal Loans from Other Funds</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-

**NOTE 25**

<b>Schedule of Deposit</b>		<b>Amount 2021</b>	<b>Amount 2020</b>
Magama Local Government		20,808,245.81	17,442,710.24
<b>Total Outstanding Deposits</b>		<b>20,808,245.81</b>	<b>17,442,710.24</b>

<b>Details Of Deposits</b>			
PAYE		218,011.39	218,011.39
5% Contract Tax		10,395,287.05	7,617,076.03
5% Value Added Tax (VAT)		8,700,703.61	8,687,951.03
1% Stamp Duty		1,494,243.76	919,671.79
<b>TOTAL</b>		<b>20,808,245.81</b>	<b>17,442,710.24</b>

**NOTE 26**

<b>Schedule of Overdrawn accounts</b>		<b>Amount 2021</b>	<b>Amount 2020</b>
Magama Local Government		-	-
<b>Total Overdrawn account</b>		-	-

**NOTE 27**

<b>CONTINGENT LIABILITES AS AT YEAR END</b>		<b>Amount 2021</b>	<b>Amount 2020</b>	
<b>E.G.</b>				<b>List All the Contigent Liabilities</b>
... Pension and Gratuity Due		-	-	
...Outstanding Contractors Liabilities ( According to MDA)		-	-	
.....Pending Litigations ( According to MDA)		-	-	
.....Guarantees ( According to MDA)		-	-	
..... Others		-	-	
<b>Total Contigent Liabilities</b>		-	-	

## SUPPLEMENTARY NOTE

1 GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)			
		2021	2020
	MONTH	TOTAL	TOTAL
	JANUARY	163,533,126.00	195,181,469.34
	FEBRUARY	171,673,177.70	180,324,678.51
	MARCH	141,983,556.63	161,067,216.28
	APRIL	159,960,885.02	182,910,757.50
	MAY	176,903,075.38	170,291,208.00
	JUNE	171,003,841.82	153,231,214.73
	JULY	203,439,298.13	186,030,787.44
	AUGUST	203,439,298.13	190,896,335.06
	SEPTEMBER	203,091,963.77	189,411,425.20
	OCTOBER	212,065,444.13	177,226,967.00
	NOVEMBER	201,777,099.54	160,013,037.49
	DECEMBER	198,271,333.23	157,502,187.61
	<b>TOTAL</b>	<b>2,207,142,099.48</b>	<b>2,104,087,284.16</b>
<b>INTERNELLY GENERATED REVENUE 2021</b>			
	<b>DETAILS</b>	<b>AMOUNT</b>	
	Taxes	-	
	Rates	455,000.00	
	Lincences	4,446,535.00	
	Earning	9,213,790.85	
	Rent	59,000.00	
	interest	-	
	10% IGR From State	25,723,459.41	
	<b>TOTAL</b>	<b>39,897,785.26</b>	



**1.1 INTRODUCTION 2021**

In compliance with the provision of section 125 (2) of 1999 Constitution of the Federal Republic of Nigeria and Niger State Local Government Law (N.S.L.N. No. 14) of 2001, I have examined the Accounts and Financial Statement of Magama Local Government for the year ended 31<sup>st</sup> December, 2021 in accordance with the Public Finance (Control Management Act. 1958).

I have therefore certified the accounts as correct subject to various observations raised and contained in this report while the irregularities discovered thereon had been forwarded through Audit Inspection reports to the attached for Accounting officer's comments and necessary actions

**2.0 FINANCIAL HIGHLIGHTS**

RECEIPTS DESCRIPTION	AMOUNT (?)	PERCENTAGE
Internally Generated Revenue	14,174,325.85	0.63%
10% IGR	25,723,459.41	1.15%
VAT	711,596,742.78	31.67%
Exchange Gain Differentials	5,488,327,.75	0.24%
Excess Crude Oil	41,087,798.79	1.83%
Non-Oil Revenue	45,190,581.15	2.01%
Statutory Allocation	1,403,788,649.01	62.47%
	<u>? 2,247,039,884.74</u>	<u>100.00%</u>

**2.1 ANALYSIS OF REVENUE AND EXPENDITURE****2.1.1 REVENUE**

The sum of ? 2,247,039,884.74 accrued to Magama Local Government Council as total receipts for the year ended 31<sup>st</sup> December, 2021

**2.1.1.1 INTERNALLY GENERATED REVENUE**

Magama Local Government Council generated the sum of ? 14,174,325.85 and ? 25,723,459.41 as Internally Generated Revenue and 10% IGR from State respectively, this amounted to a total of 39,897,785.26 only for the year ended 31<sup>st</sup> December, 2021 which represented 1.77% of the total accrued revenue of ? 2,247,039,884.74. This shows that the Council solely depends on statutory allocation from the Federation Account for survival despite my several advices to improve and explore other sources of revenue for the Council. This could result to non-survival of the councils if there is a decline of revenue from the Federation Account. I advise that the Council should make up extra efforts to generate more in the years ahead.



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**2.1.1.2 FEDERAL STATUTORY ALLOCATION**

The sum of ₦ 1,403,788,649.01 which is 62.47% of the total receipts of ₦ 2,247,039,884.74 was disbursed to Magama Local Government Council for the year under review. This sum comprises the followings:

- i. VAT
- ii. Exchange Gain Differentials
- iii. Excess Crude Oil
- iv. Non-Oil Revenue
- v. Statutory Allocation

**2.1.2 EXPENDITURE****2.1.2.1 ANALYSIS OF EXPENDITURE**

The total sum of ₦ 2,247,039,884.74 was allocated directly to Magama Local Government Council and expended as follows:

DETAILS	AMOUNT (₦ )	PERCENTAGE
i. Personnel cost	750,345,433.74	33.75%
ii. Overhead cost	166,156,673.46	7.47%
iii. Consolidated Fund charges	139,772,639.59	6.29%
iv. Operating Activities	362,632,130.73	16.31%
v. Other Transfers	611,140,401.30	27.48%
vi. Contributions	28,800,000.00	1.30%
vii. Repayment of Loans	96,000,000.00	4.32%
viii. Cash flow from investment	68,657,197.19	3.08%
	<b>2,223,504,476.01</b>	<b><u>100.00%</u></b>

**3.0 WEAKNESSES IN THE INTERNAL CONTROL SYSTEM**

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

**3.1. Unsupported payments by third party documentation**

I observed that most of the payment vouchers raised were not having documentary evidences such as delivery notes, Stores Received Vouchers, Stores Issues Vouchers, receipts etc. to justify the payments made. This implies some of the payments were made for goods not delivered or services not rendered.

I advised the Councils to ensure that all payments are supported appropriately.



**3.1. Unremitted WHT, VAT and STAMP DUTIES Deductions**

During the course of my audit I observed that, Magama Local Government Council had not remitted ₦ 20,590,234.42 to the appropriate authorities as at 31 December 2021. The outstanding amount comprises of N10,395,287.05 in respect of WHT, N8,700,703.61 in respect of VAT and N1,494,243.76 in respect of Stamp duty

This exposes the Local Government Council to the risk of payment of fines and penalties for late remittance.

I advised the Council to remit the outstanding deductions immediately and in future, the Council should ensure all deductions are made and remitted in accordance with the relevant guidelines.

**3.2. Payment Vouchers not checked nor passed by the Internal Audit Unit.**

During the course of our audit exercise, it was observed that despite being raised in our previous reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued in some cases which contravene chapter 14 section 1-19 of Model Financial Memoranda. The non-compliance was evidenced by the Payment Vouchers which were prepared and paid out without endorsement by the Internal Audit Unit and Officer Controlling the Vote and Checks by the Accounting Officer. This exposes the Council to fraudulent practices.

I advised the council to adhere strictly to the provisions of the Model Financial Memoranda.

**3.3. Non-maintenance of Fixed/Moveable Asset register.**

A Fixed Assets Register is a management tool to monitor and control use of assets. However, as pointed out in my previous reports, Magama Local Council did not maintain an up-to-date Fixed Assets Register during the year under review.

I advised the Council to ensure that an up-to-date Fixed Assets/Movable Assets Register is maintained.

**3.4. Non-maintenance of Loan/Overdraft Register/Ledger.**

We observed that Magama Local Government Council did not maintain Loans/Overdraft Register/Ledger during the year.

The risk is that the Council may not be able to reconcile loan balances with the lenders leading to overpayments or fines and penalties for under payments.

We recommend that the Council should immediately open and maintain Loans Register. In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that all issues raised above in this section should be addressed before my next audit



**4.0 BUDGETARY CONTROL****4.1 REVENUE COMPARISON**

During the year under review, there was a shortfall in the target of Internally Generated Revenue in Magama Local Government Council in all revenue codes as shown below:

**MAGAMA LOCAL GOVERNMENTS BUDGETED INTERNALLY GENERATED REVENUE COMPARED WITH ACTUAL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**

S/N	CODES	DETAILS	BUDGET ₦	ACTUAL ₦	SHORTFALL ₦
1	12010000	Taxes	350,000.00	-	(350,000.00)
2	12021700	Rates	6,656,000.00	455,000.00	(6,201,000.00)
3	12021300	Local Licenses, Fees, and Fine	11,034,000.00	4,446,535.00	(6,587,465.00)
4	12021500	Earning from Commercial undertakings	7,460,000.00	9,213,790.85	1,753,790.85
5	12021600	Rent on Local Government Properties	500,000.00	59,000.00	(441,000.00)
6	12021100	Interest	-	-	-
<b>TOTAL</b>			<b>26,000,000.00</b>	<b>14,174,325.85</b>	<b>(11,825,674.15)</b>

From the above table, it clearly shows that the Council rely solely on Statutory Allocation from the Federation Account for its survival despite the comparison between the total budgeted amount of ₦ 26,000,000.00 with actual Internally Generated Revenue of ₦ 14,174,325.85 Leaving the shortfall of ₦ 11,825,674.15 during the year under review.

This implies that the Council could not fully implement its planned programs during the financial year or the budget was not realistic.

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

- i. Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- ii. Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- iii. Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- iv. Control over issuance of revenue receipts
- v. Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.
- vi. The Council should ensure that realistic budgets are prepared.

**4.2 RECURRENT EXPENDITURE****4.2.1 PERSONNEL COST**

As regards to the personnel cost, it was observed that, the sum of ₦ 863,918,966.11 and ₦ 750,345,433.74 was spent as personnel cost in 2020 and 2021 respectively with an increase of ₦ 113,573,532.37 over the previous year. The increase represents 15.14% of personnel cost this was due to promotion of personnel's during the year under review.



**4.2.2 CAPITAL EXPENDITURE****4.2.2.1 CAPITAL PROJECT**

During the year under review it was observed that the sum of ₦ 68,657,197.19 was spent on capital project by Magama local Government Council. This was made by the council to boost the developmental activities in the Rural areas in which various Project were executed and some are still in progress. Though the were underutilized as approved capital expenditure Estimate was N820,330,979.00 and only the sum of ₦ 68,657,197.19 representing 8.37% was Expended leading to a variance of ₦ 751,673,781.81. The Auditor General has recommended that, I advised the council to ensure that estimate should be based on realistic and cognizance of Environmental factor, and the cashflow should be adequately monitored in order to reduce unnecessary expenses in overhead and give priority to capital project execution.

**5.0 ANALYSIS OF ASSETS AND LIABILITIES****5.1 ASSETS****5.1.1 CASH AND ITS EQUIVALENTS**

The closing cash and its equivalents amounted to the sum of ₦ 23,562,405.04k for Magama Local Government as at 31<sup>st</sup> December, 2021.

**5.2. LIABILITIES****5.2.1. DEPOSITS**

Deposits comprise unremitted statutory deductions and non-statutory deductions shown below.

• Statutory Deposits	₦ 20,590,234.42
• Non-Statutory Deposits	₦ 218,011.39
<b>TOTAL</b>	<b>₦ 20,808,245.81</b>

**5.2.1.1 UNREMITTED DEDUCTIONS**

The balance on the unremitted deductions account was ₦ 20,808,245.81 as at 31<sup>st</sup> December, 2021. The unremitted deductions include deductions from payments made on behalf of Government Agencies and various other bodies by the Local Government which ought to be promptly remitted to the appropriate authorities.

The management of Magama Local Government Council has been advised to ensure that all Deposits are remitted timely to avoid accumulating liabilities and attracting fines and penalties for the Local Government.

**5.2.1.2. BANK OVERDRAFTS**

The council has no bank overdraft during the year under review.

**6.0 OUTSTANDING ISSUES FROM THE AUDIT INSPECTION REPORT**

The following are outstanding issues from Inspection Report for the period under review.

**AGX/F.O.21/TA/MGM/VOL.I****Date = 23/03/2022**

- |   |   |                |
|---|---|----------------|
| i. Payment made without Chairman Approval | = | ₦ 1,255,000.00 |
|---|---|----------------|

Management promised to follow up and resolve the issue raised above.



NIGER STATE



We recommend that the management of Magama Local Government should ensure the issue raised above are adequately addressed.

**7.0 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, 2021

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



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# MARIGA LOCAL GOVERNMENT COUNCIL

## FINANCE & SUPPLY DEPARTMENT

ADDRESS:  
Local Government Secretariat,  
Kotonkoro-Bena Road,  
Bangi, Niger State,  
Nigeria

Our Ref: \_\_\_\_\_  
Your Ref: \_\_\_\_\_

Date: 08/02/2022

### MARIGA LOCAL GOVERNMENT STATEMENT OF FINANCIAL RESPONSIBILITY.

These financial statements have been prepared by the treasure of Mariga Local Government Council in accordance with the provision of the Finance (Control and Management) Act 1958 as amended. The Financial Statements compiler with general accepted accounting practices.

The treasury is responsible for establishment and maintaining a system of internal controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and properly record the use of all public financial resources by the Local Government Council to the best of my knowledge, this system at internal control has operated adequately throughout the reporting period.

Signed

Treasurer:   
Date: 8/02/2022

We accept responsibility of these financial statements, the information they contain and their compliance with the financial (Control and Management) Act 1958 as amended.

In our opinion, these financial statements fairly reflect the financial position of Mariga Local Government as at 31<sup>st</sup> December, 2021 and its operations for the year ended on the date.

Treasurer  
Date: 8/02/2022

Hon. Chairman  
Date: 8/02/2022



NIGER STATE

**NIGER STATE GOVERNMENT**

**MARIGA LOCAL GOVERNMENT COUNCIL  
ACCOUNTING POLICIES  
(IPSAS CASH)**

**ISSUED BY**

**OFFICE OF THE DIRECTOR FINANCE**

**MARIGA LOCAL GOVERNMENT COUNCIL**

**2021**



## List of Abbreviations/Acronyms

Abbreviation/Term	Description
CBN	Central Bank of Nigeria
COA	Chart of Account
FAAC	Federation Accounts Allocation Committee
FGN	Federal Government of Nigeria
FRC	Financial Reporting Council
GAAP	Generally Accepted Accounting Principles
GPFS	General Purpose Financial Statement
IPSAS	International Public Sector Accounting Standards
LFN	Law of the Federal Republic of Nigeria
LGC	Local Government Council
NCOA	National Chart of Account
GBE	Government Business Enterprises
FRCON	Financial Reporting Council of Nigeria
PPE	Properties, Plants and Equipment



**Introduction**

In line with the adoption of the International Public Sector Accounting Standards (IPSAS) in Nigeria, a Standardised Chart of Account (COA) alongside a set of General Purpose Financial Statements (GPFS) have been designed and introduced by FAAC for adoption by all tiers of Government in Nigeria.

The standardised COA and the GPFS is hereby adopted by Mariga Local Government Council to comply with FAAC directive to harmonise public sector accounts reporting in Nigeria.

In order to ensure an effective and efficient utilisation of the COA and GPFS, the Accounting Policies have been developed as a set of guidelines to direct the Processes and Procedures relating to financial reporting in Mariga Local Government Council.

These policies shall form part of the universally agreed framework for financial reporting in Mariga Local Government Council.

**IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when Cash (including Cash Equivalents) is received or paid by the Local Government. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of Cash raised during the period, the purposes for which Cash was used and the Cash balances at the reporting date. The measurement focus in the GPFS balances are Cash and changes during the period. Therefore, Bank Reconciliation Statement shall form integral part of periodic Reports in Mariga Local Government Council.

Notes to the GPFS provide additional information about liabilities, including payables and borrowings, and non-cash assets that include receivables, investments and property, plant and equipment.

This Accounting Policy addresses the following fundamental accounting issues:

1. Definition of Accounting Terminologies
2. Recognition of Accounting Items
3. Measurement of Accounting Items
4. Treatment of Accounting items

The Accounting Policy is subject to periodic reviews and updates as shall be deemed necessary by the Director Finance, Mariga Local Government Council.





S/N	Accounting Policies:	
1	<p><b>Accounting Terminologies / Definitions</b></p> <ol style="list-style-type: none"> <li>I. <b>Accounting policies</b> are the specific principles, bases, conventions, rules and practices adopted by Mariga Local Government Council in preparing and presenting Financial Statements.</li> <li>II. <b>Cash:</b> Cash comprises cash in hand, demand deposits in financial institutions and cash equivalents.</li> <li>III. <b>Cash equivalents</b> are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.</li> <li>IV. <b>Cash basis</b> means a basis of accounting that recognizes transactions and other events only when cash is received or paid.</li> <li>V. <b>Cash flows</b> are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.</li> <li>VI. <b>Cash receipts</b> are cash inflows.</li> <li>VII. <b>Cash payments</b> are cash outflows.</li> <li>VIII. <b>Cash Controlled by Mariga Local Government Council:</b> Cash is deemed to be controlled by Mariga Local Government Council when the government can freely use the available cash for the achievement of its objectives or enjoy benefit from the cash, and can also exclude or regulate the access of others to that benefit. Cash collected by, or appropriated or granted to the government which the government can freely use to fund its operating objectives, such as acquiring of capital assets or repaying its debt is controlled by the government.</li> <li>IX. <b>Notes to the GPFs</b> shall include narrative descriptions or more detailed schedules or analyses of amounts shown on the face of the GPFs, as well as additional information</li> </ol>	<p>2 <b>General Purpose Financial Statements (GPFS)</b></p> <p>The GPFS comprise of Statement of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by Mariga Local Government Council and Accounting Policies and Notes to the Financial Statements. In Mariga Local Government Council, the GPFS Accounting Policy include the following:</p> <ol style="list-style-type: none"> <li>I. Statement 1 - Cash Flow Statements: Statement of Cash Receipts and Payments which:             <ul style="list-style-type: none"> <li>▪ recognizes all Cash Receipts, Cash Payments and Cash Balances controlled by Mariga Local Government Council; and</li> <li>▪ separately identifies payments made by third parties on behalf of Mariga Local Government Council.</li> </ul> </li> <li>II. Statement 2 - Statement of Assets and Liabilities: Statement of Financial Position (also known as Balance Sheet);</li> <li>III. Statement 3 - Statement of Consolidated Revenue Fund: Statement of Recurrent Financial Performance (also known as Profit &amp; Loss Account);</li> <li>IV. Statement 4 - Statement of Capital Development Fund: Statement of Capital Financial Performance (also known as Capital Expenditure);</li> <li>V. Notes to the Accounts: Additional disclosures to explain the GPFS; and</li> <li>VI. Accounting Policies and Explanatory Notes.</li> </ol>





<p><b>3 Basis of Preparation and Legal Provisions</b></p> <p>The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, GPFS are in compliance with the provisions of other financial regulations of Mariga Local Government Council</p>	<p><b>6 Reporting Currency</b></p> <p>The General Purpose GPFS are prepared in Nigerian Naira.</p>
<p><b>4 Fundamental Accounting Concepts</b></p> <p>The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in Mariga Local Government Council</p> <ul style="list-style-type: none"> <li>? Cash Basis of Accounting;</li> <li>? Understability;</li> <li>? Materiality,</li> <li>? Relevance;</li> <li>? Going Concern Concept;</li> <li>? Consistency Concept</li> <li>? Prudence</li> <li>? Completeness, etc.</li> </ul>	<p><b>7 LGC for Consolidation</b></p> <ul style="list-style-type: none"> <li>▪ The Consolidation of the GPFS are based on the Cash transactions of Mariga Local Government Council except Government Business Enterprises (GBEs).</li> </ul>
<p><b>5 Accounting Period</b></p> <p>The accounting year (fiscal year) is from 1<sup>st</sup> January to 31<sup>st</sup> December. Each accounting year is divided into 12 calendar months (periods) and shall be set up as such in the accounting system.</p>	<p><b>8 Comparative Information</b></p> <ul style="list-style-type: none"> <li>▪ The General Purpose GPFS shall disclose all numerical information relating to previous period (at least one year).</li> </ul>
	<p><b>9 Budget Figures</b></p> <ul style="list-style-type: none"> <li>▪ These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation Law of Niger State.</li> </ul>
	<p><b>10 Receipts</b></p> <ul style="list-style-type: none"> <li>? These are Cash inflows within the Financial Year. They comprise of receipts from Statutory Allocations (FAAC monthly disbursement), Taxes, External Assistance (from Bilateral and Multilateral Agencies), Other Aid and Grants, Other Borrowings, Capital Receipts (Sale of Government Assets, etc), Receipts from Trading activities and Other Cash Receipts.</li> <li>? These items shall be disclosed at the face of the Statement of Cash Receipts and Payment for the year in accordance with the standardised GPFS. Notes shall be provided as per standardised Notes to GPFS.</li> </ul>



<p><b>11 External Assistance</b></p> <ul style="list-style-type: none"> <li>? Receipts from Loans are Funds received from external sources to be paid back at an agreed period of time. They are categorised either as Bilateral or Multilateral.</li> <li>? External Loans receipts shall be disclosed separately under Statement of Cash Receipts and Payment for the year.</li> <li>? The Local Governments did not receive external assistance during the two year.</li> </ul>	<p><b>15 Payments</b></p> <ul style="list-style-type: none"> <li>▪ These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorised either by Function and/or by Sector in the Statement of Cash Receipts and Payment.</li> <li>▪ Payments for purchase of items of capital nature( e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.</li> </ul>
<p><b>12 Other Borrowings / Grants&amp; Aid Received</b></p> <ul style="list-style-type: none"> <li>▪ These shall be categorised as either Short or Long term Loans.Short-Term Loans are those repayable within one calendar year (12 months), while Long - Term Loans and Debts shall fall due beyond one calendar year (above 12 months).Loans shall be disclosed separately and Grants shall also be separately disclosed under Statement of Cash Receipts and Payment for the year.</li> </ul>	<p><b>16 Loans Granted:</b></p> <ul style="list-style-type: none"> <li>▪ Payments to other Government and Agencies in form of Loans during the year shall be shown separately in the Statement of Receipts and Payments. Amount disclosed shall be actual amount paid during the year.</li> <li>▪ The Local Governments did not give any loan during the two year.</li> </ul>
<p><b>13 Interest Received</b></p> <ul style="list-style-type: none"> <li>? Interest actually received during the financial year shall be treated as a receipt</li> </ul>	<p><b>17 Loan Repayments</b></p> <p>Cash receipts from loans granted to other agencies and government shall be classified under loan repayments in the Statement of Receipts and Payments . Amount disclosed shall be actual amount received during the year.</p>
<p><b>14 Government Business Activities</b></p> <p>Cash Receipts from Trading Activities shall be received net (after deducting direct expenses) unless otherwise provided for by law or policy in force. Total receipts from all trading activities shall be disclosed in the Statement of Cash Receipts and Payments under 'Trading Activities' item.</p> <p>Where gross revenue is received, corresponding payments shall be charged under a corresponding payment item head ' Government Business Activities' in the Statement of Receipts and Payments.</p>	<p><b>18 Interest on Loans:</b></p> <ul style="list-style-type: none"> <li>▪ Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest payment in the Statement of Cash Receipts and Payments</li> </ul>



19	<p><b>Foreign Currency Transactions:</b></p> <ul style="list-style-type: none"> <li>▪ Foreign Currency Transactions throughout the year shall be converted into Nigerian Naira at the ruling (Central Bank of Nigeria –CBN) rate of exchange at the dates of the transactions. Foreign currency balances, as at the year end, shall be translated at the exchange rates prevailing on that date.</li> <li>▪ At the end of the financial year, additional amounts (in cash or at bank) arising out of Foreign Exchange Gains/Losses shall be recognised in the Statement of Cash Receipts and Payments either as Receipts / Payments respectively.</li> <li>▪ Hence the Mariga Local Government Council did not have foreign currency transactions during the two year.</li> </ul>
20	<p><b>Prepayments</b></p> <ul style="list-style-type: none"> <li>▪ Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.</li> <li>▪ The Local Governments did not make prepayment to contractors during the two year.</li> </ul>
21	<p><b>Cash Balances</b></p> <p>This includes Cash in Hand, at Bank and Cash Equivalentents at the end of the Financial year.</p>

**COUNCIL OFFICIALS**

- COUNCIL MEMBERS DESIGNATION:**

Honourable Idris Ibrahim	Executive Chairman
Honourable Musa Liman Adamu	Secretary

- HEAD OF DEPARTMENTS:**

<b>NAMES:</b>	<b>DEPARTMENTS</b>	<b>DESIGNATION</b>
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.



**AUDIT CERTIFICATE**

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, 2020 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 State Local Government Joint Account Allocation Committee are indicated in the Supplementary Note 1 to the Accounts. In my opinion, the Supplementary Note 1 to accounts presents fairly, in all material respects, the revenue from Federation Account received by Mariga Local Government during the year ended December 31st, 2020. In my opinion, the Financial Statements which are in agreement with the books of accounts and record shows a true and fair view of the financial position of the Mariga Local Government for the year ended 31st December, 2020 and the transactions for the year ended at that date.



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

**STATEMENT NO. 1**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ANNUAL BUDGET 2021 N		COA	NOTES	ACTUAL YEAR 2021 N	PREVIOUS YEAR 2020 N
	<b>CashFlows from Operating Activities:</b>				
	<u>Receipts:</u>				
2,049,935,964.00	Statutory Allocations:FAAC		1	1,662,573,514.18	2,296,408,976.83
579,055,246.00	Value Added Tax Allocation		1	736,985,754.13	-
<b>2,628,991,210.00</b>	<b>Sub-total - Statutory Allocation</b>			<b>2,399,559,268.31</b>	<b>2,296,408,976.83</b>
9,500,000.00	Direct Taxes		2	2,550,200.14	1,468,900.00
2,884,800.00	Licences		2	5,092,703.92	8,400,300.00
-	Mining Rents:		2	-	-
-	Royalties		2	-	-
-	Fees:		2	-	-
-	Fines		2	-	-
-	Sales		2	-	-
14,605,500.00	Earnings :		2	4,445,950.92	10,429,689.33
2,500,000.00	Sales/Rent of Government Buildings:		2	793,800.00	1,000.00
-	Sale/Rent on Lands and Others:		2	-	-
500,000.00	Rates		2	-	-
-	Investment Income		2	-	-
500,000.00	Interest Earned		2	-	-
147,447,704.00	10% IGR From State		2	25,723,459.41	22,002,508.32
<b>177,938,004.00</b>	<b>Sub-total - Independent Revenue</b>			<b>38,606,114.39</b>	<b>42,302,397.65</b>
-	<b>Other Revenue Sources of L/Government</b>			-	-
-	Domrstic Grants		3	-	21,747,549.18
	Grants From other LGs		3		
<b>2,806,929,214.00</b>	<b>Total Receipts</b>			<b>2,438,165,382.70</b>	<b>2,360,458,923.66</b>
	<u>Payments:</u>				
1,205,644,029.00	Personnel Costs ( Including Salaries on CRF Charges):		4	1,047,869,838.07	986,302,330.34
-	Federa/ States/ LGC Govt Contribution to Pension:		5	-	-
314,478,000.00	Overhead Charges:		6	335,305,621.68	271,179,299.74
93,421,736.00	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)		7	87,754,248.68	68,736,652.87
28,800,000.00	Subvention to Parastatals:		8	28,800,000.00	102,000,000.00
120,000,000.00	Other Operating Activities		9	193,677,512.60	332,557,231.82
503,246,393.54	Other Transfers		10	503,246,393.54	546,362,955.52
<b>2,265,590,158.54</b>	<b>Total Payments</b>			<b>2,196,653,614.57</b>	<b>2,307,138,470.29</b>
<b>541,339,055.46</b>	<b>Net Cash Flow from Operating Activities</b>			<b>241,511,768.13</b>	<b>53,320,453.37</b>



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	<b>CashFlows from Investment Activities:</b>				
141,660,393.00	Capital Expenditure:Administrative Sector:		12	30,780,000.00	89,800,000.00
77,648,652.00	Capital Expenditure: Economic Sector:		12	34,961,908.36	49,221,520.00
-	Capital Expenditure: Law and Justice:		12	-	-
-	Capital Expenditure:Regional Development		12	-	-
210,877,391.00	capital expenditure: Social Service Sector:		12	33,960,000.00	133,676,020.00
-	Capital Expenditure: Funded from Aid and Grants:		11	-	-
<b>430,186,436.00</b>	<b>Net Cash Flow from Investment Activities:</b>			<b>99,701,908.36</b>	<b>272,697,540.00</b>
	<b>CashFlows from Financing Activities:</b>				
-	Proceeds from Aid and Grants		11	-	-
-	Proceeds from ExternaL Loan :		20	-	-
-	Proceeds from Internal Loans: FGN/Treasury Bonds :		21	-	-
-	Proceeds from InternalL Loan		22	-	224,000,000.00
-	Proceeds from Development of Nat Resources		23	-	-
-	Proceeds of Loans from Other Funds		24	-	-
-	Repayment of External Loans ( Including Servicing)		20	-	-
-	Repayment of FGN/Treasury Bonds :		21	-	-
96,000,000.00	Repayment of Internal Loan		22	96,000,000.00	40,000,000.00
-	Repayment of Loans from Development of Nat Resources		23	-	-
-	Repayment of Loans from Other Funds		24	-	-
<b>96,000,000.00</b>	<b>Net Cash Flow from Financing Activities:</b>			<b>96,000,000.00</b>	<b>184,000,000.00</b>
	<b>Movement in Other Cash Equivalent Accounts</b>				
-	(Increase)/ Decrease in Investments			-	-
-	Net (Increase)/Decrease in Other Cash Equivalents:			-	-
-	<b>Total Cashflow from other Cash equivalent Accounts</b>			<b>-</b>	<b>-</b>
-	Net Cash for the year			45,809,859.77	35,377,086.63
-	Cash & Its Equivalent as at 1st January, 2021			2,204,517.63	37,581,604.26
-	Cash & Its Equivalent as at 31st December, 2021			<b>48,014,377.40</b>	<b>2,204,517.63</b>



**STATEMENT NO. 2**  
**STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	NOTES	CURRENT YEAR 2021 N	PREVIOUS YEAR 2020 N
<b><u>ASSETS:-</u></b>			
<b>Liquid Assets:-</b>			
Cash Held by AGF:			
-CRF Bank Balance(CBN/ CRF Bank):		-	-
-Pension Account (CBN/ Bank):		-	-
-Other Bank of the Treasury		-	-
-Cash Balances of Trust & Other Funds of the FGN/ States/LGC:		-	-
-Cash Balances with Federal Pay Offices/ Sub-Treasury:		-	-
Cash Held by Agaie Local Government	15	48,014,377.40	2,204,517.63
<b>TOTAL LIQUID ASSETS</b>		<b>48,014,377.40</b>	<b>2,204,517.63</b>
<b>Investments and Other Cash Assets:</b>			
Federal/ State/ Local Government Investments	16	-	-
Imprests:-	17	-	-
Advances:-	18	-	-
Revolving Loans Granted:-	19	-	-
Intangible Assets		-	-
<b>TOTAL INVESTMENTS AND OTHER CASH ASSETS</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>48,014,377.40</b>	<b>2,204,517.63</b>
<b>LIABILITIES OVER ASSETS</b>		<b>119,594,570.97</b>	<b>167,073,074.92</b>
<b>TOTAL</b>		<b>167,608,948.37</b>	<b>169,277,592.55</b>
<b><u>LIABILITIES:-</u></b>			
<b><u>PUBLIC FUNDS</u></b>			
Consolidated Revenue Fund:		48,014,377.40	33,172,569.00
Capital Development Fund:		-	-
Trust & Other Public Funds:		-	-
Police Reward Fund		-	-
<b>TOTAL PUBLIC FUNDS</b>		<b>48,014,377.40</b>	<b>33,172,569.00</b>
<b><u>EXTERNAL AND INTERNAL LOANS</u></b>			
External Loans:FGN/States/ LGC	20	-	-
FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-
internal Loans	22	88,000,000.00	184,000,000.00
Development Loan Stock	23	-	-
Loan From other Funds	24	-	-
Internal Loans from Other Funds		-	-
<b>TOTAL EXTERNAL AND INTERNAL LOANS</b>		<b>88,000,000.00</b>	<b>184,000,000.00</b>
<b><u>OTHER LIABILITIES</u></b>			
Deposits:-	25	31,594,570.97	18,354,265.67
Overdrawn accounts	26	-	95,895.88
<b>TOTAL LIABILITIES</b>		<b>167,608,948.37</b>	<b>169,277,592.55</b>



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## STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021

ACTUAL PREVIOUS YEAR(2020)		NOTES	ACTUAL YEAR 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	VARIANCE ON FINAL BUDGET
			N-	N-	N-	N-	%
37,581,604.26	Opening Balance:		2,204,517.63				
	<b>ADD: REVENUE</b>						
2,296,408,976.83	Statutory Allocations:FAAC	1	1,662,573,514.18	2,049,935,964.00	2,049,935,964.00	-	81.10
-	Value Added Tax Allocation	1	736,985,754.13	579,055,246.00	579,055,246.00	-	-
<b>2,333,990,581.09</b>	<b>Sub-Total - Statutory Allocation</b>		<b>2,399,559,268.31</b>	<b>2,628,991,210.00</b>	<b>2,628,991,210.00</b>	-	-
1,468,900.00	Direct Taxes	2	2,550,200.14	9,500,000.00	9,500,000.00	-	-
8,400,300.00	Licences	2	5,092,703.92	2,884,800.00	2,884,800.00	-	176.54
-	Mining Rents:	2	-	-	-	-	-
-	Royalties	2	-	-	-	-	-
-	Fees:	2	-	-	-	-	-
-	Fines	2	-	-	-	-	-
-	Sales	2	-	-	-	-	-
10,429,689.33	Earnings :	2	4,445,950.92	14,605,500.00	14,605,500.00	-	30.44
1,000.00	Sales/Rent of Government Buildings:	2	793,800.00	2,500,000.00	2,500,000.00	-	-
-	Sale/Rent on Lands and Others:	2	-	-	-	-	-
-	RATES	2	-	500,000.00	500,000.00	-	0.00
-	Investment Income	2	-	-	-	-	-
-	Interest Earned	2	-	500,000.00	500,000.00	-	-
22,002,508.32	10% IGR From State	2	25,723,459.41	147,447,704.00	147,447,704.00	-	-
<b>42,302,397.65</b>	<b>Sub-Total - Independent Revenue</b>		<b>38,606,114.39</b>	<b>168,438,004.00</b>	<b>168,438,004.00</b>	-	22.92
-	<b>Other Revenue Sources of L/Government</b>	3	-	-	-	-	-
21,747,549.18	Domestic Grants		-	-	21,747,549.18	-	-
-	## Grants From other LGs		-	-	-	-	-
<b>2,398,040,527.92</b>	<b>TOTAL REVENUE:</b>		<b>2,440,369,900.33</b>	<b>2,806,929,214.00</b>	<b>2,806,929,214.00</b>	-	-
	<b>LESS:EXPENDITURE</b>						
986,302,330.34	Personnel Costs ( Including Salaries on CRF Charges):	4	1,047,869,838.07	1,205,644,029.00	1,205,644,029.00	-	86.91
-	Federa/ States/ LGC Govt Contribution to Pension:	5	-	-	-	-	-
271,179,299.74	Overhead Charges:	6	335,305,621.68	314,478,000.00	314,478,000.00	-	106.62
68,736,652.87	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)	7	87,754,248.68	93,421,736.00	93,421,736.00	-	93.93
102,000,000.00	Subvention to Parastatals:	8	28,800,000.00	28,800,000.00	28,800,000.00	-	100.00
332,557,231.82	Other Operating Activities	9	193,677,512.60	120,000,000.00	120,000,000.00	-	161.40
546,362,955.52	Other Transfers	10	503,246,393.54	503,246,393.54	503,246,393.54	-	100.00
<b>2,307,138,470.29</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,196,653,614.57</b>	<b>2,265,590,158.54</b>	<b>2,265,590,158.54</b>	-	96.96
	<b>OTHER RECURRENT PAYMENTS/EXPENDITURE:</b>						
-	Repayments:External Loans:FGN/States/ LGC	19	-	-	-	-	-
-	Repayments:FGN/ States/LGC Bonds & Treasury Bonds.	20	-	-	-	-	-
-	Repayments :Nigerian Treasury Bills (NTB)	21	-	-	-	-	-
40,000,000.00	Repayments:Internal Loans	22	96,000,000.00	96,000,000.00	96,000,000.00	-	-
-	Repayments: Internal Development Loans Stock	23	-	-	-	-	-
-	Repayments:Other Internal Loans( Promissory Notes)	24	-	-	-	-	-
<b>2,347,138,470.29</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,292,653,614.57</b>	<b>2,361,590,158.54</b>	<b>2,361,590,158.54</b>	-	-
<b>50,902,057.63</b>	<b>OPERATING BALANCE:</b>		<b>147,716,285.76</b>	<b>445,339,055.46</b>	<b>445,339,055.46</b>	-	-
	<b>APPROPRIATIONS/TRANSFERS:</b>						
48,697,540.00	Transfer to Capital Development Fund:		99,701,908.36	430,186,436.00	430,186,436.00	-	23.18
<b>2,204,517.63</b>	<b>Closing Balance:</b>		<b>48,014,377.40</b>				



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**STATEMENT NO. 4**  
**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ACTUAL PREVIOUS YEAR(2020)		NOTES	TOTAL CAPITAL EXPENDITURE 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	PERFORMANCE ON TOTAL
N			N		N		%
-	Opening Balance:		-				
	<b><u>ADD: REVENUE</u></b>						
48,697,540.00	Transfer from Consolidated Revenue Fund:		99,701,908.36	430,186,436.00	430,186,436.00	-	23.18
-	Aid and Grants	11	-	-	-	-	-
-	External Loans:FGN/States/ LGC	20	-	-	-	-	-
-	FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-	-	-	-
224,000,000.00	Internal Loan	22	-	-	-	-	#DIV/0!
-	Development Loan Stock	23	-	-	-	-	-
-	Loan From Other Funds	24	-	-	-	-	-
<b>272,697,540.00</b>	<b>TOTAL REVENUE AVAILABLE:</b>		<b>99,701,908.36</b>	<b>430,186,436.00</b>	430,186,436.00	-	23.18
	<b><u>LESS: CAPITAL EXPENDITURE</u></b>						
89,800,000.00	Capital Expenditure:Administrative Sector:	12	30,780,000.00	141,660,393.00	141,660,393.00	-	21.73
49,221,520.00	Capital Expenditure: Economic Sector:	12	34,961,908.36	77,648,652.00	77,648,652.00	-	45.03
-	Capital Expenditure: Law and Justice:	12	-	-	-	-	-
-	Capital Expenditure:Regional Development	12	-	-	-	-	-
133,676,020.00	Capital Expenditure: Social Service Sector:	12	33,960,000.00	210,877,391.00	210,877,391.00	-	16.10
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-	-	-	-
<b>272,697,540.00</b>	<b>TOTAL CAPITAL EXPENDITURE:</b>		<b>99,701,908.36</b>	<b>430,186,436.00</b>	<b>430,186,436.00</b>	-	23.18
	Intangible Assets		-				
-	<b>CLOSING BALANCE:</b>		-				



**NOTE TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

<i>Details</i>					
<b>NOTE 1</b>	<b>Ref. Note</b>	<b>Amount</b>	<b>Amount</b>		<b>Remarks</b>
		<b>N</b>	<b>N</b>		
<b>A- Share of Statutory Allocation from FAAC</b>					
Net Share of Statutory Allocation from FAAC	<b>A</b>	1,560,963,414.46			
Add :Deduction at source for Loan Repayment	<b>B</b>	-			
Share of Exchange Gain Differencial	<b>C</b>	6,077,035.38			
Share of Federal Accounts Allocation- Excess Crude Oil	<b>D</b>	45,495,097.44			
<b>Non-oil Revenue</b>	<b>E</b>	50,037,966.90			
<b>Total FAAC Allocation to LG</b>			<b>1,662,573,514.18</b>		
<b>B. Value Added Tax</b>					
Share of Value Added Tax (VAT)		736,985,754.13	736,985,754.13		
<b>Total Statutory Allocation to LG</b>			<b>2,399,559,268.31</b>		

**NOTE 2**

<b>Internally Generated Revenue (Independent Revenue)</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	
<b>Direct Taxes</b>				
Mariga local government Internal Revenue	2,550,200.14	9,500,000.00	6,949,799.86	
<b>Total - Direct Taxes</b>	<b>2,550,200.14</b>	<b>9,500,000.00</b>	<b>6,949,799.86</b>	
<b>Licences</b>				
Mariga local government Internal Revenue	5,092,703.92	2,884,800.00	- 2,207,903.92	
<b>Total Licences</b>	<b>5,092,703.92</b>	<b>2,884,800.00</b>	<b>- 2,207,903.92</b>	
<b>Mining Rents</b>				
Mariga local government Internal Revenue	-	-	-	
<b>Total Mining Rents</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Royalties</b>				
Mariga local government Internal Revenue	-	-	-	
<b>Total Royalties</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Fees</b>				
Mariga local government Internal Revenue	-	-	-	
<b>Total Fees</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Fines</b>				
Mariga local government Internal Revenue	-	-	-	
<b>Total Fines</b>	<b>-</b>	<b>-</b>	<b>-</b>	



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<b>Sales</b>				
Mariga local government Internal Revenue		-	-	-
<b>Total Sales</b>		-	-	-
<b>Earnings</b>				
Mariga local government Internal Revenue		4,445,950.92	14,605,500.00	10,159,549.08
<b>Total Earnings</b>		<b>4,445,950.92</b>	<b>14,605,500.00</b>	<b>10,159,549.08</b>
<b>Sales/Rent of Government Buildings</b>				
Mariga local government Internal Revenue		793,800.00	2,500,000.00	1,706,200.00
<b>Total Sales/Rent of Government Buildings</b>		<b>793,800.00</b>	<b>2,500,000.00</b>	<b>1,706,200.00</b>
<b>Sale/Rent on Lands and Others:</b>				
Mariga local government Internal Revenue		-	-	-
<b>Total Sale/Rent on Lands and Others</b>		-	-	-
<b>Rates</b>				
Mariga local government Internal Revenue		-	500,000.00	500,000.00
<b>Total Rates</b>		-	<b>500,000.00</b>	<b>500,000.00</b>
<b>Investment Income</b>				
Mariga local government Internal Revenue		-	-	-
<b>Total Investment Income</b>		-	-	-
<b>Interest Earned</b>				
Mariga local government Internal Revenue		-	500,000.00	500,000.00
<b>Total Interest Earned</b>		-	<b>500,000.00</b>	<b>500,000.00</b>
<b>10% IGR From State</b>				
Mariga local government Internal Revenue		25,723,459.41	147,447,704.00	121,724,244.59
<b>Total 10% IGR From State</b>		<b>25,723,459.41</b>	<b>147,447,704.00</b>	<b>121,724,244.59</b>
<b>Total - Independent Revenue</b>		<b>38,606,114.39</b>	<b>177,938,004.00</b>	<b>139,331,889.61</b>



<b>NOTE 3</b>					
<b>Other Revenue Sources of L/Govt:</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Domestic Grants		-	-	-	
<b>Total Domestic Grants</b>		-	-	-	
Grant from other LGs		-	-	-	
<b>Total Grant from other LGs</b>		-	-	-	
<b>NOTE 4</b>					
<b>A - Total Personnel Costs ( Including Salaries directly charged to CRF in Note 4B below):</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		8,223,595.52	26,989,989.00	18,766,393.48	
The Council		27,253,062.92	59,077,590.00	31,824,527.08	
Office Of The Secretary		11,896,105.64	3,351,328.00	8,544,777.64	
Personnel Management		42,695,398.90	45,663,608.00	2,968,209.10	
<b>TOTAL Personnel Cost Administrative Sector</b>		<b>90,068,162.98</b>	<b>135,082,515.00</b>	<b>45,014,352.02</b>	
					CRF Charges in Note 3
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		49,754,863.55	52,773,857.00	3,018,993.45	
Budget, Planning & Research		-	2,980,639.00	2,980,639.00	
Works And Housing		35,952,353.57	36,454,902.00	502,548.43	
Agriculture And Natural Resources		41,678,602.13	43,922,544.00	2,243,941.87	
<b>TOTAL Personnel Cost Economic Sector</b>		<b>127,385,819.25</b>	<b>136,131,942.00</b>	<b>8,746,122.75</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		382,059,510.67	400,340,793.00	18,281,282.33	
Primary Health Cure		395,451,415.13	426,106,971.00	30,655,555.87	
Social Development		32,621,363.29	77,787,269.00	45,165,905.71	
Traditional Council		20,283,566.75	30,194,539.00	9,910,972.25	
<b>Total Personnel Cost Social Sector</b>		<b>830,415,855.84</b>	<b>934,429,572.00</b>	<b>104,013,716.16</b>	
<b>Total Personnel Cost For All Sectors</b>		<b>1,047,869,838.07</b>	<b>1,205,644,029.00</b>	<b>157,774,190.93</b>	
<b>B- Salaries directly charged to CRF( included in Note 4A above)</b>					
<b>List of Parastatals and Agencies:</b>					
Auditor -General for Local Government		-	-	-	
e.t.c.		-	-	-	
<b>Total</b>		<b>1,047,869,838.07</b>	<b>1,205,644,029.00</b>	<b>67,973,747.66</b>	



<b>NOTE 5</b>					
<b>Employers Contribution to Pension according to Sector</b>					
Administrative Sector		-	-	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Employers Contribution to Pension</b>		-	-	-	
<b>NOTE 6</b>					
<b>Overhead Costs</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		133,710,461.52	137,000,000.00	3,289,538.48	
The Council		19,000,000.00	19,000,000.00	-	
Office Of The Secretary		4,000,000.00	6,200,000.00	2,200,000.00	
Personnel Management		12,500,000.00	12,500,000.00	-	
<b>Total Overhead Cost Administrative Sector</b>		<b>169,210,461.52</b>	<b>174,700,000.00</b>	<b>5,489,538.48</b>	
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		135,122,370.95	145,000,000.00	9,877,629.05	
Budget, Planning & Research		742,000.00	3,500,000.00	2,758,000.00	
Works And Housing		8,590,739.21	12,000,000.00	3,409,260.79	
Agriculture And Natural Resources		7,000,000.00	8,000,000.00	1,000,000.00	
<b>TOTAL Overhead Cost Economic Sector</b>		<b>151,455,110.16</b>	<b>122,778,000.00</b>	<b>17,044,889.84</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		-	-	-	
Primary Health Cure		10,000,000.00	10,000,000.00	-	
Social Development		4,500,000.00	4,000,000.00	- 500,000.00	
Traditional Council		140,050.00	3,000,000.00	2,859,950.00	
<b>Total Overhead Cost Social Sector</b>		<b>14,640,050.00</b>	<b>17,000,000.00</b>	<b>2,359,950.00</b>	
<b>Total Overhead Cost For All Sectors</b>		<b>335,305,621.68</b>	<b>314,478,000.00</b>	<b>24,894,378.32</b>	



<b>NOTE 7</b>					
<b>Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Monthly Pension		87,754,248.68	93,421,736.00	5,667,487.32	
<b>Total Consolidated Revenue Fund Charges</b>		<b>87,754,248.68</b>	<b>93,421,736.00</b>	<b>5,667,487.32</b>	
<b>NOTE 8</b>					
<b>Subventions to Parastatals (According to Sectors-List)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		28,800,000.00	28,800,000.00	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Subventions to Parastatals</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	
<b>NOTE 9</b>					
<b>Other Operating Activities</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		193,677,512.60	120,000,000.00	- 73,677,512.60	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Other Operating Activities</b>		<b>193,677,512.60</b>	<b>120,000,000.00</b>	<b>- 73,677,512.60</b>	
<b>NOTE 10</b>					
<b>Other Transfer</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		19,200,000.00	19,200,000.00	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		20,940,000.00	20,940,000.00	-	
<b>sub-total</b>		<b>40,140,000.00</b>	<b>40,140,000.00</b>	<b>-</b>	
Transfers to other local governments		463,106,393.54	463,106,393.54	-	
<b>Total Other Transfer</b>		<b>503,246,393.54</b>	<b>503,246,393.54</b>	<b>-</b>	
<b>NOTE 11</b>					
<b>Details of Aid &amp; Grants Received</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
<b>Bilateral</b>		-	-	-	
<b>Multi Lateral</b>		-	-	-	
<b>ETC</b>		-	-	-	
<b>Total Details of Aid &amp; Grants Received</b>		<b>-</b>	<b>-</b>	<b>-</b>	



<b>NOTE 12</b>					
<b>A - Details of Total Capital Expenditures (According to Sectors)</b>					
		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		30,780,000.00	141,660,393.00	110,880,393.00	
Economic Sector		34,961,908.36	77,648,652.00	42,686,743.64	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		33,960,000.00	210,877,391.00	176,917,391.00	
<b>Total Details of Capital Expenditures</b>		<b>99,701,908.36</b>	<b>430,186,436.00</b>	<b>330,484,527.64</b>	
<b>NOTE 12</b>					
<b>B - Details of Capital Expenditures of Parastatals (Included in 12A' above)</b>					
		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		-	-	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Details of Capital Expenditures of Parastatals</b>		<b>-</b>	<b>-</b>	<b>-</b>	
<b>NOTE 13</b>					
<b>CLOSING BOOK BALANCES OF OTHER FUNDS OF THE GOVERNMENT</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the Other Funds Cash Book Balances		-	-		
<b>NOTE 14</b>					
<b>CLOSING CASH BOOK BALANCE OF FEDERAL PAY OFFICES/SUB-TREASURY OFFICES</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the FPO/Sub-Treasuries Cash Book Balances		-	-		
<b>NOTE 15</b>					
<b>CLOSING CASH BOOK BALANCE OF MARIGA LOCAL GOVERNMENT</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Mariga Local Government		48,014,377.40	2,204,517.63		
<b>Total Details of Cash Book Balances</b>		<b>48,014,377.40</b>	<b>2,204,517.63</b>		





<b>NOTE 16</b>					
<b>INVESTMENTS</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Investments in Quoted Companies		-	-		
Investments in unQuoted Companies		-	-		
Loans to Government Companies		-	-		
Loans to Other Government		-	-		
<b>Total Investments</b>		-	-		
<b>NOTE17</b>					
<b>LIST OF OUTSTANDING IMPRESTS</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Imprests</b>		-	-		
<b>NOTE 18</b>					
<b>LIST OF OUTSTANDING ADVANCES</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Advances</b>		-	-		
<b>NOTE 19</b>					
<b>Revolving Loan Account</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-



<b>NOTE 20</b>					
<b>External Loans:FGN/States/ LGC</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 21</b>					
<b>FGN/ States/LGC Bonds &amp; Treasury Bonds.</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 22</b>					
<b>Internal Loan</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>Opening balance at as 1st january, 2021</b>		184,000,000.00	-		
Add: Additional Loan Issued		-	224,000,000.00		
Less: Repaid		96,000,000.00	40,000,000.00		
<b>Loans as at 31st December, 2021</b>		<b>88,000,000.00</b>	<b>184,000,000.00</b>		
<b>NOTE 23</b>					
<b>Development Loan Stock</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-



<b>NOTE 24</b>					
<b>Internal Loans from Other Funds</b>					
List the Loans		<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-

<b>NOTE 25</b>			
<b>Schedule of Deposit</b>			
	<b>Amount 2021</b>	<b>Amount 2020</b>	
Mariga Local Government	31,594,570.97	18,354,265.67	
<b>Total Outstanding Deposits</b>	<b>31,594,570.97</b>	<b>18,354,265.67</b>	
<b>Details Of Deposits</b>			
Pay as You Earn (PAYE)	30,243.79	30,243.79	
Development Levy	-	-	
MHWUN	889.31	889.31	
NULGE	428.12	428.12	
5% Withholding Tax	18,427,846.39	12,115,203.26	
5% VAT	9,892,970.99	3,780,327.86	
Retention Fees	6,133.86	6,133.68	
1% Stamp Duty Charges	3,236,058.51	2,421,039.65	
<b>TOTAL</b>	<b>31,594,570.97</b>	<b>18,354,265.67</b>	

<b>NOTE 26</b>			
<b>Schedule of Overdrawn accounts</b>			
	<b>Amount 2021</b>	<b>Amount 2020</b>	
Mariga Local Government	-	95,895.88	
<b>Total Overdrawn account</b>	<b>-</b>	<b>95,895.88</b>	

<b>NOTE 27</b>			
<b>CONTINGENT LIABILITES AS AT YEAR END</b>			
	<b>Amount 2021</b>	<b>Amount 2020</b>	
<b>E.G.</b>			<b>List All the Contigent Liabilities</b>
... Pension and Gratuity Due	-	-	
....Outstanding Contractors Liabilities ( According to MDA)	-	-	
.....Pending Litigations ( According to MDA)	-	-	
.....Guarantees ( According to MDA)	-	-	
..... Others	-	-	
<b>Total Contigent Liabilities</b>	<b>-</b>	<b>-</b>	

**SUPPLEMENTARY NOTE**

1	<b>GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)</b>		
		<b>2021</b>	<b>2020</b>
	<b>MONTH</b>	<b>TOTAL</b>	<b>TOTAL</b>
	JANUARY	177,571,465.46	213,269,276.63
	FEBRUARY	186,190,761.59	197,115,031.22
	MARCH	154,835,671.90	175,921,058.20
	APRIL	173,328,709.93	199,573,344.90
	MAY	192,146,330.58	186,287,245.37
	JUNE	185,525,604.16	167,101,601.79
	JULY	222,111,273.18	202,836,755.47
	AUGUST	222,111,273.18	208,149,414.06
	SEPTEMBER	221,035,606.07	206,714,942.09
	OCTOBER	230,694,839.68	193,446,738.69
	NOVEMBER	219,375,177.23	174,674,497.42
DECEMBER	214,632,555.35	171,319,070.99	
<b>TOTAL</b>	<b>2,399,559,268.31</b>	<b>2,296,408,976.83</b>	

<b>INTERNELLY GENERATED REVENUE 2021</b>	
<b>DETAILS</b>	<b>AMOUNT</b>
Taxes	2,550,200.14
Rates	-
Lincences	5,092,703.92
Earning	4,445,950.92
Rent	793,800.00
interest	-
10% IGR From State	25,723,459.41
<b>TOTAL</b>	<b>38,606,114.39</b>



**1.1 INTRODUCTION**

In compliance with the provision of section 125 (2) of 1999 Constitution of the Federal Republic of Nigeria and Niger State Local Government Law (N.S.L.N. No. 14) of 2001, I have examined the Accounts and Financial Statement of Mariga Local Government for the year ended 31<sup>st</sup> December, 2021 in accordance with the Public Finance (Control Management Act. 1958).

I have therefore certified the accounts as correct subject to various observations raised and contained in this report while the irregularities discovered thereon had been forwarded through Audit Inspection reports to the attached Accounting officer`s for their comments and necessary actions

**2.0 FINANCIAL HIGHLIGHTS**

RECEIPTS DESCRIPTION		PERCENTAGE
Internally Generated Revenue	12,882,654.98	0.53%
10% IGR	25,723,459.41	1.06%
VAT	736,985,754.13	30.23%
Exchange Gain Differentials	6,077,035.38	0.25%
Excess Crude Oil	45,495,097.44	1.86%
Non-Oil Revenue	50,037,966.90	2.05%
Statutory Allocation	1,560,963,414.46	64.02%
	<b><u>2,438,165,382.70</u></b>	<b><u>100.01%</u></b>

**2.1 ANALYSIS OF REVENUE AND EXPENDITURE****2.1.1 REVENUE**

The sum of ₦ 2,438,165,382.70 accrued to Mariga Local Government Council as total receipts for the year ended 31<sup>st</sup> December, 2021

**2.1.1.1 INTERNALLY GENERATED REVENUE**

Mariga Local Government Council generated the sum of ₦ 12,882,654.98 and ₦ 25,723,459.41 as Internally Generated Revenue and 10% IGR from State respectively, this amounted to a total of ₦ 38,606,114.39 only for the year ended 31<sup>st</sup> December, 2021 which represented 1.59% of the total accrued revenue of ₦ 2,438,165,382.70. This shows that the Council solely depends on statutory allocation from the Federation Account and grants from other sources for survival despite my several advices to improve and explore other sources of revenue for the Council. This could result to non-survival of the councils if there is a decline of revenue from the Federation Account.

I advise that the Council should make up extra efforts to generate more in the years ahead.

**2.1.1.2 FEDERAL STATUTORY ALLOCATION**

The sum of ₦ 1,560,963,414.46 which is 64.02% of the total receipts of ₦ 2,438,165,382.70 was disbursed to Mariga Local Government Council for the year under review. This sum comprises the followings:

- i. VAT
- ii. Exchange Gain Differentials
- iii. Excess Crude Oil
- iv. Non-Oil Revenue
- v. Statutory Allocation

**2.1.2 EXPENDITURE****2.1.2.1 ANALYSIS OF EXPENDITURE**

The total sum of ₦ 2,438,165,382.70 was allocated directly to Mariga Local Government Council and expended as follows:

DETAILS	AMOUNT (₦ )	PERCENTAGE
i. Personnel cost	1,047,869,838.07	43.80%
ii. Overhead cost	335,305,621.68	14.02%
iii. Consolidated Fund charges	87,754,248.68	3.67%
iv. Operating Activities	193,677,512.60	8.09%
v. Other Transfers	503,246,393.54	21.03%
vi. Contributions	28,800,000.00	1.20%
vii. Repayment of Loans	96,000,000.00	4.01%
viii. Cash flow from investment	99,701,908.36	4.18%
	<b><u>2,392,355,522.93</u></b>	<b><u>100.00%</u></b>

**3.0 WEAKNESSES IN THE INTERNAL CONTROL SYSTEM**

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

**3.1. Unremitted WHT, VAT and STAMPDUTIES Deductions**

During the course of my audit I observed that, Mariga Local Government Council had not remitted ₦ 31,556,875.89 to the appropriate authorities as at 31 December 2021. The outstanding amount comprises of N18,427,846.39 in respect of WHT, N9,892,970.99 in respect of VAT and N3,236,058.51 in respect of Stamp duty

This exposes the Local Government Council to the risk of payment of fines and penalties for late remittance.

I advised the Council to remit the outstanding deductions immediately and in future, the Council should ensure all deductions are made and remitted in accordance with the relevant guidelines.



**3.1. Payment Vouchers not checked nor passed by the Internal Audit Unit.**

During the course of our audit exercise, it was observed that despite being raised in our previous reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued in some cases which contravene chapter 14 section 1-19 of Model Financial Memoranda. The non-compliance was evidenced by the Payment Vouchers which were prepared and paid out without endorsement by the Internal Audit Unit and Officer Controlling the Vote and Checks by the Accounting Officer. This exposes the Council to fraudulent practices.

I advised the council to adhere strictly to the provisions of the Model Financial Memoranda.

**3.2. Non-maintenance of Fixed/Moveable Asset register.**

A Fixed Assets Register is a management tool to monitor and control use of assets. However, as pointed out in my previous reports, Mariga Local Council did not maintain an up-to-date Fixed Assets Register during the year under review.

I advised the Council to ensure that an up-to-date Fixed Assets/Movable Assets Register is maintained.

**3.3. Non-maintenance of Loan/Overdraft Register/Ledger.**

We observed that Mariga Local Government Council did not maintain Loans/Overdraft Register/Ledger during the year.

The risk is that the Council may not be able to reconcile loan balances with the lenders leading to overpayments or fines and penalties for under payments.

We recommend that the Council should immediately open and maintain Loans Register. In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that all issues raised above in this section should be addressed before my next audit

**4.0 BUDGETARY CONTROL****4.1 REVENUE COMPARISON**

During the year under review, there was a shortfall in the target of Internally Generated Revenue in Mariga Local Government Council in all revenue codes as shown below:



**MARIGA LOCAL GOVERNMENT BUDGETED INTERNALLY GENERATED REVENUE COMPARED WITH ACTUAL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**

S/N	CODES	DETAILS	BUDGET ?	ACTUAL ?	SHORTFALL ?
1	12010000	Taxes	9,500,000.00	2,550,200.14	(6,949,799.86)
2	12021700	Rates	500,000.00	-	(500,000.00)
3	12021300	Local Licenses, Fees, and Fine	2,884,800.00	5,092,703.92	2,207,903.92
4	12021500	Earning from Commercial undertakings	14,605,500.00	4,445,950.92	(10,159,549.08)
5	12021600	Rent on Local Government Properties	500,000.00	793,800.00	293,800.00
6	12021100	Interest	500,000.00	-	(500,000.00)
<b>TOTAL</b>			<b>28,490,300.00</b>	<b>12,882,654.98</b>	<b>(15,607,645.02)</b>

From the above table, it clearly shows that the Council rely solely on Statutory Allocation from the Federation Account for its survival despite the comparison between the total budgeted amount of ₦ 28,490,300.00 with actual Internally Generated Revenue of ₦ 12,882,654.98 Leaving the shortfall of ₦ 15,607,645.02 during the year under review.

This implies that the Council could not fully implement its planned programs during the financial year or the budget was not realistic.

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

- i. Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- ii. Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- iii. Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- iv. Control over issuance of revenue receipts
- v. Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.
- vi. The Council should ensure that realistic budgets are prepared.

## **4.2 RECURRENT EXPENDITURE**

### **4.2.1 PERSONNEL COST**

As regards to the personnel cost, it was observed that, the sum of ₦ 986,302,330.34 and ₦ 1,047,869,838.07 was spent as personnel cost in 2020 and 2021 respectively with an increase of ₦ 61,567,507.73 over the previous year. The increase represents 5.88% of personnel cost this was due to promotion of personnel's during the year under review.

### **4.2.2 CAPITAL EXPENDITURE**

#### **4.2.2.1 CAPITAL PROJECT**

During the year under review it was observed that the sum of ₦ 99,701,908.36 was spent on capital project by Mariga local Government Council. This was made by the council to boost the developmental activities in the Rural areas in which various Project were executed and some are still in progress. Though the were underutilized as approved capital expenditure Estimate was ₦ 430,186,436.00 and only the sum of ₦ 99,701,908.36 representing 23.18% was Expenditure leading to a variance of ₦ 330,484,527.64.

I advised the council to ensure that estimate should be based on realistic and cognizance of Environmental factor, and the cashflow should be adequately monitored in order to reduce unnecessary expenses in overhead and give priority to capital project execution.





**5.0 ANALYSIS OF ASSETS AND LIABILITIES****5.1 ASSETS****5.1.1 CASH AND ITS EQUIVALENTS**

The closing cash and its equivalents amounted to the sum of ₦ 48,014,377.4 for Mariga Local Government as at 31<sup>st</sup> December, 2021.

**5.2. LIABILITIES****5.2.1. DEPOSITS**

Deposits comprise unremitted statutory deductions and non-statutory deductions shown below.

• Statutory Deposits	₦ 31,556,875.89
• Non-Statutory Deposits	₦ 37,695.08
<b>TOTAL</b>	<b><u>₦ 31,594,570.97</u></b>

**5.2.1.1 UNREMITTED DEDUCTIONS**

The balance on the unremitted deductions account was ₦ 31,594,570.97 as at 31<sup>st</sup> December, 2021. The unremitted deductions include deductions from payments made on behalf of Government Agencies and various other bodies by the Local Government which ought to be promptly remitted to the appropriate authorities.

The management of Mariga Local Government Council has been advised to ensure that all Deposits are remitted timely to avoid accumulating liabilities and attracting fines and penalties for the Local Government.

**5.2.1.2. BANK OVERDRAFTS**

The total sum of ₦ 95,895.88 stood as bank overdraft owed to bank by Mariga Local Government during the year under review.

We recommend that appropriate action be taken towards the clearance of outstanding Bank overdraft as it will continue to attract further interest if it remains unclear.

**6.0 OUTSTANDING ISSUES FROM PROJECTS INSPECTION REPORTS**

The following are outstanding issues from Project Inspection Report for the period under review.

**DIRECT LABOUR WORK**

Suspicious payment made for control of flood and construction of Bridge without Direct Labour Records card, Job Order, Cost Book attached to the payment vouchers.

1. Completion of a Block of Two Classrooms and Renovation of Police Station at Beri 70% work done	= ₦ 21,500,000.00
2. Maintenance of Boreholes 6NO. at 6Wards 50% work done	= ₦ 7,200,000.00
3. Repairs of Kauta Mosque, Ukuru Dispensary and Kwimo Islamic School 33% work done	= ₦ 3,600,000.00

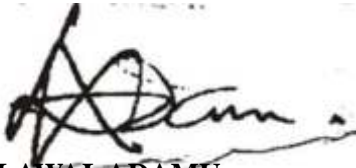
Management promised to follow up and resolve the issue raised above.

We recommend that the management of Mariga Local Government should ensure the issue raised above are adequately addressed.



**7.0 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.



**LAWAL ADAMU**

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



NIGER STATE



NIGER STATE GOVERNMENT OF NIGERIA  
MASHEGU LOCAL GOVERNMENT COUNCIL

**AUDITED ACCOUNTS**  
FOR THE YEAR ENDED 31ST DECEMBER, 2021

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



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# DIRECTOR FINANCE AND SUPPLY MASHEGU LOCAL GOVERNMENT COUNCIL

OFFICE ADDRESS: Mashegu L. G. A. Secretariat, P.M.B 1. Mashegu, Niger State.

Our Ref:.....

Your Ref:.....

Date: 20/12/2021

## STATEMENT OF FINANCIAL RESPONSIBILITY STATEMENT NO 1

These financial statement have been prepared by the Treasurer Mashegu Local Government Council in accordance with the provision of the finance (Council and Management) Act 1958 as amended. The Financial Statement comply with generally accepted accounting practices.

The treasury is responsible for the establishing and maintaining a system of internal control designed to provide reasonable assurance that the transactions seconded are within statutory authority and properly record 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 2021.

Sign: [Signature]  
DIRECTOR FINANCE & SUPPLY  
MASHEGU LOCAL GOVERNMENT  
DATE: 31/12/2021  
SIGN: .....

Date: 31/12/2021

We accept responsibility for these financial statement the information they contain and their compliance with the finance (Control and Management) Act 1958 as Amended.

In our opinion, three Financial Statements fairly reflect the financial position of Mashegu Local Government Council as at End of year 2021 and its operation for the year 2021.

Sign: [Signature]  
DIRECTOR FINANCE & SUPPLY  
MASHEGU LOCAL GOVERNMENT  
DATE: 31/12/2021  
SIGN: .....

Treasurer

Sign: [Signature]  
EXECUTIVE CHAIRMAN  
MASHEGU LOCAL GOVT  
NIGER STATE  
Chairman  
DATE: 31/12/2021

Sign: [Signature]  
DIRECTOR FINANCE & SUPPLY  
MASHEGU LOCAL GOVERNMENT  
DATE: 31/12/2021  
SIGN: .....

Sign: [Signature]  
EXECUTIVE CHAIRMAN  
MASHEGU LOCAL GOVT  
NIGER STATE  
Chairman  
DATE: 31/12/2021



NIGER STATE

# NIGER STATE GOVERNMENT

MASHEGU LOCAL GOVERNMENT COUNCIL

ACCOUNTING POLICIES

(IPSAS CASH)

**ISSUED BY**

**OFFICE OF THE DIRECTOR FINANCE**

**MASHEGU LOCAL GOVERNMENT COUNCIL**

**2021**



## List of Abbreviations/Acronyms

Abbreviation/Term	Description
CBN	Central Bank of Nigeria
COA	Chart of Account
FAAC	Federation Accounts Allocation Committee
FGN	Federal Government of Nigeria
FRC	Financial Reporting Council
GAAP	Generally Accepted Accounting Principles
GPFS	General Purpose Financial Statement
IPSAS	International Public Sector Accounting Standards
LFN	Law of the Federal Republic of Nigeria
LGC	Local Government Council
NCOA	National Chart of Account
GBE	Government Business Enterprises
FRCON	Financial Reporting Council of Nigeria
PPE	Properties, Plants and Equipment



**Introduction**

In line with the adoption of the International Public Sector Accounting Standards (IPSAS) in Nigeria, a Standardised Chart of Account (COA) alongside a set of General Purpose Financial Statements (GPFS) have been designed and introduced by FAAC for adoption by all tiers of Government in Nigeria.

The standardised COA and the GPFS is hereby adopted by Mashegu Local Government Council to comply with FAAC directive to harmonise public sector accounts reporting in Nigeria.

In order to ensure an effective and efficient utilisation of the COA and GPFS, the Accounting Policies have been developed as a set of guidelines to direct the Processes and Procedures relating to financial reporting in Mashegu Local Government Council.

These policies shall form part of the universally agreed framework for financial reporting in Mashegu Local Government Council.

**IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when Cash (including Cash Equivalents) is received or paid by the Local Government. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of Cash raised during the period, the purposes for which Cash was used and the Cash balances at the reporting date. The measurement focus in the GPFS balances are Cash and changes during the period. Therefore, Bank Reconciliation Statement shall form integral part of periodic Reports in Mashegu Local Government Council.

Notes to the GPFS provide additional information about liabilities, including payables and borrowings, and non-cash assets that include receivables, investments and property, plant and equipment.

This Accounting Policy addresses the following fundamental accounting issues:

1. Definition of Accounting Terminologies
2. Recognition of Accounting Items
3. Measurement of Accounting Items
4. Treatment of Accounting items

The Accounting Policy is subject to periodic reviews and updates as shall be deemed necessary by the Director Finance, Mashegu Local Government Council.







S/N	<b>Accounting Policies:</b>	2 <b>General Purpose Financial Statements (GPFS)</b>
1	<p><b>Accounting Terminologies / Definitions</b></p> <ol style="list-style-type: none"> <li>I. <b>Accounting policies</b> are the specific principles, bases, conventions, rules and practices adopted by Mashegu Local Government Council in preparing and presenting Financial Statements.</li> <li>II. <b>Cash:</b> Cash comprises cash in hand, demand deposits in financial institutions and cash equivalents.</li> <li>III. <b>Cash equivalents</b> are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.</li> <li>IV. <b>Cash basis</b> means a basis of accounting that recognizes transactions and other events only when cash is received or paid.</li> <li>V. <b>Cash flows</b> are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.</li> <li>VI. <b>Cash receipts</b> are cash inflows.</li> <li>VII. <b>Cash payments</b> are cash outflows.</li> <li>VIII. <b>Cash Controlled by Mashegu Local Government Council:</b> Cash is deemed to be controlled by Mashegu Local Government Council when the government can freely use the available cash for the achievement of its objectives or enjoy benefit from the cash, and can also exclude or regulate the access of others to that benefit. Cash collected by, or appropriated or granted to the government which the government can freely use to fund its operating objectives, such as acquiring of capital assets or repaying its debt is controlled by the government.</li> <li>IX. <b>Notes to the GPFS</b> shall include narrative descriptions or more detailed schedules or analyses of amounts shown on the face of the GPFS, as well as additional information</li> </ol>	<p>The GPFS comprise of Statement of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by Mashegu Local Government Council and Accounting Policies and Notes to the Financial Statements. In Mashegu Local Government Council, the GPFS Accounting Policy include the following:</p> <ol style="list-style-type: none"> <li>I. Statement 1 - Cash Flow Statements: Statement of Cash Receipts and Payments which:             <ul style="list-style-type: none"> <li>▪ recognizes all Cash Receipts, Cash Payments and Cash Balances controlled by Mashegu Local Government Council; and</li> <li>▪ separately identifies payments made by third parties on behalf of Mashegu Local Government Council.</li> </ul> </li> <li>II. Statement 2 - Statement of Assets and Liabilities: Statement of Financial Position (also known as Balance Sheet);</li> <li>III. Statement 3 - Statement of Consolidated Revenue Fund: Statement of Recurrent Financial Performance (also known as Profit &amp; Loss Account);</li> <li>IV. Statement 4 - Statement of Capital Development Fund: Statement of Capital Financial Performance (also known as Capital Expenditure);</li> <li>V. Notes to the Accounts: Additional disclosures to explain the GPFS; and</li> <li>VI. Accounting Policies and Explanatory Notes.</li> </ol>



<p><b>3 Basis of Preparation and Legal Provisions</b></p> <p>The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, GPFS are in compliance with the provisions of other financial regulations of Mashegu Local Government Council</p>	<p><b>6 Reporting Currency</b></p> <p>The General Purpose GPFS are prepared in Nigerian Naira.</p>
<p><b>4 Fundamental Accounting Concepts</b></p> <p>The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in Mashegu Local Government Council</p> <ul style="list-style-type: none"> <li>? Cash Basis of Accounting;</li> <li>? Understability;</li> <li>? Materiality,</li> <li>? Relevance;</li> <li>? Going Concern Concept;</li> <li>? Consistency Concept</li> <li>? Prudence</li> <li>? Completeness, etc.</li> </ul>	<p><b>7 LGC for Consolidation</b></p> <ul style="list-style-type: none"> <li>▪ The Consolidation of the GPFS are based on the Cash transactions of Mashegu Local Government Council except Government Business Enterprises (GBEs).</li> </ul>
<p><b>5 Accounting Period</b></p> <p>The accounting year (fiscal year) is from 1<sup>st</sup> January to 31<sup>st</sup> December. Each accounting year is divided into 12 calendar months (periods) and shall be set up as such in the accounting system.</p>	<p><b>8 Comparative Information</b></p> <ul style="list-style-type: none"> <li>▪ The General Purpose GPFS shall disclose all numerical information relating to previous period (at least one year).</li> </ul>
	<p><b>9 Budget Figures</b></p> <ul style="list-style-type: none"> <li>▪ These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation Law of Niger State.</li> </ul>
	<p><b>10 Receipts</b></p> <ul style="list-style-type: none"> <li>? These are Cash inflows within the Financial Year. They comprise of receipts from Statutory Allocations (FAAC monthly disbursement), Taxes, External Assistance (from Bilateral and Multilateral Agencies), Other Aid and Grants, Other Borrowings, Capital Receipts (Sale of Government Assets, etc), Receipts from Trading activities and Other Cash Receipts.</li> <li>? These items shall be disclosed at the face of the Statement of Cash Receipts and Payment for the year in accordance with the standardised GPFS. Notes shall be provided as per standardised Notes to GPFS.</li> </ul>



<p><b>11 External Assistance</b></p> <ul style="list-style-type: none"> <li>? Receipts from Loans are Funds received from external sources to be paid back at an agreed period of time. They are categorised either as Bilateral or Multilateral.</li> <li>? External Loans receipts shall be disclosed separately under Statement of Cash Receipts and Payment for the year.</li> <li>? The Local Governments did not receive external assistance during the two year.</li> </ul>	<p><b>15 Payments</b></p> <ul style="list-style-type: none"> <li>▪ These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorised either by Function and/or by Sector in the Statement of Cash Receipts and Payment.</li> <li>▪ Payments for purchase of items of capital nature( e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.</li> </ul>
<p><b>12 Other Borrowings / Grants&amp; Aid Received</b></p> <ul style="list-style-type: none"> <li>▪ These shall be categorised as either Short or Long term Loans.Short-Term Loans are those repayable within one calendar year (12 months), while Long - Term Loans and Debts shall fall due beyond one calendar year (above 12 months).Loans shall be disclosed separately and Grants shall also be separately disclosed under Statement of Cash Receipts and Payment for the year.</li> </ul>	<p><b>16 Loans Granted:</b></p> <ul style="list-style-type: none"> <li>▪ Payments to other Government and Agencies in form of Loans during the year shall be shown separately in the Statement of Receipts and Payments. Amount disclosed shall be actual amount paid during the year.</li> <li>▪ The Local Governments did not give any loan during the two year.</li> </ul>
<p><b>13 Interest Received</b></p> <ul style="list-style-type: none"> <li>? Interest actually received during the financial year shall be treated as a receipt</li> </ul>	<p><b>17 Loan Repayments</b></p> <p>Cash receipts from loans granted to other agencies and government shall be classified under loan repayments in the Statement of Receipts and Payments . Amount disclosed shall be actual amount received during the year.</p>
<p><b>14 Government Business Activities</b></p> <p>Cash Receipts from Trading Activities shall be received net (after deducting direct expenses) unless otherwise provided for by law or policy in force. Total receipts from all trading activities shall be disclosed in the Statement of Cash Receipts and Payments under 'Trading Activities' item.</p> <p>Where gross revenue is received, corresponding payments shall be charged under a corresponding payment item head ' Government Business Activities' in the Statement of Receipts and Payments.</p>	<p><b>18 Interest on Loans:</b></p> <ul style="list-style-type: none"> <li>▪ Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest payment in the Statement of Cash Receipts and Payments</li> </ul>



19	<p><b>Foreign Currency Transactions:</b></p> <ul style="list-style-type: none"> <li>▪ Foreign Currency Transactions throughout the year shall be converted into Nigerian Naira at the ruling (Central Bank of Nigeria –CBN) rate of exchange at the dates of the transactions. Foreign currency balances, as at the year end, shall be translated at the exchange rates prevailing on that date.</li> <li>▪ At the end of the financial year, additional amounts (in cash or at bank) arising out of Foreign Exchange Gains/Losses shall be recognised in the Statement of Cash Receipts and Payments either as Receipts / Payments respectively.</li> <li>▪ Hence the Mashegu Local Government Council did not have foreign currency transactions during the two year.</li> </ul>
20	<p><b>Prepayments</b></p> <ul style="list-style-type: none"> <li>▪ Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.</li> <li>▪ The Local Governments did not make prepayment to contractors during the two year.</li> </ul>
21	<p><b>Cash Balances</b></p> <p>This includes Cash in Hand, at Bank and Cash Equivalentents at the end of the Financial year.</p>

**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.



**AUDIT CERTIFICATE**

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, 2020 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 State Local Government Joint Account Allocation Committee are indicated in the Supplementary Note 1 to the Accounts. In my opinion, the Supplementary Note 1 to accounts presents fairly, in all material respects, the revenue from Federation Account received by Mashegu Local Government during the year ended December 31st, 2020.

In my opinion, the Financial Statements which are in agreement with the books of accounts and record shows a true and fair view of the financial position of the Mashegu Local Government for the year ended 31st December, 2020 and the transactions for the year ended at that date.



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



**STATEMENT NO. 1**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**



ANNUAL BUDGET 2021 N		COA	NOTES	ACTUAL YEAR 2021	PREVIOUS YEAR 2020
				N	N
	<b>CashFlows from Operating Activities:</b>				
	<u>Receipts:</u>				
2,423,003,575.00	Statutory Allocations:FAAC		1	1,972,818,116.02	2,635,707,127.17
594,278,641.00	Value Added Tax Allocation		1	759,254,162.19	-
<b>3,017,282,216.00</b>	<b>Sub-total - Statutory Allocation</b>			<b>2,732,072,278.21</b>	<b>2,635,707,127.17</b>
700,000.00	Direct Taxes		2	103,500.00	143,000.00
8,702,104.00	Licences		2	3,863,000.00	4,326,000.00
-	Mining Rents:		2	-	-
-	Royalties		2	-	-
-	Fees:		2	-	-
-	Fines		2	-	-
-	Sales		2	-	-
10,673,905.00	Earnings :		2	3,193,342.52	4,243,790.55
2,500,000.00	Sales/Rent of Government Buildings:		2	400,000.00	500,000.00
-	Sale/Rent on Lands and Others:		2	-	-
3,379,000.00	Rates		2	2,570,124.00	560,000.00
-	Investment Income		2	-	-
-	Interest Earned		2	-	-
147,447,704.00	10% IGR From State		2	25,723,459.41	22,002,508.32
<b>173,402,713.00</b>	<b>Sub-total - Independent Revenue</b>			<b>35,853,425.93</b>	<b>31,775,298.87</b>
	<b>Other Revenue Sources of L/Government</b>				
-	Domrstic Grants		3	-	21,747,549.18
	Grants From other LGs		3	-	-
<b>3,190,684,929.00</b>	<b>Total Receipts</b>			<b>2,767,925,704.14</b>	<b>2,689,229,975.22</b>
	<u>Payments:</u>				
815,651,077.00	Personnel Costs ( Including Salaries on CRF Charges):		4	731,028,128.59	755,529,184.28
-	Federa/ States/ LGC Govt Contribution to Pension:		5	-	-
456,800,000.00	Overhead Charges:		6	323,776,825.24	101,249,634.05
70,627,120.00	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)		7	57,673,839.75	55,505,554.14
28,800,000.00	Subvention to Parastatals:		8	28,800,000.00	102,000,000.00
338,856,360.00	Other Operating Activities		9	319,408,702.38	310,752,820.00
982,722,677.52	Other Transfers		10	982,722,677.52	1,328,276,939.23
<b>2,693,457,234.52</b>	<b>Total Payments</b>			<b>2,443,410,173.48</b>	<b>2,653,314,131.70</b>
<b>497,227,694.48</b>	<b>Net Cash Flow from Operating Activities</b>			<b>324,515,530.66</b>	<b>35,915,843.52</b>



	<b>CashFlows from Investment Activities:</b>				
311,183,880.00	Capital Expenditure:Administrative Sector:	12	135,041,040.14		117,893,316.00
10,770,000.00	Capital Expenditure: Economic Sector:	12	15,000,000.00		28,745,372.97
-	Capital Expenditure: Law and Justice:	12	-		-
-	Capital Expenditure:Regional Development	12	-		-
249,941,552.00	capital expenditure: Social Service Sector:	12	31,202,754.29		106,810,311.00
-	Capital Expenditure: Funded from Aid and Grants:	11	-		-
<b>571,895,432.00</b>	<b>Net Cash Flow from Investment Activities:</b>		<b>181,243,794.43</b>		<b>253,448,999.97</b>
	<b>CashFlows from Financing Activities:</b>				
-	Proceeds from Aid and Grants	11	-		-
-	Proceeds from ExernaL Loan :	20	-		-
-	Proceeds from Internal Loans: FGN/Treasury Bonds :	21	-		-
-	Proceeds from InternaL Loan	22	-		224,000,000.00
-	Proceeds from Development of Nat Resources	23	-		-
-	Proceeds of Loans from Other Funds	24	-		-
-	Repayment of External Loans ( Including Servicing)	20	-		-
-	Repayment of FGN/Treasury Bonds :	21	-		-
96,000,000.00	Repayment of Internal Loan	22	96,000,000.00		40,000,000.00
-	Repayment of Loans from Development of Nat Resources	23	-		-
	Repayment of Loans from Other Funds	24	-		-
<b>96,000,000.00</b>	<b>Net Cash Flow from Financing Activities:</b>		<b>96,000,000.00</b>		<b>184,000,000.00</b>
	<b>Movement in Other Cash Equivalent Accounts</b>				
-	(Increase)/ Decrease in Investments		-		-
-	Net (Increase)/Decrease in Other Cash Equivalent:		-		-
-	<b>Total Cashflow from other Cash equivalent Accounts</b>		-		-
-	Net Cash for the year		47,271,736.23	-	33,533,155.95
-	Cash & Its Equivalent as at 1st January, 2021		4,714,512.80		38,247,668.75
-	Cash & Its Equivalent as at 31st December, 2021		<b>51,986,249.03</b>		<b>4,714,512.80</b>



**STATEMENT NO. 2  
STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	NOTES	CURRENT YEAR 2021 N	PREVIOUS YEAR 2020 N
<b><u>ASSETS:-</u></b>			
<b><u>Liquid Assets:-</u></b>			
Cash Held by AGF:			
-CRF Bank Balance(CBN/ CRF Bank):		-	-
-Pension Account (CBN/ Bank):		-	-
-Other Bank of the Treasury		-	-
-Cash Balances of Trust & Other Funds of the FGN/ States/LGC:		-	-
-Cash Balances with Federal Pay Offices/ Sub-Treasury:		-	-
Cash Held by Mashegu Local Government	15	51,986,249.03	4,714,512.80
<b>TOTAL LIQUID ASSETS</b>		<b>51,986,249.03</b>	<b>4,714,512.80</b>
<b><u>Investments and Other Cash Assets:</u></b>			
Federal/ State/ Local Government Investments	16	-	-
Imprests:-	17	-	-
Advances:-	18	-	-
Revolving Loans Granted:-	19	-	-
Intangible Assets		-	-
<b>TOTAL INVESTMENTS AND OTHER CASH ASSETS</b>		-	-
<b>TOTAL ASSETS</b>		<b>51,986,249.03</b>	<b>4,714,512.80</b>
<b>LIABILITIES OVER ASSETS</b>		<b>110,452,556.20</b>	<b>156,609,046.15</b>
<b>TOTAL</b>		<b>162,438,805.23</b>	<b>161,323,558.95</b>
<b><u>LIABILITIES:-</u></b>			
<b><u>PUBLIC FUNDS</u></b>			
Consolidated Revenue Fund:		51,986,249.03	28,818,644.15
Capital Development Fund:		-	-
Trust & Other Public Funds:		-	-
Police Reward Fund		-	-
<b>TOTAL PUBLIC FUNDS</b>		<b>51,986,249.03</b>	<b>28,818,644.15</b>
<b><u>EXTERNAL AND INTERNAL LOANS</u></b>			
External Loans:FGN/States/ LGC	20	-	-
FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-
internal Loans	22	88,000,000.00	184,000,000.00
Development Loan Stock	23	-	-
Loan From other Funds	24	-	-
Internal Loans from Other Funds		-	-
<b>TOTAL EXTERNAL AND INTERNAL LOANS</b>		<b>88,000,000.00</b>	<b>184,000,000.00</b>
<b><u>OTHER LIABILITIES</u></b>			
Deposits:-	25	22,452,556.20	6,142,203.10
Overdrawn accounts	26	-	-
<b>TOTAL LIABILITIES</b>		<b>162,438,805.23</b>	<b>161,323,558.95</b>



NIGER STATE

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021



ACTUAL PREVIOUS YEAR(2020)		NOTES	ACTUAL YEAR 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	VARIANCE ON FINAL BUDGET
			N	N	N	N	%
38,247,668.75	Opening Balance:		4,714,512.80				
	<b>ADD: REVENUE</b>						
2,635,707,127.17	Statutory Allocations:FAAC	1	1,972,818,116.02	2,423,003,575.00	2,423,003,575.00	-	81.42
-	Value Added Tax Allocation	1	759,254,162.19	594,278,641.00	594,278,641.00	-	-
<b>2,635,707,127.17</b>	<b>Sub-Total - Statutory Allocation</b>		<b>2,732,072,278.21</b>	<b>3,017,282,216.00</b>	<b>3,017,282,216.00</b>	-	-
143,000.00	Direct Taxes	2	103,500.00	700,000.00	700,000.00	-	-
4,326,000.00	Licences	2	3,863,000.00	8,702,104.00	8,702,104.00	-	44.39
-	Mining Rents:	2	-	-	-	-	-
-	Royalties	2	-	-	-	-	-
-	Fees:	2	-	-	-	-	-
-	Fines	2	-	-	-	-	-
-	Sales	2	-	-	-	-	-
4,243,790.55	Earnings :	2	3,193,342.52	10,673,905.00	10,673,905.00	-	29.92
500,000.00	Sales/Rent of Government Buildings:	2	400,000.00	2,500,000.00	2,500,000.00	-	-
-	Sale/Rent on Lands and Others:	2	-	-	-	-	-
560,000.00	RATES	2	2,570,124.00	3,379,000.00	3,379,000.00	-	76.06
-	Investment Income	2	-	-	-	-	-
-	Interest Earned	2	-	-	-	-	-
22,002,508.32	10% IGR From State	2	25,723,459.41	147,447,704.00	22,002,508.32	-	-
<b>31,775,298.87</b>	<b>Sub-Total - Independent Revenue</b>		<b>35,853,425.93</b>	<b>172,702,713.00</b>	<b>172,702,713.00</b>	-	20.76
-	<b>Other Revenue Sources of L/Government</b>	3	-	-	-	-	-
21,747,549.18	Domrstic Grants		-	-	21,747,549.18	-	-
	Grants From other LGs		-	-	-	-	-
<b>2,727,477,643.97</b>	<b>TOTAL REVENUE:</b>		<b>2,772,640,216.94</b>	<b>3,189,984,929.00</b>	<b>3,189,984,929.00</b>	-	-
	<b>LESS:EXPENDITURE</b>						
755,529,184.28	Personnel Costs ( Including Salaries on CRF Charges):	4	731,028,128.59	815,651,077.00	815,651,077.00	-	89.63
-	Federa/ States/ LGC Govt Contribution to Pension:	5	-	-	-	-	-
101,249,634.05	Overhead Charges:	6	323,776,825.24	456,800,000.00	456,800,000.00	-	70.88
55,505,554.14	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)	7	57,673,839.75	70,627,120.00	70,627,120.00	-	81.66
102,000,000.00	Subvention to Parastatals:	8	28,800,000.00	28,800,000.00	28,800,000.00	-	100.00
310,752,820.00	Other Operating Activities	9	319,408,702.38	338,856,360.00	338,856,360.00	-	94.26
1,328,276,939.23	Other Transfers	10	982,722,677.52	982,722,677.52	982,722,677.52	-	100.00
<b>2,653,314,131.70</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,443,410,173.48</b>	<b>2,693,457,234.52</b>	<b>2,693,457,234.52</b>	-	90.72
	<b>OTHER RECURRENT PAYMENTS/EXPENDITURE:</b>						
-	Repayments:External Loans:FGN/States/ LGC	19	-	-	-	-	-
-	Repayments:FGN/ States/LGC Bonds & Treasury Bonds.	20	-	-	-	-	-
-	Repayments :Nigerian Treasury Bills (NTB)	21	-	-	-	-	-
40,000,000.00	Repayments:Internal Loans	22	96,000,000.00	96,000,000.00	96,000,000.00	-	-
-	Repayments: Internal Development Loans Stock	23	-	-	-	-	-
-	Repayments:Other Internal Loans( Promissory Notes)	24	-	-	-	-	-
<b>2,693,314,131.70</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,539,410,173.48</b>	<b>2,789,457,234.52</b>	<b>2,789,457,234.52</b>	-	-
<b>34,163,512.27</b>	<b>OPERATING BALANCE:</b>		<b>233,230,043.46</b>	<b>400,527,694.48</b>	<b>400,527,694.48</b>	-	-
	<b>APPROPRIATIONS/TRANSFERS:</b>						
29,448,999.47	Transfer to Capital Development Fund:		181,243,794.43	586,895,432.00	586,895,432.00	-	30.88
<b>4,714,512.80</b>	<b>Closing Balance:</b>		<b>51,986,249.03</b>				

**STATEMENT NO. 4  
STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ACTUAL PREVIOUS YEAR(2020)		NOTES	TOTAL CAPITAL EXPENDITURE 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	PERFORMANCE ON TOTAL
N			N		N		%
-	Opening Balance:		-				
	<b><u>ADD: REVENUE</u></b>						
29,448,999.97	Transfer from Consolidated Revenue Fund:		181,243,794.43	586,895,432.00	586,895,432.00	-	30.88
-	Aid and Grants	11	-	-	-	-	-
-	External Loans:FGN/States/ LGC	20	-	-	-	-	-
-	FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-	-	-	-
224,000,000.00	Internal Loan	22	-	-	-	-	#DIV/0!
-	Development Loan Stock	23	-	-	-	-	-
-	Loan From Other Funds	24	-	-	-	-	-
<b>253,448,999.97</b>	<b>TOTAL REVENUE AVAILABLE:</b>		<b>181,243,794.43</b>	<b>586,895,432.00</b>	586,895,432.00	-	30.88
	<b><u>LESS: CAPITAL EXPENDITURE</u></b>						
117,893,316.00	Capital Expenditure:Administrative Sector:	12	135,041,040.14	311,183,880.00	311,183,880.00	-	43.40
28,745,372.97	Capital Expenditure: Economic Sector:	12	15,000,000.00	25,770,000.00	25,770,000.00	-	58.21
-	Capital Expenditure: Law and Justice:	12	-	-	-	-	-
-	Capital Expenditure:Regional Development	12	-	-	-	-	-
106,810,311.00	Capital Expenditure: Social Service Sector:	12	31,202,754.29	249,941,552.00	249,941,552.00	-	12.48
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-	-	-	-
<b>253,448,999.97</b>	<b>TOTAL CAPITAL EXPENDITURE:</b>		<b>181,243,794.43</b>	<b>586,895,432.00</b>	<b>586,895,432.00</b>	-	30.88
	Intangible Assets		-				
-	<b>CLOSING BALANCE:</b>		-				



**NOTE TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

<i>Details</i>					
<b>NOTE 1</b>	<b>Ref. Note</b>	<b>Amount</b>	<b>Amount</b>		<b>Remarks</b>
<b>A- Share of Statutory Allocation from FAAC</b>		<b>N</b>	<b>N</b>		
<i>Net Share of Statutory Allocation from FAAC</i>	<b>A</b>	1,852,924,515.94			
<i>Add :Deduction at source for Loan Repayment</i>	<b>B</b>	-			
<i>Share of Exchange Gain Differencial</i>	<b>C</b>	7,170,523.92			
<i>Share of Federal Accounts Allocation- Excess Crude Oil</i>	<b>D</b>	53,681,386.35			
<b>Non-oil Revenue</b>	<b>E</b>	59,041,689.81			
<b>Total FAAC Allocation to LG</b>			<b>1,972,818,116.02</b>		
<b>B. Value Added Tax</b>					
<i>Share of Value Added Tax (VAT)</i>		759,254,162.19	759,254,162.19		
<b>Total Statutory Allocation to LG</b>			<b>2,732,072,278.21</b>		

**NOTE 2**

<b>Internally Generated Revenue (Independent Revenue)</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	
<b>Direct Taxes</b>				
Mashegu local government Internal Revenue	103,500.00	700,000.00	596,500.00	
<b>Total - Direct Taxes</b>	<b>103,500.00</b>	<b>700,000.00</b>	<b>596,500.00</b>	
<b>Licences</b>				
Mashegu local government Internal Revenue	3,863,000.00	8,702,104.00	4,839,104.00	
<b>Total Licences</b>	<b>3,863,000.00</b>	<b>8,702,104.00</b>	<b>4,839,104.00</b>	
<b>Mining Rents</b>				
Mashegu local government Internal Revenue	-	-	-	
<b>Total Mining Rents</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Royalties</b>				
Mashegu local government Internal Revenue	-	-	-	
<b>Total Royalties</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Fees</b>				
Mashegu local government Internal Revenue	-	-	-	
<b>Total Fees</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Fines</b>				
Mashegu local government Internal Revenue	-	-	-	
<b>Total Fines</b>	<b>-</b>	<b>-</b>	<b>-</b>	





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<b>Sales</b>				
Mashegu local government Internal Revenue		-	-	-
<b>Total Sales</b>		-	-	-
<b>Earnings</b>				
Mashegu local government Internal Revenue		3,193,342.52	10,673,905.00	7,480,562.48
<b>Total Earnings</b>		<b>3,193,342.52</b>	<b>10,673,905.00</b>	<b>7,480,562.48</b>
<b>Sales/Rent of Government Buildings</b>				
Mashegu local government Internal Revenue		400,000.00	2,500,000.00	2,100,000.00
<b>Total Sales/Rent of Government Buildings</b>		<b>400,000.00</b>	<b>2,500,000.00</b>	<b>2,100,000.00</b>
<b>Sale/Rent on Lands and Others:</b>				
Mashegu local government Internal Revenue		-	-	-
<b>Total Sale/Rent on Lands and Others</b>		-	-	-
<b>Rates</b>				
Mashegu local government Internal Revenue		2,570,124.00	3,379,000.00	808,876.00
<b>Total Rates</b>		<b>2,570,124.00</b>	<b>3,379,000.00</b>	<b>808,876.00</b>
<b>Investment Income</b>				
Mashegu local government Internal Revenue		-	-	-
<b>Total Investment Income</b>		-	-	-
<b>Interest Earned</b>				
Mashegu local government Internal Revenue		-	-	-
<b>Total Interest Earned</b>		-	-	-
<b>10% IGR From State</b>				
Mashegu local government Internal Revenue		25,723,459.41	147,447,704.00	121,724,244.59
<b>Total 10% IGR From State</b>		<b>25,723,459.41</b>	<b>147,447,704.00</b>	<b>121,724,244.59</b>
<b>Total - Independent Revenue</b>		<b>35,853,425.93</b>	<b>173,402,713.00</b>	<b>137,549,287.07</b>
<b>NOTE 3</b>				
<b>Other Revenue Sources of L/Govt:</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Domestic Grants		-	-	-
<b>Total Domestic Grants</b>		-	-	-
Grant from other LGs		-	-	-
<b>Total Grant from other LGs</b>		-	-	-



<b>NOTE 4</b>					
<b>A - Total Personnel Costs ( Including Salaries directly charged to CRF in Note 4B below):</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		5,208,053.37	17,684,881.00	12,476,827.63	
The Council		26,971,583.50	45,537,452.00	18,565,868.50	
Office Of The Secretary		2,697,157.10	2,809,300.00	112,142.90	
Personnel Management		55,625,961.22	56,537,039.00	911,077.78	
<b>TOTAL Personnel Cost Administrative Sector</b>		<b>90,502,755.19</b>	<b>122,568,672.00</b>	<b>32,065,916.81</b>	
					CRF Charges in Note 3
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		28,749,166.80	30,218,369.00	1,469,202.20	
Budget, Planning & Research		3,779,994.68	4,609,942.00	829,947.32	
Works And Housing		34,743,300.63	68,663,674.00	33,920,373.37	
Agriculture And Natural Resources		35,850,840.69	36,654,866.00	804,025.31	
<b>TOTAL Personnel Cost Economic Sector</b>		<b>103,123,302.80</b>	<b>140,146,851.00</b>	<b>37,023,548.20</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		326,376,030.36	330,569,640.00	4,193,609.64	
Primary Health Cure		164,204,052.87	170,716,616.00	6,512,563.13	
Social Development		22,343,796.84	25,649,298.00	3,305,501.16	
Traditional Council		24,478,190.53	26,000,000.00	1,521,809.47	
<b>Total Personnel Cost Social Sector</b>		<b>537,402,070.60</b>	<b>552,935,554.00</b>	<b>15,533,483.40</b>	
<b>Total Personnel Cost For All Sectors</b>		<b>731,028,128.59</b>	<b>815,651,077.00</b>	<b>84,622,948.41</b>	
<b>B- Salaries directly charged to CRF( included in Note 4A above)</b>					
<b>List of Parastatals and Agencies:</b>		-	-	-	
Auditor -General for Local Government		-	-	-	
e.t.c.		-	-	-	
<b>Total</b>		<b>731,028,128.59</b>	<b>815,651,077.00</b>	<b>84,622,948.41</b>	



<b>NOTE 5</b>					
<b>Employers Contribution to Pension according to Sector</b>					
Administrative Sector		-	-	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Employers Contribution to Pension</b>		-	-	-	
<b>NOTE 6</b>					
<b>Overhead Costs</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		95,391,700.00	92,000,000.00	-	3,391,700.00
The Council		72,495,000.00	25,100,000.00	-	47,395,000.00
Office Of The Secretary		11,321,000.00	6,500,000.00	-	4,821,000.00
Personnel Management		15,601,000.00	23,000,000.00		7,399,000.00
<b>Total Overhead Cost Administrative Sector</b>		<b>194,808,700.00</b>	<b>146,600,000.00</b>	<b>-</b>	<b>48,208,700.00</b>
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		61,319,125.24	202,000,000.00		140,680,874.76
Budget, Planning & Research		3,960,000.00	9,800,000.00		5,840,000.00
Works And Housing		7,339,000.00	27,000,000.00		19,661,000.00
Agriculture And Natural Resources		33,910,000.00	11,400,000.00	-	22,510,000.00
<b>TOTAL Overhead Cost Economic Sector</b>		<b>106,528,125.24</b>	<b>250,200,000.00</b>		<b>143,671,874.76</b>
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		-	-		-
Primary Health Cure		1,490,000.00	36,000,000.00		34,510,000.00
Social Development		20,570,000.00	10,000,000.00	-	10,570,000.00
Traditional Council		380,000.00	14,000,000.00		13,620,000.00
<b>Total Overhead Cost Social Sector</b>		<b>22,440,000.00</b>	<b>60,000,000.00</b>		<b>37,560,000.00</b>
<b>Total Overhead Cost For All Sectors</b>		<b>323,776,825.24</b>	<b>456,800,000.00</b>		<b>133,023,174.76</b>
<b>NOTE 7</b>					
<b>Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Monthly Pension		57,673,839.75	70,627,120.00		12,953,280.25
<b>Total Consolidated Revenue Fund Charges</b>		<b>57,673,839.75</b>	<b>70,627,120.00</b>		<b>12,953,280.25</b>
<b>NOTE 8</b>					
<b>Subventions to Parastatals (According to Sectors-List)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		28,800,000.00	28,800,000.00		-
Economic Sector		-	-		-
Law and Justice Sector		-	-		-
Regional Sector		-	-		-
Social Sector		-	-		-
<b>Total Subventions to Parastatals</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>		<b>-</b>



<b>NOTE 9</b>					
<b>Other Operating Activities</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		319,408,702.38	250,184,627.00	-	69,224,075.38
Economic Sector		-	-	-	-
Law and Justice Sector		-	-	-	-
Regional Sector		-	-	-	-
Social Sector		-	88,671,733.00		88,671,733.00
<b>Total Other Operating Activities</b>		<b>319,408,702.38</b>	<b>338,856,360.00</b>		<b>19,447,657.62</b>
<b>NOTE 10</b>					
<b>Other Transfer</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		19,200,000.00	19,200,000.00	-	-
Economic Sector		-	-	-	-
Law and Justice Sector		-	-	-	-
Regional Sector		-	-	-	-
Social Sector		9,600,000.00	9,600,000.00	-	-
<b>sub-total</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>		<b>-</b>
Transfers to other local governments		953,922,677.52	953,922,677.52	-	-
<b>Total Other Transfer</b>		<b>982,722,677.52</b>	<b>982,722,677.52</b>		<b>-</b>
<b>NOTE 11</b>					
<b>Details of Aid &amp; Grants Received</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
<b>Bilateral</b>		-	-	-	-
<b>Multi Lateral</b>		-	-	-	-
<b>ETC</b>		-	-	-	-
<b>Total Details of Aid &amp; Grants Received</b>		<b>-</b>	<b>-</b>		<b>-</b>
<b>NOTE 12</b>					
<b>A - Details of Total Capital Expenditures (According to Sectors)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		135,041,040.14	311,183,880.00		176,142,839.86
Economic Sector		15,000,000.00	25,770,000.00		10,770,000.00
Law and Justice Sector		-	-		-
Regional Sector		-	-		-
Social Sector		31,202,754.29	249,941,552.00		218,738,797.71
<b>Total Details of Capital Expenditures</b>		<b>181,243,794.43</b>	<b>586,895,432.00</b>		<b>405,651,637.57</b>





	Actual	Total Budget	Variance
<b>B - Details of Capital Expenditures of Parastatals (Included in 12A above)</b>			
Administrative Sector	-	-	-
Economic Sector	-	-	-
Law and Justice Sector	-	-	-
Regional Sector	-	-	-
Social Sector	-	-	-
<b>Total Details of Capital Expenditures of Parastatals</b>	-	-	-
<b>NOTE 13</b>			
<b>CLOSING BOOK BALANCES OF OTHER FUNDS OF THE GOVERNMENT</b>	<b>Amount 2021</b>	<b>Amount 2020</b>	
List all the Other Funds Cash Book Balances	-	-	
<b>NOTE 14</b>			
<b>CLOSING CASH BOOK BALANCE OF FEDERAL PAY OFFICES/SUB-TREASURY OFFICES</b>	<b>Amount 2021</b>	<b>Amount 2020</b>	
List all the FPO/Sub-Treasuries Cash Book Balances	-	-	
<b>NOTE 15</b>			
<b>CLOSING CASH BOOK BALANCE OF MASHEGU LOCAL GOVERNMENT</b>	<b>Amount 2021</b>	<b>Amount 2020</b>	
Mashegu Local Government	51,986,249.03	4,714,512.80	
<b>Total Details of Cash Book Balances</b>	<b>51,986,249.03</b>	<b>4,714,512.80</b>	
<b>NOTE 16</b>			
<b>INVESTMENTS</b>	<b>Amount 2021</b>	<b>Amount 2020</b>	
Investments in Quoted Companies	-	-	
Investments in unQuoted Companies	-	-	
Loans to Government Companies	-	-	
Loans to Other Government	-	-	
<b>Total Investments</b>	-	-	
<b>NOTE 17</b>			
<b>LIST OF OUTSTANDING IMPRESTS</b>	<b>Amount 2021</b>	<b>Amount 2020</b>	
Administrative Sector	-	-	
Economic Sector	-	-	
Law and Justice Sector	-	-	
Regional Sector	-	-	
Social Sector	-	-	
<b>Total Outstanding Imprests</b>	-	-	



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<b>NOTE 18</b>					
<b>LIST OF OUTSTANDING ADVANCES</b>					
	<b>Amount 2021</b>	<b>Amount 2020</b>			
Administrative Sector	-	-			
Economic Sector	-	-			
Law and Justice Sector	-	-			
Regional Sector	-	-			
Social Sector	-	-			
<b>Total Outstanding Advances</b>	<b>-</b>	<b>-</b>			
<b>NOTE 19</b>					
<b>Revolving Loan Account</b>					
List the Loans	<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>	
Loan 1	-	-	-	-	-
Loan 2	-	-	-	-	-
Loan 3	-	-	-	-	-
Loan 4	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NOTE 20</b>					
<b>External Loans:FGN/States/ LGC</b>					
List the Loans	<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>	
Loan 1	-	-	-	-	-
Loan 2	-	-	-	-	-
Loan 3	-	-	-	-	-
Loan 4	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NOTE 21</b>					
<b>FGN/ States/LGC Bonds &amp; Treasury Bonds.</b>					
List the Loans	<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>	
Loan 1	-	-	-	-	-
Loan 2	-	-	-	-	-
Loan 3	-	-	-	-	-
Loan 4	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NOTE 22</b>					
<b>Internal Loan</b>					
	<b>Amount 2021</b>	<b>Amount 2020</b>			
<b>Opening balance at as 1st january, 2021</b>	184,000,000.00	-			
Add: Additional Loan Issued	-	224,000,000.00			
Less: Repaid	96,000,000.00	40,000,000.00			
<b>Loans as at 31st December, 2021</b>	<b>88,000,000.00</b>	<b>184,000,000.00</b>			



<b>NOTE 23</b>					
<b>Development Loan Stock</b>					
List the Loans	<i>Balance as at 1/1/2021</i>	<i>Additional Loan</i>	<i>Loan Paid Back</i>	<i>Balance as at 31/12/2021</i>	
Loan 1	-	-	-	-	
Loan 2	-	-	-	-	
Loan 3	-	-	-	-	
Loan 4	-	-	-	-	
<b>Total</b>	-	-	-	-	
<b>NOTE 24</b>					
<b>Internal Loans from Other Funds</b>					
List the Loans	<i>Balance as at 1/1/2021</i>	<i>Additional Loan</i>	<i>Loan Paid Back</i>	<i>Balance as at 31/12/2021</i>	
Loan 1	-	-	-	-	
Loan 2	-	-	-	-	
Loan 3	-	-	-	-	
Loan 4	-	-	-	-	
<b>Total</b>	-	-	-	-	
<b>NOTE 25</b>					
<b>Schedule of Deposit</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Mashegu Local Government		22,452,556.20	6,142,203.10		
<b>Total Outstanding Deposits</b>		<b>22,452,556.20</b>	<b>6,142,203.10</b>		
<b>Details Of Deposits</b>					
Value Added Tax (VAT)		9,061,307.28	-		
10% Retention		4,977,038.97	4,977,038.97		
5% Contract Tax		6,476,035.65	435,164.13		
Stamp Duty		1,938,174.30	730,000.00		
<b>TOTAL</b>		<b>22,452,556.20</b>	<b>6,142,203.10</b>		
<b>NOTE 26</b>					
<b>Schedule of Overdrawn accounts</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Mashegu Local Government		-	-		
<b>Total Overdrawn account</b>		-	-		
<b>NOTE 27</b>					
<b>CONTINGENT LIABILITES AS AT YEAR END</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>E.G.</b>				<b>List All the Contigent Liabilities</b>	
... Pension and Gratuity Due		-	-		
....Outstanding Contractors Liabilities ( According to MDA)		-	-		
.....Pending Litigations ( According to MDA)		-	-		
.....Guarantees ( According to MDA)		-	-		
..... Others		-	-		
<b>Total Contigent Liabilities</b>		-	-		

**SUPPLEMENTARY NOTE**



1	<b>GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)</b>		
		<b>2021</b>	<b>2020</b>
	<b>MONTH</b>	<b>TOTAL</b>	<b>TOTAL</b>
	JANUARY	201,563,435.88	245,470,455.31
	FEBRUARY	211,243,192.01	227,028,370.49
	MARCH	176,794,895.64	202,300,795.90
	APRIL	195,949,352.98	229,060,844.12
	MAY	218,311,287.07	214,850,014.91
	JUNE	210,297,327.61	191,602,099.44
	JULY	254,915,321.78	232,486,529.48
	AUGUST	254,915,321.78	238,583,551.46
	SEPTEMBER	252,191,690.48	237,028,652.66
	OCTOBER	263,217,909.52	221,849,242.27
	NOVEMBER	250,038,217.08	200,369,708.68
	DECEMBER	242,634,326.38	195,076,862.45
<b>TOTAL</b>	<b>2,732,072,278.21</b>	<b>2,635,707,127.17</b>	
	<b>INTERNELLY GENERATED REVENUE 2021</b>		
	<b>DETAILS</b>	<b>AMOUNT</b>	
	Taxes	103,500.00	
	Rates	2,570,124.00	
	Lincences	3,863,000.00	
	Earning	3,193,342.52	
	Rent	400,000.00	
	interest	-	
	10% IGR From State	25,723,459.41	
	<b>TOTAL</b>	<b>35,853,425.93</b>	

**1.1 INTRODUCTION**

In compliance with the provision of section 125 (2) of 1999 Constitution of the Federal Republic of Nigeria and Niger State Local Government Law (N.S.L.N. No. 14) of 2001, I have examined the Accounts and Financial Statement of Mashegu Local Government for the year ended 31<sup>st</sup> December, 2021 in accordance with the Public Finance (Control Management Act. 1958).

I have therefore certified the accounts as correct subject to various observations raised and contained in this report while the irregularities discovered thereon had been forwarded through Audit Inspection reports to the attached for Accounting officer`s comments and necessary actions

**2.0 FINANCIAL HIGHLIGHTS**

RECEIPTS DESCRIPTION		PERCENTAGE
Internally Generated Revenue	10,129,966.52	0.37%
10% IGR	25,723,459.41	0.93%
VAT	759,254,162.19	27.43%
Exchange Gain differentials	7,170,523.92	0.26%
Excess Crude Oil	53,681,386.35	1.94%
Non-Oil Revenue	59,041,689.81	2.13%
Statutory Allocation	1,852,924,515.94	66.94%
	<b><u>2,767,925,704.14</u></b>	<b><u>100.00%</u></b>

**2.1 ANALYSIS OF REVENUE AND EXPENDITURE****2.1.1 REVENUE**

The sum of ₦ 2,767,925,704.14 accrued to Mashegu Local Government Council as total receipts for the year ended 31<sup>st</sup> December, 2021

**2.1.1.1 INTERNALLY GENERATED REVENUE**

-Mashegu Local Government Council generated the sum of ₦ 10,129,966.52 and ₦ 25,723,459.41 as Internally Generated Revenue and 10%IGR from State respectively. this amounted to a total sum of ₦ 35,853,425.93 only for the year ended 31<sup>st</sup> December, 2021 which represented 1.30% of the total accrued revenue of ₦ 2,767,925,704.14. This shows that the Council solely depends on statutory allocation from the Federation Account and grants from other sources for survival despite my several advices to improve and explore other sources of revenue for the Council. This could result to non-survival of the councils if there is a decline of revenue from the Federation Account.

I advise that the Council should make up extra efforts to generate more in the years ahead.



**2.1.1.2 FEDERAL STATUTORY ALLOCATION**

The sum of ₦ 1,852,924,515.94 which is 66.94% of the total receipts of ₦ 2,767,925,704.14 was disbursed to Mashegu Local Government Council for the year under review. This sum comprises the followings:

- i. VAT
- ii. Exchange Gain Differentials
- iii. Excess Crude Oil
- iv. Non-Oil Revenue
- v. Statutory Allocation

**2.1.2 EXPENDITURE**

**2.1.2.1 ANALYSIS OF EXPENDITURE**

The total sum of ₦ 2,767,925,704.14 was allocated directly to Mashegu Local Government Council and expended as follows:

DETAILS	AMOUNT (₦ )	PERCENTAGE
i. Personnel cost	731,023,123.59	25.64%
ii. Overhead cost	323,776,825.24	3.44%
iii. Consolidated Fund charges	57,673,839.75	1.88%
iv. Operating Activities	319,408,702.38	10.55%
v. Other Transfers	982,722,677.52	2.31%
vi. Contributions	28,800,000.00	3.46%
vii. Repayment of Loans	96,000,000.00	1.36%
viii. Cash flow from investment	181,243,794.43	8.60%
	<b><u>2,720,648,962.91</u></b>	<b><u>100.00%</u></b>

**3.0 WEAKNESSES IN THE INTERNAL CONTROL SYSTEM**

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

**3.1. Unsupported payments by third party documentation**

I observed that most of the payment vouchers raised were not having documentary evidences such as delivery notes, Stores Received Vouchers, Stores Issues Vouchers, receipts etc. to justify the payments made. This implies some of the payments were made for goods not delivered or services not rendered.

I advised the Councils to ensure that all payments are supported appropriately.



**3.1. Unremitted WHT and VAT Deductions**

During the course of my audit I observed that, Mashegu Local Government Council had not remitted ₦ 17,475,517.23 to the appropriate authorities as at 31 December 2021. The outstanding amount comprises of ₦6,476,035.65 respect of WHT, ₦9,061,307.28 in respect of VAT and ₦1,938,174.30 in respect of Stamp duty

This exposes the Local Government Council to the risk of payment of fines and penalties for late remittance. I advised the Council to remit the outstanding deductions immediately and in future, the Council should ensure all deductions are made and remitted in accordance with the relevant guidelines.

**3.2. Payment Vouchers not checked nor passed by the Internal Audit Unit.**

During the course of our audit exercise, it was observed that despite being raised in our previous reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued in some cases which contravene chapter 14 section 1-19 of Model Financial Memoranda. The non-compliance was evidenced by the Payment Vouchers which were prepared and paid out without endorsement by the Internal Audit Unit and Officer Controlling the Vote and Checks by the Accounting Officer. This exposes the Council to fraudulent practices.

I advised the council to adhere strictly to the provisions of the Model Financial Memoranda.

**3.3. Non-maintenance of Fixed/Moveable Asset register.**

A Fixed Assets Register is a management tool to monitor and control use of assets. However, as pointed out in my previous reports, Mashegu Local Council did not maintain an up-to-date Fixed Assets Register during the year under review.

I advised the Council to ensure that an up-to-date Fixed Assets/Movable Assets Register is maintained.

**3.4. Non-maintenance of Loan/Overdraft Register/Ledger.**

We observed that Mashegu Local Government Council did not maintain Loans/Overdraft Register/Ledger during the year.

The risk is that the Council may not be able to reconcile loan balances with the lenders leading to overpayments or fines and penalties for under payments.

We recommend that the Council should immediately open and maintain Loans Register. In order to ensure Accountability and Transparency, the affected Accounting Officers are advised to comply and ensure that all issues raised above in this section should be addressed before my next audit



**4.0 BUDGETARY CONTROL**

**4.1 REVENUE COMPARISON**

During the year under review, there was a shortfall in the target of Internally Generated Revenue in Mashegu Local Government Council in all revenue codes as shown below:

**MASHEGU LOCAL GOVERNMENT BUDGETED INTERNALLY GENERATED REVENUE COMPARED WITH ACTUAL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**

S/ N	CODES	DETAILS	BUDGET ?	ACTUAL ?	SHORTFALL ?
1	12010000	Taxes	700,000.00	103,500.00	(596,500.00)
2	12021700	Rates	3,379,000.00	2,570,124.00	(808,876.00)
3	12021300	Local Licenses, Fees, and Fine	8,702,104.00	3,863,000.00	(4,839,104.00)
4	12021500	Earning from Commercial undertakings	10,673,905.00	3,193,342.52	(7,480,562.48)
5	12021600	Rent on Local Government Properties	2,500,000.00	400,000.00	(2,100,000.00)
6	12021100	Interest	-	-	-
<b>TOTAL</b>			<b>25,955,009.00</b>	<b>10,129,966.52</b>	<b>(15,825,042.48)</b>

From the above table, it clearly shows that the Council rely solely on Statutory Allocation from the Federation Account for its survival despite the comparison between the total budgeted amount of ? 25,955,009.00 with actual Internally Generated Revenue of ? 10,129,966.52 Leaving the shortfall of ? 15,825,042.48 during the year under review.

This implies that the Council could not fully implement its planned programs during the financial year or the budget was not realistic.

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

- i. Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- ii. Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- iii. Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- iv. Control over issuance of revenue receipts
- v. Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.
- vi. The Council should ensure that realistic budgets are prepared.



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**4.2 RECURRENT EXPENDITURE**

**4.2.1 PERSONNEL COST**

As regards to the personnel cost, it was observed that, the sum of ₦ 755,529,183.78 and ₦ 731,028,128.59 was spent as personnel cost in 2020 and 2021 respectively with a decrease of ₦ 24,501,055.19 over the previous year. This also represent 3.35% this was due to promotion of personnel's during the year under review.

**4.2.2 CAPITAL EXPENDITURE**

**4.2.2.1 CAPITAL PROJECT**

During the year under review it was observed that the sum of ₦ 181,243,794.43 was spent on capital project by Mashegu local Government Council. This was made by the council to boost the developmental activities in the Rural areas in which various Project were executed and some are still in progress. Though the approved capital expenditure Estimate was ₦ 571,895,432.00 and only the sum of ₦ 181,243,794.43 representing 31.69% was Expended leading to a variance of ₦ 390,651,637.57.

I advised the council to ensure that estimate should be based on realistic and cognizance of Environmental factor, and the cashflow should be adequately monitored in order to reduce unnecessary expenses in overhead and give priority to capital project execution.

**5.0 ANALYSIS OF ASSETS AND LIABILITIES**

**5.1 ASSETS**

**5.1.1 CASH AND ITS EQUIVALENTS**

The closing cash and its equivalents amounted to the sum of ₦ 51,986,249.03k for Mashegu Local Government as at 31<sup>st</sup> December, 2021.

**5.2. LIABILITIES**

**5.2.1. DEPOSITS**

Deposits comprise unremitted statutory deductions and non-statutory deductions shown below.

• Statutory Deposits	₦ 17,475,517.23
• Non-Statutory Deposits	₦ 4,977,038.97
<b>TOTAL</b>	<b><u>₦ 22,452,556.20</u></b>

**5.2.1.1 UNREMITTED DEDUCTIONS**

The balance on the unremitted deductions account was ₦ 22,452,556.20 as at 31<sup>st</sup> December, 2021. The unremitted deductions include deductions from payments made on behalf of Government Agencies and various other bodies by the Local Government which ought to be promptly remitted to the appropriate authorities.

The management of Mashegu Local Government Council has been advised to ensure that all Deposits are remitted timely to avoid accumulating liabilities and attracting fines and penalties for the Local Government.

**5.2.1.2. BANK OVERDRAFTS**

The council has no bank overdraft during the year under review.

**6.0 OUTSTANDING ISSUES FROM AUDIT INSPECTION REPORT**

The following are outstanding issues from the Audit Inspection Report for the period under review.

**1. AGX/F.O.21/TA/MSG/VOL.1****Dated – 01/02/2022**

(i) Payment not accounted for = ₦ 360,000.00

**2 AGX/D.133/VOL.9/1 PROJECTS**

(ii). Fraudulent payment made to Trends Engineering Nig, Ltd for the Construction of 13km Kawo Mashegu Road. = ₦ 15,000,000.00

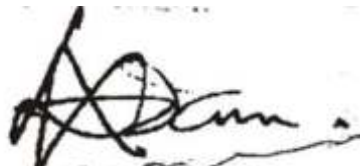
Management promised to follow up and resolve the issues raised above.

We recommend that the management of Mashegu Local Government should ensure the issues raised above are adequately addressed.

**7.0 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, 2021

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



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Office Of The Chairman  
**CHANCHAGA LOCAL GOVERNMENT COUNCIL**  
SECRETARIAT COMPLEX: P.M.B. 26, Along Gwari Road, Opposite Stadium,  
Minna, Niger State.

Our Ref: CLG/TR/216/V.I Your Ref: \_\_\_\_\_ Date: 04-02-2022

**Statement of Financial Responsibility**  
**Statement NO.1**

These financial Statement have been prepared by the Director Finance and supply Chanchaga Local Government in accordance with the provisions of the finance (Control and Management ) Act.158as amended. The Financial Statement 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.

Sign:

Treasurer Chanchaga LG

Date: 4/2/2022

We accept responsibility of these Financial Statements, the information they contain and their compliance with Finance (Control and Management) Act. 195 as amended.

In our opinion, these Financial Statement, fairly reflect the Financial position of Chanchaga Local Government as at 31<sup>st</sup> December, 2022 and its operations for the year ended on the date.

**Mahmud M. Na'aji**  
Treasurer Chanchaga LG

Date: 4/2/2022

**Hon. Ibrahim Abubakar Lalalo**  
Executive Chairman Chanchaga LG  
Date: 4/2/2022



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# NIGER STATE GOVERNMENT

MINNA LOCAL GOVERNMENT COUNCIL

ACCOUNTING POLICIES

(IPSAS CASH)

**ISSUED BY**

**OFFICE OF THE DIRECTOR FINANCE**

**MINNA LOCAL GOVERNMENT COUNCIL**

**2021**



## List of Abbreviations/Acronyms

Abbreviation/Term	Description
CBN	Central Bank of Nigeria
COA	Chart of Account
FAAC	Federation Accounts Allocation Committee
FGN	Federal Government of Nigeria
FRC	Financial Reporting Council
GAAP	Generally Accepted Accounting Principles
GPFS	General Purpose Financial Statement
IPSAS	International Public Sector Accounting Standards
LFN	Law of the Federal Republic of Nigeria
LGC	Local Government Council
NCOA	National Chart of Account
GBE	Government Business Enterprises
FRCON	Financial Reporting Council of Nigeria
PPE	Properties, Plants and Equipment



### **Introduction**

In line with the adoption of the International Public Sector Accounting Standards (IPSAS) in Nigeria, a Standardised Chart of Account (COA) alongside a set of General Purpose Financial Statements (GPFS) have been designed and introduced by FAAC for adoption by all tiers of Government in Nigeria.

The standardised COA and the GPFS is hereby adopted by Minna Local Government Council to comply with FAAC directive to harmonise public sector accounts reporting in Nigeria.

In order to ensure an effective and efficient utilisation of the COA and GPFS, the Accounting Policies have been developed as a set of guidelines to direct the Processes and Procedures relating to financial reporting in Minna Local Government Council.

These policies shall form part of the universally agreed framework for financial reporting in Minna Local Government Council.

### **IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when Cash (including Cash Equivalents) is received or paid by the Local Government. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of Cash raised during the period, the purposes for which Cash was used and the Cash balances at the reporting date. The measurement focus in the GPFS balances are Cash and changes during the period. Therefore, Bank Reconciliation Statement shall form integral part of periodic Reports in Minna Local Government Council.

Notes to the GPFS provide additional information about liabilities, including payables and borrowings, and non-cash assets that include receivables, investments and property, plant and equipment.

This Accounting Policy addresses the following fundamental accounting issues:

1. Definition of Accounting Terminologies
2. Recognition of Accounting Items
3. Measurement of Accounting Items
4. Treatment of Accounting items

The Accounting Policy is subject to periodic reviews and updates as shall be deemed necessary by the Director Finance, Minna Local Government Council.







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S/N	Accounting Policies:	2	<b>General Purpose Financial Statements (GPFS)</b>
1	<b>Accounting Terminologies / Definitions</b>		<p>The GPFS comprise of Statement of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by Minna Local Government Council and Accounting Policies and Notes to the Financial Statements .In Minna Local Government Council, the GPFS Accounting Policy include the following:</p> <ol style="list-style-type: none"> <li>I. Statement 1 - Cash Flow Statements: Statement of Cash Receipts and Payments which:                         <ul style="list-style-type: none"> <li>▪ recognizes all Cash Receipts, Cash Payments and Cash Balances controlled by Minna Local Government Council; and</li> <li>▪ separately identifies payments made by third parties on behalf of Minna Local Government Council.</li> </ul> </li> <li>II. Statement 2 - Statement of Assets and Liabilities: Statement of Financial Position (also known as Balance Sheet);</li> <li>III. Statement 3 - Statement of Consolidated Revenue Fund: Statement Recurrent Financial Performance (also known as Profit &amp; Loss Account);</li> <li>IV. Statement 4- Statement of Capital Development Fund: Statement of Capital Financial Performance (also known as Capital Expenditure);</li> <li>V. Notes to the Accounts: Additional disclosures to explain the GPFS; and</li> <li>VI. Accounting Policies and Explanatory Notes.</li> </ol>
	<ol style="list-style-type: none"> <li>I. <b>Accounting policies</b> are the specific principles, bases, conventions, rules and practices adopted by Minna Local Government Council in preparing and presenting Financial Statements.</li> <li>II. <b>Cash:</b> Cash comprises cash in hand, demand deposits in financial institutions and cash equivalents.</li> <li>III. <b>Cash equivalents</b> are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.</li> <li>IV. <b>Cash basis</b> means a basis of accounting that recognizes transactions and other events only when cash is received or paid.</li> <li>V. <b>Cash flows</b> are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.</li> <li>VI. <b>Cash receipts</b> are cash inflows.</li> <li>VII. <b>Cash payments</b> are cash outflows.</li> <li>VIII. <b>Cash Controlled by Minna Local Government Council:</b> Cash is deemed to be controlled by Minna Local Government Council when the government can freely use the available cash for the achievement of its objectives or enjoy benefit from the cash, and can also exclude or regulate the access of others to that benefit. Cash collected by, or appropriated or granted to the government which the government can freely use to fund its operating objectives, such as acquiring of capital assets or repaying its debt is controlled by the government.</li> <li>IX. <b>Notes to the GPFS</b> shall include narrative descriptions or more detailed schedules or analyses of amounts shown on the face of the GPFS, as well as additional information</li> </ol>		



<p><b>3 Basis of Preparation and Legal Provisions</b></p> <p>The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL ) and the Financial Reporting Council of Nigeria . In addition, GPFS are in compliance with the provisions of other financial regulations of Minna Local Government Council</p>	<p><b>6 Reporting Currency</b></p> <p>The General Purpose GPFS are prepared in Nigerian Naira.</p>
<p><b>4 Fundamental Accounting Concepts</b></p> <p>The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in Minna Local Government Council</p> <ul style="list-style-type: none"> <li>? Cash Basis of Accounting;</li> <li>? Understability;</li> <li>? Materiality,</li> <li>? Relevance;</li> <li>? Going Concern Concept;</li> <li>? Consistency Concept</li> <li>? Prudence</li> <li>? Completeness, etc.</li> </ul>	<p><b>7 LGC for Consolidation</b></p> <ul style="list-style-type: none"> <li>▪ The Consolidation of the GPFS are based on the Cashtransactions of Minna Local Government Council except Government Business Enterprises (GBEs).</li> </ul>
<p><b>5 Accounting Period</b></p> <p>The accounting year (fiscal year) is from 1<sup>st</sup> January to 31<sup>st</sup> December. Each accounting year is divided into 12 calendar months (periods) and shall be set up as such in the accounting system.</p>	<p><b>8 Comparative Information</b></p> <ul style="list-style-type: none"> <li>▪ The General Purpose GPFS shall disclose all numerical information relating to previous period (at least one year).</li> </ul>
	<p><b>9 Budget Figures</b></p> <ul style="list-style-type: none"> <li>▪ These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation Law of Niger State.</li> </ul>
	<p><b>10 Receipts</b></p> <ul style="list-style-type: none"> <li>? These are Cash inflows within the Financial Year. They comprise of receipts from Statutory Allocations (FAAC monthly disbursement) , Taxes, External Assistance ( from Bilateral and Multilateral Agencies), Other Aid and Grants, Other Borrowings,Capital Receipts (Sale of Government Assets , etc), Receipts from Trading activities and Other Cash Receipts.</li> <li>? These items shall be disclosed at the face of the Statement of Cash Receipts and Payment for the year in accordance with the standardised GPFS . Notes shall be provided as per standardised Notes to GPFS.</li> </ul>



<p><b>11 External Assistance</b></p> <ul style="list-style-type: none"> <li>? Receipts from Loans are Funds received from external sources to be paid back at an agreed period of time. They are categorised either as Bilateral or Multilateral.</li> <li>? External Loans receipts shall be disclosed separately under Statement of Cash Receipts and Payment for the year.</li> <li>? The Local Governments did not receive external assistance during the two year.</li> </ul>	<p><b>15 Payments</b></p> <ul style="list-style-type: none"> <li>▪ These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorised either by Function and/or by Sector in the Statement of Cash Receipts and Payment.</li> <li>▪ Payments for purchase of items of capital nature( e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.</li> </ul>
<p><b>12 Other Borrowings / Grants&amp; Aid Received</b></p> <ul style="list-style-type: none"> <li>▪ These shall be categorised as either Short or Long term Loans.Short-Term Loans are those repayable within one calendar year (12 months), while Long - Term Loans and Debts shall fall due beyond one calendar year (above 12 months).Loans shall be disclosed separately and Grants shall also be separately disclosed under Statement of Cash Receipts and Payment for the year.</li> </ul>	<p><b>16 Loans Granted:</b></p> <ul style="list-style-type: none"> <li>▪ Payments to other Government and Agencies in form of Loans during the year shall be shown separately in the Statement of Receipts and Payments. Amount disclosed shall be actual amount paid during the year.</li> <li>▪ The Local Governments did not give any loan during the two year.</li> </ul>
<p><b>13 Interest Received</b></p> <ul style="list-style-type: none"> <li>? Interest actually received during the financial year shall be treated as a receipt</li> </ul>	<p><b>17 Loan Repayments</b></p> <p>Cash receipts from loans granted to other agencies and government shall be classified under loan repayments in the Statement of Receipts and Payments . Amount disclosed shall be actual amount received during the year.</p>
<p><b>14 Government Business Activities</b></p> <p>Cash Receipts from Trading Activities shall be received net (after deducting direct expenses) unless otherwise provided for by law or policy in force. Total receipts from all trading activities shall be disclosed in the Statement of Cash Receipts and Payments under 'Trading Activities' item.</p> <p>Where gross revenue is received, corresponding payments shall be charged under a corresponding payment item head ' Government Business Activities' in the Statement of Receipts and Payments.</p>	<p><b>18 Interest on Loans:</b></p> <ul style="list-style-type: none"> <li>▪ Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest payment in the Statement of Cash Receipts and Payments</li> </ul>



19	<p><b>Foreign Currency Transactions:</b></p> <ul style="list-style-type: none"><li>Foreign Currency Transactions throughout the year shall be converted into Nigerian Naira at the ruling (Central Bank of Nigeria –CBN) rate of exchange at the dates of the transactions. Foreign currency balances, as at the year end, shall be translated at the exchange rates prevailing on that date.</li><li>At the end of the financial year, additional amounts (in cash or at bank) arising out of Foreign Exchange Gains/Losses shall be recognised in the Statement of Cash Receipts and Payments either as Receipts / Payments respectively.</li><li>Hence the Minna Local Government Council did not have foreign currency transactions during the two year.</li></ul>
20	<p><b>Prepayments</b></p> <ul style="list-style-type: none"><li>Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.</li><li>The Local Governments did not make prepayment to contractors during the two year.</li></ul>
21	<p><b>Cash Balances</b></p> <p>This includes Cash in Hand, at Bank and Cash Equivalentents at the end of the Financial year.</p>

**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.

**ADDRESS**

Minna Branch

United Bank for Africa Plc.

Minna Branch

Zenith Bank Plc.

Minna Branch

Wema Bank Plc.

Minna Branch

- AUDITORS**

Auditor General

Office of the Auditor General for Local Governments

P.M.B. 53 Minna,

Niger State.



**AUDIT CERTIFICATE**

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**

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 State Local Government Joint Account Allocation Committee are indicated in the Supplementary Note 1 to the Accounts. In my opinion, the Supplementary Note 1 to accounts presents fairly, in all material respects, the revenue from Federation Account received by Minna Local Government during the year ended December 31st, 2020.

In my opinion, the Financial Statements which are in agreement with the books of accounts and record shows a true and fair view of the financial position of the Minna Local Government for the year ended 31st December, 2020 and the transactions for the year ended at that date.



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



**STATEMENT NO. 1  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**



ANNUAL BUDGET 2021 N	COA	NOTES	ACTUAL YEAR 2021	PREVIOUS YEAR 2020
			N	N
	<b>CashFlows from Operating Activities:</b>			
	<u>Receipts:</u>			
1,534,285,953.00		1	1,226,661,350.85	1,844,475,632.49
581,317,220.00		1	739,840,715.52	-
<b>2,115,603,173.00</b>			<b>1,966,502,066.37</b>	<b>1,844,475,632.49</b>
	<b>Sub-total - Statutory Allocation</b>			
2,000,000.00		2	-	40,000.00
62,700,000.00		2	38,540,749.98	29,086,891.71
-		2	-	-
-		2	-	-
-		2	-	-
-		2	-	-
-		2	-	-
68,200,000.00		2	45,525,938.00	38,022,463.54
3,500,000.00		2	684,102.14	342,000.00
-		2	-	-
35,500,000.00		2	12,658,522.00	12,474,072.00
-		2	-	-
-		2	-	-
147,447,704.00		2	25,723,459.55	22,002,508.51
<b>319,347,704.00</b>			<b>123,132,771.67</b>	<b>101,967,935.76</b>
	<b>Sub-total - Independent Revenue</b>			
	<b>Other Revenue Sources of L/Government</b>			
-		3	-	<b>21,747,549.18</b>
-		3	919,230,393.43	1,674,338,441.44
<b>2,434,950,877.00</b>			<b>3,008,865,231.47</b>	<b>3,642,529,558.87</b>
	<b>Total Receipts</b>			
	<u>Payments:</u>			
2,189,253,250.65		4	1,621,580,761.58	2,665,408,739.24
-		5	-	-
366,381,822.00		6	275,438,018.87	215,307,598.92
371,907,484.00		7	359,037,761.31	273,569,292.72
28,800,000.00		8	28,800,000.00	102,000,000.00
171,746,135.00		9	439,754,313.72	208,636,960.00
88,800,000.00		10	88,800,000.00	68,080,000.00
<b>3,216,888,691.65</b>			<b>2,813,410,855.48</b>	<b>3,533,002,590.88</b>
	<b>Total Payments</b>			
<b>-781,937,814.65</b>			<b>195,454,375.99</b>	<b>109,526,967.99</b>
	<b>Net Cash Flow from Operating Activities</b>			



	<b>CashFlows from Investment Activities:</b>				
99,000,000.00	Capital Expenditure:Administrative Sector:		12	-	40,000,000.00
312,800,000.00	Capital Expenditure: Economic Sector:		12	51,608,550.00	37,103,000.00
-	Capital Expenditure: Law and Justice:		12	-	-
-	Capital Expenditure:Regional Development		12	-	-
201,200,000.00	capital expenditure: Social Service Sector:		12	41,700,000.00	162,576,206.50
-	Capital Expenditure: Funded from Aid and Grants:		11	-	-
<b>613,000,000.00</b>	<b>Net Cash Flow from Investment Activities:</b>			<b>93,308,550.00</b>	<b>239,679,206.50</b>
	<b>CashFlows from Financing Activities:</b>				
-	Proceeds from Aid and Grants		11	-	-
-	Proceeds from ExternaL Loan :		20	-	-
-	Proceeds from Internal Loans: FGN/Treasury Bonds :		21	-	-
-	Proceeds from InternaL Loan		22	-	174,000,000.00
-	Proceeds from Development of Nat Resources		23	-	-
-	Proceeds of Loans from Other Funds		24	-	-
-	Repayment of External Loans ( Including Servicing)		20	-	-
-	Repayment of FGN/Treasury Bonds :		21	-	-
96,000,000.00	Repayment of Internal Loan		22	104,000,000.00	- 32,000,000.00
-	Repayment of Loans from Development of Nat Resources		23	-	-
	Repayment of Loans from Other Funds		24	-	-
<b>96,000,000.00</b>	<b>Net Cash Flow from Financing Activities:</b>			<b>104,000,000.00</b>	<b>142,000,000.00</b>
	<b>Movement in Other Cash Equivalent Accounts</b>				
-	(Increase)/ Decrease in Investments			-	-
-	Net (Increase)/Decrease in Other Cash Equivalents:			-	-
-	<b>Total Cashflow from other Cash equivalent Accounts</b>			-	-
-	Net Cash for the year			- 1,854,174.01	11,847,771.49
-	Cash & Its Equivalent as at 1st January, 2021			24,230,987.46	12,383,215.97
-	Cash & Its Equivalent as at 31st December, 2021			<b>22,376,813.45</b>	<b>24,230,987.46</b>



**STATEMENT NO. 2**  
**STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	NOTES	CURRENT YEAR 2021 N	PREVIOUS YEAR 2020 N
<b><u>ASSETS:-</u></b>			
<b><u>Liquid Assets:-</u></b>			
Cash Held by AGF:			
-CRF Bank Balance(CBN/ CRF Bank):		-	-
-Pension Account (CBN/ Bank):		-	-
-Other Bank of the Treasury		-	-
-Cash Balances of Trust & Other Funds of the FGN/ States/LGC:		-	-
-Cash Balances with Federal Pay Offices/ Sub-Treasury:		-	-
Cash Held by Agaie Local Government	15	22,376,813.45	24,230,987.46
<b>TOTAL LIQUID ASSETS</b>		<b>22,376,813.45</b>	<b>24,230,987.46</b>
<b><u>Investments and Other Cash Assets:</u></b>			
Federal/ State/ Local Government Investments	16	-	-
Imprests:-	17	-	-
Advances:-	18	-	-
Revolving Loans Granted:-	19	-	-
Intangible Assets		-	-
<b>TOTAL INVESTMENTS AND OTHER CASH ASSETS</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>22,376,813.45</b>	<b>24,230,987.46</b>
<b>LIABILITIES OVER ASSETS</b>		<b>69,252,830.71</b>	<b>174,499,339.72</b>
<b>TOTAL</b>		<b>91,629,644.16</b>	<b>198,730,327.18</b>
<b><u>LIABILITIES:-</u></b>			
<b><u>PUBLIC FUNDS</u></b>			
Consolidated Revenue Fund:		22,376,813.45	36,078,738.95
Capital Development Fund:		-	-
Trust & Other Public Funds:		-	-
Police Reward Fund		-	-
<b>TOTAL PUBLIC FUNDS</b>		<b>22,376,813.45</b>	<b>36,078,738.95</b>
<b><u>EXTERNAL AND INTERNAL LOANS</u></b>			
External Loans:FGN/States/ LGC	20	-	-
FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-
internal Loans	22	38,000,000.00	142,000,000.00
Development Loan Stock	23	-	-
Loan From other Funds	24	-	-
Internal Loans from Other Funds		-	-
<b>TOTAL EXTERNAL AND INTERNAL LOANS</b>		<b>38,000,000.00</b>	<b>142,000,000.00</b>
<b><u>OTHER LIABILITIES</u></b>			
Deposits:-	25	31,252,830.71	20,651,588.23
Overdrawn accounts	26	-	-
<b>TOTAL LIABILITIES</b>		<b>91,629,644.16</b>	<b>198,730,327.18</b>



NIGER STATE

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021



NIGER STATE

ACTUAL PREVIOUS YEAR(2020)		NOTES	ACTUAL YEAR 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	VARIANCE ON FINAL BUDGET
			N	N	N	N	%
12,383,215.97	Opening Balance:		24,230,987.46				
	<b>ADD: REVENUE</b>						
1,844,475,632.49	Statutory Allocations:FAAC	1	1,226,661,350.85	1,534,285,953.00	1,534,285,953.00	-	79.95
-	Value Added Tax Allocation	1	739,840,715.52	581,317,220.00	581,317,220.00	-	-
<b>1,856,858,848.46</b>	<b>Sub-Total - Statutory Allocation</b>		<b>1,966,502,066.37</b>	<b>2,115,603,173.00</b>	<b>2,115,603,173.00</b>	-	-
40,000.00	Direct Taxes	2	-	2,000,000.00	2,000,000.00	-	-
29,086,891.71	Licences	2	38,540,749.98	62,700,000.00	62,700,000.00	-	61.47
-	Mining Rents:	2	-	-	-	-	-
-	Royalties	2	-	-	-	-	-
-	Fees:	2	-	-	-	-	-
-	Fines	2	-	-	-	-	-
-	Sales	2	-	-	-	-	-
38,022,463.54	Earnings :	2	45,525,938.00	68,200,000.00	68,200,000.00	-	66.75
342,000.00	Sales/Rent of Government Buildings:	2	684,102.14	3,500,000.00	3,500,000.00	-	-
-	Sale/Rent on Lands and Others:	2	-	-	-	-	-
12,474,072.00	RATES	2	12,658,522.00	35,500,000.00	35,500,000.00	-	35.66
-	Investment Income	2	-	-	-	-	-
-	Interest Earned	2	-	-	-	-	-
22,002,508.51	10% IGR From State	2	25,723,459.55	147,447,704.00	147,447,704.00	-	-
<b>101,967,935.76</b>	<b>Sub-Total - Independent Revenue</b>		<b>123,132,771.67</b>	<b>317,347,704.00</b>	<b>317,347,704.00</b>	-	38.80
-	<b>Other Revenue Sources of L/Government</b>	3	-	-	-	-	-
21,747,549.18	Domestic Grants		-	-	21,747,549.18	-	-
1,674,338,441.44	Grants From other LGs		919,230,393.43	-	1,674,338,441.44	-	-
<b>3,654,912,774.84</b>	<b>TOTAL REVENUE:</b>		<b>3,033,096,218.93</b>	<b>2,434,950,877.00</b>	<b>2,434,950,877.00</b>	-	-
	<b>LESS:EXPENDITURE</b>						
2,665,408,739.24	Personnel Costs ( Including Salaries on CRF Charges):	4	1,621,580,761.58	2,189,253,250.65	2,189,253,250.65	-	74.07
-	Federal/ States/ LGC Govt Contribution to Pension:	5	-	-	-	-	-
215,307,588.92	Overhead Charges:	6	275,438,018.87	366,381,822.00	366,381,822.00	-	75.18
273,569,292.72	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)	7	359,037,761.31	371,907,484.00	371,907,484.00	-	96.54
102,000,000.00	Subvention to Parastatals:	8	28,800,000.00	28,800,000.00	28,800,000.00	-	100.00
208,636,960.00	Other Operating Activities	9	439,754,313.72	171,746,135.00	171,746,135.00	-	256.05
68,080,000.00	Other Transfers	10	88,800,000.00	88,800,000.00	88,800,000.00	-	100.00
<b>3,533,002,580.88</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,813,410,855.48</b>	<b>3,216,888,691.65</b>	<b>3,216,888,691.65</b>	-	87.46
	<b>OTHER RECURRENT PAYMENTS/EXPENDITURE:</b>						
-	Repayments:External Loans:FGN/States/ LGC	19	-	-	-	-	-
-	Repayments:FGN/ States/LGC Bonds & Treasury Bonds.	20	-	-	-	-	-
-	Repayments :Nigerian Treasury Bills (NTB)	21	-	-	-	-	-
32,000,000.00	Repayments:Internal Loans	22	104,000,000.00	96,000,000.00	96,000,000.00	-	-
-	Repayments: Internal Development Loans Stock	23	-	-	-	-	-
-	Repayments:Other Internal Loans( Promissory Notes)	24	-	-	-	-	-
<b>3,565,002,580.88</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,917,410,855.48</b>	<b>3,312,888,691.65</b>	<b>3,312,888,691.65</b>	-	-
<b>89,910,193.96</b>	<b>OPERATING BALANCE:</b>		<b>115,685,363.45</b>	<b>877,937,814.65</b>	<b>877,937,814.65</b>	-	-
	<b>APPROPRIATIONS/TRANSFERS:</b>						
65,679,206.50	Transfer to Capital Development Fund:		93,308,550.00	613,000,000.00	613,000,000.00	-	15.22
<b>24,230,987.46</b>	<b>Closing Balance:</b>		<b>22,376,813.45</b>				

**STATEMENT NO. 4**  
**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ACTUAL PREVIOUS YEAR(2020)		NOTES	TOTAL CAPITAL EXPENDITURE 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	PERFORMANCE ON TOTAL
N			N		N		%
-	<b>Opening Balance:</b>		-				
	<b>ADD: REVENUE</b>						
65,679,206.50	Transfer from Consolidated Revenue Fund:		93,308,550.00	203,027,384.00	203,027,384.00	-	45.96
-	Aid and Grants	11	-	-	-	-	-
-	External Loans:FGN/States/ LGC	20	-	-	-	-	-
-	FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-	-	-	-
174,000,000.00	Internal Loan	22	-	-	-	-	#DIV/0!
-	Development Loan Stock	23	-	-	-	-	-
-	Loan From Other Funds	24	-	-	-	-	-
<b>239,679,206.50</b>	<b>TOTAL REVENUE AVAILIABLE:</b>		<b>93,308,550.00</b>	<b>203,027,384.00</b>	203,027,384.00	-	45.96
	<b>LESS: CAPITAL EXPENDITURE</b>						
40,000,000.00	Capital Expenditure:Administrative Sector:	12	-	99,000,000.00	99,000,000.00	-	-
37,103,000.00	Capital Expenditure: Economic Sector:	12	51,608,550.00	312,800,000.00	312,800,000.00	-	16.50
-	Capital Expenditure: Law and Justice:	12	-	-	-	-	-
-	Capital Expenditure:Regional Development	12	-	-	-	-	-
162,576,206.50	Capital Expenditure: Social Service Sector:	12	41,700,000.00	201,200,000.00	201,200,000.00	-	20.73
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-	-	-	-
<b>239,679,206.50</b>	<b>TOTAL CAPITAL EXPENDITURE:</b>		<b>93,308,550.00</b>	<b>613,000,000.00</b>	<b>613,000,000.00</b>	-	15.22
	Intangible Assets		-				
-	<b>CLOSING BALANCE:</b>		-				



NIGER STATE

**NOTE TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

<i>Details</i>					
<b>NOTE 1</b>	<b>Ref. Note</b>	<b>Amount</b>	<b>Amount</b>		<b>Remarks</b>
<b>A- Share of Statutory Allocation from FAAC</b>		<b>N</b>	<b>N</b>		
Net Share of Statutory Allocation from FAAC	A	1,150,728,872.71			
Add :Deduction at source for Loan Repayment	B	-			
Share of Exchange Gain Differencial	C	4,541,323.73			
Share of Federal Accounts Allocation- Excess Crude Oil	D	33,998,150.80			
<b>Non-oil Revenue</b>	<b>E</b>	<b>37,393,003.61</b>			
<b>Total FAAC Allocation to LG</b>			<b>1,226,661,350.85</b>		
<b>B. Value Added Tax</b>					
Share of Value Added Tax (VAT)		739,840,715.52	739,840,715.52		
<b>Total Statutory Allocation to LG</b>			<b>1,966,502,066.37</b>		
<b>NOTE 2</b>					
<b>Internally Generated Revenue (Independent Revenue)</b>		<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	
<b>Direct Taxes</b>					
Minna local government Internal Revenue		-	2,000,000.00	2,000,000.00	
<b>Total - Direct Taxes</b>		<b>-</b>	<b>2,000,000.00</b>	<b>2,000,000.00</b>	
<b>Licences</b>					
Minna local government Internal Revenue		38,540,749.98	62,700,000.00	24,159,250.02	
<b>Total Licences</b>		<b>38,540,749.98</b>	<b>62,700,000.00</b>	<b>24,159,250.02</b>	
<b>Mining Rents</b>					
Minna local government Internal Revenue		-	-	-	
<b>Total Mining Rents</b>		<b>-</b>	<b>-</b>	<b>-</b>	
<b>Royalties</b>					
Minna local government Internal Revenue		-	-	-	
<b>Total Royalties</b>		<b>-</b>	<b>-</b>	<b>-</b>	
<b>Fees</b>					
Minna local government Internal Revenue		-	-	-	
<b>Total Fees</b>		<b>-</b>	<b>-</b>	<b>-</b>	
<b>Fines</b>					
Minna local government Internal Revenue		-	-	-	
<b>Total Fines</b>		<b>-</b>	<b>-</b>	<b>-</b>	



NIGER STATE



<b>Sales</b>				
Minna local government Internal Revenue		-	-	-
<b>Total Sales</b>		-	-	-
<b>Earnings</b>				
Minna local government Internal Revenue		45,525,938.00	68,200,000.00	22,674,062.00
<b>Total Earnings</b>		<b>45,525,938.00</b>	<b>68,200,000.00</b>	<b>22,674,062.00</b>
<b>Sales/Rent of Government Buildings</b>				
Minna local government Internal Revenue		684,102.14	3,500,000.00	2,815,897.86
<b>Total Sales/Rent of Government Buildings</b>		<b>684,102.14</b>	<b>3,500,000.00</b>	<b>2,815,897.86</b>
<b>Sale/Rent on Lands and Others:</b>				
Minna local government Internal Revenue		-	-	-
<b>Total Sale/Rent on Lands and Others</b>		-	-	-
<b>Rates</b>				
Minna local government Internal Revenue		12,658,522.00	35,500,000.00	22,841,478.00
<b>Total Rates</b>		<b>12,658,522.00</b>	<b>35,500,000.00</b>	<b>22,841,478.00</b>
<b>Investment Income</b>				
Minna local government Internal Revenue		-	-	-
<b>Total Investment Income</b>		-	-	-
<b>Interest Earned</b>				
Minna local government Internal Revenue		-	-	-
<b>Total Interest Earned</b>		-	-	-
<b>10% IGR From State</b>				
Minna local government Internal Revenue		25,723,459.55	147,447,704.00	121,724,244.45
<b>Total 10% IGR From State</b>		<b>25,723,459.55</b>	<b>147,447,704.00</b>	<b>121,724,244.45</b>
<b>Total - Independent Revenue</b>		<b>123,132,771.67</b>	<b>319,347,704.00</b>	<b>196,214,932.33</b>



<b>NOTE 3</b>					
<b>Other Revenue Sources of L/Govt:</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Domestic Grants		-	-	-	
<b>Total Domestic Grants</b>		-	-	-	
Grant from other LGs		919,230,393.43	-	-	919,230,393.43
<b>Total Grant from other LGS</b>		<b>919,230,393.43</b>	-	-	<b>919,230,393.43</b>
<b>NOTE 4</b>					
<b>A - Total Personnel Costs ( Including Salaries directly charged to CRF in Note 4B below):</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		10,513,898.91	11,126,464.00	612,565.09	
The Council		33,830,001.37	34,052,300.00	222,298.63	
Office Of The Secretary		4,337,758.88	5,337,952.00	1,000,193.12	
Personnel Management		79,717,693.12	102,936,478.00	23,218,784.88	
<b>TOTAL Personnel Cost Administrative Sector</b>		<b>128,399,352.28</b>	<b>153,453,194.00</b>	<b>25,053,841.72</b>	
				CRF Charges in Note 3	
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		76,805,758.85	101,614,044.00	24,808,285.15	
Budget, Planning & Research		5,751,667.80	2,368,428.00	-	3,383,239.80
Works And Housing		58,167,764.62	81,994,225.00	23,826,460.38	
Agriculture And Natural Resources		69,510,902.28	94,670,368.00	25,159,465.72	
<b>TOTAL Personnel Cost Economic Sector</b>		<b>210,236,093.55</b>	<b>280,647,065.00</b>	<b>70,410,971.45</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		815,685,374.74	1,205,685,500.00	390,000,125.26	
Primary Health Cure		393,837,242.54	458,701,097.00	64,863,854.46	
Social Development		71,813,770.35	84,660,553.00	12,846,782.65	
Traditional Council		1,608,928.12	6,105,841.65	4,496,913.53	
<b>Total Personnel Cost Social Sector</b>		<b>1,282,945,315.75</b>	<b>1,755,152,991.65</b>	<b>472,207,675.90</b>	
<b>Total Personnel Cost For All Sectors</b>		<b>1,621,580,761.58</b>	<b>2,189,253,250.65</b>	<b>567,672,489.07</b>	
<b>B- Salaries directly charged to CRF( included in Note 4A above)</b>					
<b>List of Parastatals and Agencies:</b>					
Judges of Supreme Court of Nigeria		-	-	-	
Judges of Court of Appeal		-	-	-	
other Judges of Court in Nigeria		-	-	-	
Auditor -General for Federation		-	-	-	
Auditor -General for State		-	-	-	
Auditor -General for Local Government		-	-	-	
INEC Chairman and Commissioners		-	-	-	
e.t.c.		-	-	-	
<b>Total</b>		<b>1,621,580,761.58</b>	<b>2,189,253,250.65</b>	<b>567,672,489.07</b>	



<b>NOTE 5</b>					
<b>Employers Contribution to Pension according to Sector</b>					
Administrative Sector		-	-	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Employers Contribution to Pension</b>		-	-	-	
<b>NOTE 6</b>					
<b>Overhead Costs</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		85,511,500.00	103,000,000.00	17,488,500.00	
The Council		32,500,000.00	16,736,000.00	- 15,764,000.00	
Office Of The Secretary		3,300,000.00	8,700,000.00	5,400,000.00	
Personnel Management		38,580,000.00	80,081,822.00	41,501,822.00	
<b>Total Overhead Cost Administrative Sector</b>		<b>159,891,500.00</b>	<b>208,517,822.00</b>	<b>48,626,322.00</b>	
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		75,220,018.87	29,700,000.00	- 45,520,018.87	
Budget, Planning & Research		3,850,000.00	12,700,000.00	8,850,000.00	
Works And Housing		12,676,000.00	64,264,000.00	51,588,000.00	
Agriculture And Natural Resources		3,150,000.00	20,900,000.00	17,750,000.00	
<b>TOTAL Overhead Cost Economic Sector</b>		<b>94,896,018.87</b>	<b>127,564,000.00</b>	<b>32,667,981.13</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education			-	-	
Primary Health Cure		15,168,500.00	23,000,000.00	7,831,500.00	
Social Development		5,482,000.00	7,100,000.00	1,618,000.00	
Traditional Council		-	200,000.00	200,000.00	
<b>Total Overhead Cost Social Sector</b>		<b>20,650,500.00</b>	<b>30,300,000.00</b>	<b>9,649,500.00</b>	
<b>Total Overhead Cost For All Sectors</b>		<b>275,438,018.87</b>	<b>366,381,822.00</b>	<b>90,943,803.13</b>	



<b>NOTE 7</b>					
<b>Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Monthly Pension		359,037,761.31	371,907,484.00	12,869,722.69	
<b>Total Consolidated Revenue Fund Charges</b>		<b>359,037,761.31</b>	<b>371,907,484.00</b>	<b>12,869,722.69</b>	
<b>NOTE 8</b>					
<b>Subventions to Parastatals (According to Sectors-List)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		28,800,000.00	28,800,000.00	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Subventions to Parastatals</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	
<b>NOTE 9</b>					
<b>Other Operating Activities</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		439,754,313.72	171,746,135.00	- 268,008,178.72	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Other Operating Activities</b>		<b>439,754,313.72</b>	<b>171,746,135.00</b>	<b>- 268,008,178.72</b>	
<b>NOTE 10</b>					
<b>Other Transfer</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		19,200,000.00	19,200,000.00	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		69,600,000.00	69,600,000.00	-	
<b>Total Other Transfer</b>		<b>88,800,000.00</b>	<b>88,800,000.00</b>	<b>-</b>	





<b>NOTE 11</b>					
<b>Details of Aid &amp; Grants Received</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
<b>Bilateral</b>		-	-	-	
<b>Multi Lateral</b>		-	-	-	
<b>ETC</b>		-	-	-	
<b>Total Details of Aid &amp; Grants Received</b>		-	-	-	
<b>NOTE 12</b>					
<b>A - Details of Total Capital Expenditures (According to Sectors)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		-	99,000,000.00	99,000,000.00	
Economic Sector		51,608,550.00	312,800,000.00	261,191,450.00	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		41,700,000.00	201,200,000.00	159,500,000.00	
<b>Total Details of Capital Expenditures</b>		<b>93,308,550.00</b>	<b>613,000,000.00</b>	<b>519,691,450.00</b>	
<b>B - Details of Capital Expenditures of Parastatals (Included in 12A above)</b>					
		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		-	-	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Details of Capital Expenditures of Parastatals</b>		-	-	-	
<b>NOTE 13</b>					
<b>CLOSING BOOK BALANCES OF OTHER FUNDS OF THE GOVERNMENT</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the Other Funds Cash Book Balances		-	-		



<b>NOTE 14</b>					
<b>CLOSING CASH BOOK BALANCE OF FEDERAL PAY OFFICES/SUB-TREASURY OFFICES</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the FPO/Sub-Treasuries Cash Book Balances		-	-		
<b>NOTE 15</b>					
<b>CLOSING CASH BOOK BALANCE OF MINNA LOCAL GOVERNMENT</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Minna Local Government		22,376,813.45	24,230,987.46		
<b>Total Details of Cash Book Balances</b>		<b>22,376,813.45</b>	<b>24,230,987.46</b>		
<b>NOTE 16</b>					
<b>INVESTMENTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Investments in Quoted Companies		-	-		
Investments in unQuoted Companies		-	-		
Loans to Government Companies		-	-		
Loans to Other Government		-	-		
<b>Total Investments</b>		<b>-</b>	<b>-</b>		
<b>NOTE 17</b>					
<b>LIST OF OUTSTANDING IMPRESTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Imprests</b>		<b>-</b>	<b>-</b>		
<b>NOTE 18</b>					
<b>LIST OF OUTSTANDING ADVANCES</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Advances</b>		<b>-</b>	<b>-</b>		
<b>NOTE 19</b>					
<b>Revolving Loan Account</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



<b>NOTE 20</b>					
<b>External Loans:FGN/States/ LGC</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 21</b>					
<b>FGN/ States/LGC Bonds &amp; Treasury Bonds.</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 22</b>					
<b>Internal Loan</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>Opening balance at as 1st january, 2021</b>		142,000,000.00	-		
Add: Additional Loan Issued		-	174,000,000.00		
Less: Repaid		104,000,000.00	32,000,000.00		
<b>Loans as at 31st December, 2021</b>		<b>38,000,000.00</b>	<b>142,000,000.00</b>		
<b>NOTE 23</b>					
<b>Development Loan Stock</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-



<b>NOTE 24</b>					
<b>Internal Loans from Other Funds</b>					
List the Loans		<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 25</b>					
<b>Schedule of Deposit</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Minna Local Government		31,252,830.71	20,651,588.23		
<b>Total Outstanding Deposits</b>		<b>31,252,830.71</b>	<b>20,651,588.23</b>		
<b>Details Of Deposits</b>					
<b>5% Value Added Tax (VAT)</b>		16,234,729.48	10,151,588.23		
<b>LEA</b>		-	-		
1% Stamp Duty		811,085.50	-		
Cooperative Society		-	-		
Withholding Tax		14,207,015.73	10,500,000.00		
<b>TOTAL</b>		<b>31,252,830.71</b>	<b>20,651,588.23</b>		
<b>NOTE 26</b>					
<b>Schedule of Overdrawn accounts</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Minna Local Government		-	-		
<b>Total Overdrawn account</b>		-	-		
<b>NOTE 27</b>					
<b>CONTINGENT LIABILITES AS AT YEAR END</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>E.G.</b>					<b>List All the Contigent Liabilities</b>
... Pension and Gratuity Due		-	-		
....Outstanding Contractors Liabilities ( According to MDA)		-	-		
.....Pending Litigations ( According to MDA)		-	-		
.....Guarantees ( According to MDA)		-	-		
..... Others		-	-		
<b>Total Contigent Liabilities</b>		-	-		

**SUPPLEMENTARY NOTE**



1	<b>GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)</b>		
		<b>2021</b>	<b>2020</b>
	<b>MONTH</b>	<b>TOTAL</b>	<b>TOTAL</b>
	JANUARY	146,733,499.98	169,959,388.67
	FEBRUARY	153,629,965.75	156,850,678.93
	MARCH	126,618,611.10	140,532,599.35
	APRIL	144,589,271.50	160,165,664.05
	MAY	158,345,814.88	147,748,612.14
	JUNE	153,754,586.07	134,424,407.99
	JULY	178,615,873.29	163,343,840.08
	AUGUST	178,615,873.29	167,618,163.30
	SEPTEMBER	180,259,311.56	166,646,408.53
	OCTOBER	187,870,879.51	155,922,768.48
	NOVEMBER	178,887,260.55	140,696,034.84
	DECEMBER	178,581,118.89	140,567,066.13
<b>TOTAL</b>	<b>1,966,502,066.37</b>	<b>1,844,475,632.49</b>	
<b>INTERNELLY GENERATED REVENUE 2021</b>			
<b>DETAILS</b>	<b>AMOUNT</b>		
Taxes	-		
Rates	12,658,522.00		
Lincences	38,540,749.98		
Earning	45,525,938.00		
Rent	684,102.14		
interest	-		
10% IGR From State	<u>25,723,459.55</u>		
<b>TOTAL</b>	<b><u>123,132,771.67</u></b>		

**1.1 INTRODUCTION**

In compliance with the provision of section 125 (2) of 1999 Constitution of the Federal Republic of Nigeria and Niger State Local Government Law (N.S.L.N. No. 14) of 2001, I have examined the Accounts and Financial Statement of Minna Local Government for the year ended 31<sup>st</sup> December, 2021 in accordance with the Public Finance (Control Management Act. 1958).

I have therefore certified the accounts as correct subject to various observations raised and contained in this report while the irregularities discovered thereon had been forwarded through Audit Inspection reports to the attached for Accounting officer's comments and necessary actions.

**2.0 FINANCIAL HIGHLIGHTS**

RECEIPTS DESCRIPTION	AMOUNT (₦)	PERCENTAGE
Internally Generated Revenue	97,409,312.12	3.24%
10% IGR	25,723,459.55	0.85%
Grant from other LGs	919,230,393.43	30.55%
Share of Exchange Gain Differential	4,541,323.73	0.15%
Share of Excess Crude Oil	33,998,150.80	1.12%
Non-oil Revenue	37,393,003.61	1.24%
Statutory Allocation	1,150,728,872.71	38.24%
Share of Value Added Tax (VAT)	739,840,715.52	24.59%
	<b><u>₦ 3,008,865,231.47</u></b>	<b><u>100.00%</u></b>

**2.1 ANALYSIS OF REVENUE AND EXPENDITURE****2.1.1 REVENUE**

The sum of ₦ 3,008,865,231.47 accrued to the Minna Local Government Council as total receipts for the year ended 31<sup>st</sup> December, 2021.

**2.1.1.1 INTERNALLY GENERATED REVENUE**

Minna Local Government council Generated the sum of ₦ 97,409,312.12 and ₦ 25,723,459.55 As Internally Generated Revenue and 10% IGR from State, also the sum of ₦ 919,230,393.43 were received as Grant from Other Local Government all together amounted to the sum of ₦ 1,042,363,165.00 only for the year ended 31<sup>st</sup> December, 2021 which represented 34.64% of the total accrued revenue of ₦ **3,008,865,231.47** This shows that the council solely depend on statutory allocation from the Federation Account and Grants from other sources for survival despite several advice to improve and explore other source of revenue for the council. In addition, I frown at the situation where the IGR cannot cover the total Recurrent Expenditure. This could result to non-survival of the councils if there is a decline of revenue from the Federation Account.

Management in their response, promised to put measures to increase revenue collections.

I advise that the councils should make up extra efforts to generate more in the years ahead.



**2.1.1.2 FEDERAL STATUTORY ALLOCATION**

The sum of ? **1,966,502,066.37** which is 65.36% of the total receipts of ? **3,008,865,231.47** was disbursed to Minna Local Government Council for the year under review. This sum comprises the followings:

- i. Share of Exchange Gain Differential
- ii. Share of Excess Crude
- iii. Non-oil Revenue
- iv. Statutory Allocation
- v. Share of Value Added Tax (VAT)

**2.1.2 EXPENDITURE**

**2.1.2.1 ANALYSIS OF EXPENDITURE**

The total sum of ? 3,816,529,558.87 was allocated directly to Minna Local Government Council and expended as follows:

DETAILS		PERCENTAGE
Personnel cost	1,621,580,761.58	70.06%
Overhead cost	275,438,018.87	5.66%
Consolidated Fund charges	359,037,761.31	7.19%
Operating Activities	439,754,313.72	5.48%
Other Transfers	88,800,000.00	1.79%
Contributions	28,800,000.00	2.68%
Repayment of Loans	104,000,000.00	0.84%
Cash flow from investment	93,308,550.00	6.30%
	<b><u>3,010,719,405.48</u></b>	<b><u>100.00%</u></b>

**3.0 WEAKNESSES IN THE INTERNAL CONTROL SYSTEM**

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

**3.1 Unsupported payments by third party documentation**

I observed that some of the payment vouchers raised were not having documentary evidences such as delivery notes, Stores Received Vouchers, Stores Issues Vouchers, receipts etc. to justify the payments made. This implies some of the payments were made for goods not delivered or services not rendered.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

I advised the Council to ensure that all payments are supported appropriately.



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### 3.1 Unremitted WHT, VAT and Stamp Duty Deductions

During the course of my audit, I observed that Minna Local Government Council had not remitted ₦ 31,252,830.71 to the appropriate authorities as at 31 December 2021. The outstanding amount comprises ₦ 14,207,015.73 in respect of WHT, ₦ 16,234,729.48 in respect of VAT and ₦ 811,085.50 in respect of Stamp duty.

This exposes the Local Government Council to the risk of payment of fines and penalties for late remittance.

I advised the Council to remit the outstanding deductions immediately and in future, the Council should ensure all deductions are made and remitted in accordance with the relevant guidelines.

Management acknowledged and promised to remit the outstanding deductions as soon as funds are available and that in future, they will effect deductions on all contracts and remit the deductions in accordance with the provisions of the law.

### 3.2 Payment Vouchers not checked nor passed by the Internal Audit Unit.

During the course of our audit exercise, it was observed that despite being raised in our previous reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued in some cases which contravenes Chapter 14, section 1-19 of Model Financial Memoranda. The non-compliance was evidenced by the Payment Vouchers which were prepared and paid out without endorsement by the Internal Audit Unit and Officer Controlling the Vote and Checks by the Accounting Officer. This exposes the Council to fraudulent practices. I advised the Council to adhere strictly to the provisions of the Model Financial Memoranda.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memoranda.

I advised management to comply with the provisions of the Model Financial Memorandum when processing payments.

### 3.4. Non-maintenance of Fixed/Moveable Asset register.

A Fixed Assets Register is a management tool to monitor and control use of assets. However, as pointed out in my previous reports, Minna Local Council did not maintain an up-to-date Fixed Assets Register during the year under review.

The risk of non-maintenance of Fixed Assets Register is that the council may not be able to detect misuse and loss of its assets on time.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

I advised the Council to ensure that an up-to-date Fixed Assets/Movable Assets Register is maintained.





**3.5. Non-maintenance of Loan/Overdraft Register/Ledger.**

We observed that Minna Local Government Council did not maintain Loans/Overdraft Register/Ledger during the year.

The risk is that the Council may not be able to reconcile loan balances with the lenders leading to overpayments or fines and penalties for under payments.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

We recommend that the Council should immediately open and maintain Loans Register.

**4.0 BUDGETARY CONTROL**

**4.1 REVENUE COMPARISON**

During the year under review, there was a shortfall in the target of Internally Generated Revenue in Minna Local Government Council in all revenue codes as shown below:

**MINNA LOCAL GOVERNMENT BUDGETED INTERNALLY GENERATED REVENUE COMPARED WITH ACTUAL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**

S/N	CODES	DETAILS	BUDGET ?	ACTUAL ?	SHORTFALL ?
1	12010000	Taxes	2,000,000.00	-	(2,000,000.00)
2	12021700	Rates	35,500,000.00	12,658,522.00	(22,841,478.00)
3	12021300	Local Licenses, Fees, and Fine	62,700,000.00	38,540,749.98	(24,159,250.02)
4	12021500	Earning from Commercial undertakings	68,200,000.00	45,525,938.00	(22,674,062.00)
5	12021600	Rent on Local Government Properties	3,500,000.00	684,102.14	(2,815,897.86)
6	12021100	Interest	-	-	-
<b>TOTAL</b>			<b>171,900,000.00</b>	<b>97,409,312.12</b>	<b>(74,490,687.88)</b>

From the above table, it clearly shows that the Council solely relies on Statutory Allocation from the Federation Account for its survival when comparing the total budgeted amount of ? 171,900,000.00 with actual Internally Generated Revenue of ? 97,409,312.12 leaving a short fall of ? 74,490,687.88 during the year under review.

This implies that the Council could not fully implement its planned programs during the financial year or the budget was not realistic.

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





- i. Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- ii. Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- iii. Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- iv. Control over issuance of revenue receipts
- v. Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.
- vi. The Council should ensure that realistic budgets are prepared.

**4.2 RECURRENT EXPENDITURE**

**4.2.1 PERSONNEL COST**

As regards to the personnel cost, it was observed that, the sum of ₦ 2,665,408,739.24 and ₦ 1,621,580,761.58 was spent as personnel cost in 2020 and 2021 respectively with a decrease of ₦ 1,043,827,977.66 over the previous year. The decrease is as a result of the Council inability to pay 100% Salaries during the year under review.

**4.2.2 CAPITAL EXPENDITURE**

During the year under review, it was observed that the sum of ₦ 93,308,550.00 was spent on Capital project by Minna Local Government Council. This was made by the Council to boost the developmental activities in the rural areas in which various projects were executed and some were still in progress. Though approved capital expenditure estimate was ₦ 613,000,000.00, only the sum of ₦ 93,308,550.00 representing 15.22% was expended leading to a variance of ₦ 519,691,450.00.

I advised the Council to ensure that estimates should be based on realistic and cognizance of environmental factors, and the cash flows should be adequately monitored in order to reduce unnecessary expenses on overhead and give priority to project execution.

**5.0 ANALYSIS OF ASSETS AND LIABILITIES**

**5.1 ASSETS**

**5.1.1 CASH AND ITS EQUIVALENTS**

The closing cash and its equivalents amounted to the sum of ₦ **22,376,813.45** for Minna Local Government as at 31<sup>st</sup> December, 2021.

**5.2. LIABILITIES**

**5.2.1. DEPOSITS**

Deposits comprise of unremitted Statutory deductions and non-statutory deductions for Minna Local Government Council Shown below.

* Statutory Deposits	₦ 31,252,830.71
*Non-statutory Deposits	-
<b>Total</b>	<b>₦ 31,252,830.71</b>

**5.2.1.1 UNREMITTED DEDUCTIONS**

The balance on the unremitted deductions account was ₦ 31,252,830.71 as at 31<sup>st</sup> December, 2021. The unremitted deductions include deductions from payments made on behalf of Government Agencies and various other bodies by the Local Government which ought to be

promptly remitted to the appropriate authorities.

The management of Minna Local Government Council has been advised to ensure that all Deposits are remitted timely to avoid accumulating liabilities and attracting fines and penalties for the Local Government.

#### 5.2.1.2. BANK OVERDRAFTS

The Council did not have any bank overdrafts at the end of the financial year under review.

### 6.0 OUTSTANDING ISSUES FROM AUDIT INSPECTION REPORT

The following are outstanding issues from Inspection Report for the period under review.

**AGX/F.O.21/TA/CHA/VOL.1**

**Dated – 03/02/2022**

- |  |                |
|--|----------------|
| • Purchases not taken on charge into the store | = ₦ 270,000.00 |
| • Payment made to Councilors for ward projects | = ₦ 200,000.00 |
| • Outstanding revenue receipts booklets        | = ₦ 10,000.00  |
| • Unreceipted payment Vouchers                 | = ₦ 100,000.00 |

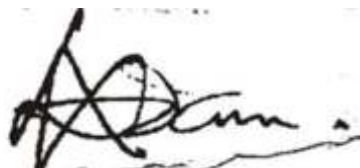
Management promised in their response to follow up and resolve the issues.

We recommend that the management of Minna Local Government should ensure the issues raised above are adequately addressed.

### 7.0 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



NIGER STATE GOVERNMENT OF NIGERIA  
MOKWA LOCAL GOVERNMENT COUNCIL

**AUDITED ACCOUNTS**  
FOR THE YEAR ENDED 31ST DECEMBER, 2021

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



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NIGER STATE



# MOKWA LOCAL GOVERNMENT COUNCIL

LOCAL GOVERNMENT SECRETARIAT P.M.B. 102 MOKWA, NIGER STATE  
08066637643, 08027278372

**OFFICE OF CHAIRMAN**



You Ref: \_\_\_\_\_

Our Ref: \_\_\_\_\_

Date 15<sup>th</sup> September, 2022

## STATEMENT NO. 1 RESPONSIBILITY FOR FINANCIAL STATEMENTS

These financial statements have been prepared by the Director Finance and Supply of Mokwa Local Government Council in accordance with the provisions of IPSAS CASH BASES of Accounting for all Public Sectors Entities (PSE) in Nigeria.

The Financial Statements particularly complied in accordance with the Niger State Local Government Law (N.S.L.N. No. 14) of 2001, International Public Sector Accounting Standards (cash bases) and 2021 relevant Regulation and in line with the finance (Control and Management) Act 1958 as amended. The guideline of the Federation Accounts Allocation Committee (FAAC) in respect of verified Standard of Annual Statements reflects in the adoption of IPSAS (Cash).

To the best of our knowledge, the system of Internal Control had operated adequately throughout the reporting period, and the statements represent a true and fair view of the financial positions of the Local Government.

We accept responsibility of the financial statements and informations they contain, their compliance with relevant Act and with the financial position of Mokwa Local Government as at 31<sup>st</sup> December, 2021.

In our opinion, these financial statements reflect the financial position of Mokwa Local Government as at 31<sup>st</sup> December, 2021 and its operations for the year ended on that date.

  
Chairman  
Local Government

  
Treasurer  
Local Government

12-01-2022



NIGER STATE

**NIGER STATE GOVERNMENT**

**MOKWA LOCAL GOVERNMENT COUNCIL  
ACCOUNTING POLICIES  
(IPSAS CASH)**

**ISSUED BY**

**OFFICE OF THE DIRECTOR FINANCE**

**MOKWA LOCAL GOVERNMENT COUNCIL**

**2021**



## List of Abbreviations/Acronyms

Abbreviation/Term	Description
CBN	Central Bank of Nigeria
COA	Chart of Account
FAAC	Federation Accounts Allocation Committee
FGN	Federal Government of Nigeria
FRC	Financial Reporting Council
GAAP	Generally Accepted Accounting Principles
GPFS	General Purpose Financial Statement
IPSAS	International Public Sector Accounting Standards
LFN	Law of the Federal Republic of Nigeria
LGC	Local Government Council
NCOA	National Chart of Account
GBE	Government Business Enterprises
FRCON	Financial Reporting Council of Nigeria
PPE	Properties, Plants and Equipment





**Introduction**

In line with the adoption of the International Public Sector Accounting Standards (IPSAS) in Nigeria, a Standardised Chart of Account (COA) alongside a set of General Purpose Financial Statements (GPFS) have been designed and introduced by FAAC for adoption by all tiers of Government in Nigeria.

The standardised COA and the GPFS is hereby adopted by Mokwa Local Government Council to comply with FAAC directive to harmonise public sector accounts reporting in Nigeria.

In order to ensure an effective and efficient utilisation of the COA and GPFS, the Accounting Policies have been developed as a set of guidelines to direct the Processes and Procedures relating to financial reporting in Mokwa Local Government Council.

These policies shall form part of the universally agreed framework for financial reporting in Mokwa Local Government Council.

**IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when Cash (including Cash Equivalents) is received or paid by the Local Government. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of Cash raised during the period, the purposes for which Cash was used and the Cash balances at the reporting date. The measurement focus in the GPFS balances are Cash and changes during the period. Therefore, Bank Reconciliation Statement shall form integral part of periodic Reports in Mokwa Local Government Council.

Notes to the GPFS provide additional information about liabilities, including payables and borrowings, and non-cash assets that include receivables, investments and property, plant and equipment.

This Accounting Policy addresses the following fundamental accounting issues:

1. Definition of Accounting Terminologies
2. Recognition of Accounting Items
3. Measurement of Accounting Items
4. Treatment of Accounting items

The Accounting Policy is subject to periodic reviews and updates as shall be deemed necessary by the Director Finance, Mokwa Local Government Council.





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S/N	Accounting Policies:	2	<b>General Purpose Financial Statements (GPFS)</b>
1	<b>Accounting Terminologies / Definitions</b>		<p>The GPFS comprise of Statement of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by Mokwa Local Government Council and Accounting Policies and Notes to the Financial Statements. In Mokwa Local Government Council, the GPFS Accounting Policy include the following:</p> <ol style="list-style-type: none"> <li>I. Statement 1 - Cash Flow Statements: Statement of Cash Receipts and Payments which:                     <ul style="list-style-type: none"> <li>▪ recognizes all Cash Receipts, Cash Payments and Cash Balances controlled by Mokwa Local Government Council; and</li> <li>▪ separately identifies payments made by third parties on behalf of Mokwa Local Government Council.</li> </ul> </li> <li>II. Statement 2 - Statement of Assets and Liabilities: Statement of Financial Position (also known as Balance Sheet);</li> <li>III. Statement 3 - Statement of Consolidated Revenue Fund: Statement Recurrent Financial Performance (also known as Profit &amp; Loss Account);</li> <li>IV. Statement 4- Statement of Capital Development Fund: Statement of Capital Financial Performance (also known as Capital Expenditure);</li> <li>V. Notes to the Accounts: Additional disclosures to explain the GPFS; and</li> <li>VI. Accounting Policies and Explanatory Notes.</li> </ol>
	<ol style="list-style-type: none"> <li>I. <b>Accounting policies</b> are the specific principles, bases, conventions, rules and practices adopted by Mokwa Local Government Council in preparing and presenting Financial Statements.</li> <li>II. <b>Cash:</b> Cash comprises cash in hand, demand deposits in financial institutions and cash equivalents.</li> <li>III. <b>Cash equivalents</b> are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.</li> <li>IV. <b>Cash basis</b> means a basis of accounting that recognizes transactions and other events only when cash is received or paid.</li> <li>V. <b>Cash flows</b> are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.</li> <li>VI. <b>Cash receipts</b> are cash inflows.</li> <li>VII. <b>Cash payments</b> are cash outflows.</li> <li>VIII. <b>Cash Controlled by Mokwa Local Government Council:</b> Cash is deemed to be controlled by Mokwa Local Government Council when the government can freely use the available cash for the achievement of its objectives or enjoy benefit from the cash, and can also exclude or regulate the access of others to that benefit. Cash collected by, or appropriated or granted to the government which the government can freely use to fund its operating objectives, such as acquiring of capital assets or repaying its debt is controlled by the government.</li> <li>IX. <b>Notes to the GPFS</b> shall include narrative descriptions or more detailed schedules or analyses of amounts shown on the face of the GPFS, as well as additional information</li> </ol>		



<p><b>3 Basis of Preparation and Legal Provisions</b></p> <p>The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, GPFS are in compliance with the provisions of other financial regulations of Mokwa Local Government Council</p>	<p><b>6 Reporting Currency</b></p> <p>The General Purpose GPFS are prepared in Nigerian Naira.</p>
<p><b>4 Fundamental Accounting Concepts</b></p> <p>The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in Mokwa Local Government Council</p> <ul style="list-style-type: none"> <li>? Cash Basis of Accounting;</li> <li>? Understability;</li> <li>? Materiality,</li> <li>? Relevance;</li> <li>? Going Concern Concept;</li> <li>? Consistency Concept</li> <li>? Prudence</li> <li>? Completeness, etc.</li> </ul>	<p><b>7 LGC for Consolidation</b></p> <ul style="list-style-type: none"> <li>▪ The Consolidation of the GPFS are based on the Cash transactions of Mokwa Local Government Council except Government Business Enterprises (GBEs).</li> </ul>
<p><b>5 Accounting Period</b></p> <p>The accounting year (fiscal year) is from 1<sup>st</sup> January to 31<sup>st</sup> December. Each accounting year is divided into 12 calendar months (periods) and shall be set up as such in the accounting system.</p>	<p><b>8 Comparative Information</b></p> <ul style="list-style-type: none"> <li>▪ The General Purpose GPFS shall disclose all numerical information relating to previous period (at least one year).</li> </ul>
	<p><b>9 Budget Figures</b></p> <ul style="list-style-type: none"> <li>▪ These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation Law of Niger State.</li> </ul>
	<p><b>10 Receipts</b></p> <ul style="list-style-type: none"> <li>? These are Cash inflows within the Financial Year. They comprise of receipts from Statutory Allocations (FAAC monthly disbursement), Taxes, External Assistance (from Bilateral and Multilateral Agencies), Other Aid and Grants, Other Borrowings, Capital Receipts (Sale of Government Assets, etc), Receipts from Trading activities and Other Cash Receipts.</li> <li>? These items shall be disclosed at the face of the Statement of Cash Receipts and Payment for the year in accordance with the standardised GPFS. Notes shall be provided as per standardised Notes to GPFS.</li> </ul>



<p><b>11 External Assistance</b></p> <ul style="list-style-type: none"> <li>? Receipts from Loans are Funds received from external sources to be paid back at an agreed period of time. They are categorised either as Bilateral or Multilateral.</li> <li>? External Loans receipts shall be disclosed separately under Statement of Cash Receipts and Payment for the year.</li> <li>? The Local Governments did not receive external assistance during the two year.</li> </ul>	<p><b>15 Payments</b></p> <ul style="list-style-type: none"> <li>▪ These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorised either by Function and/or by Sector in the Statement of Cash Receipts and Payment.</li> <li>▪ Payments for purchase of items of capital nature( e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.</li> </ul>
<p><b>12 Other Borrowings / Grants&amp; Aid Received</b></p> <ul style="list-style-type: none"> <li>▪ These shall be categorised as either Short or Long term Loans.Short-Term Loans are those repayable within one calendar year (12 months), while Long - Term Loans and Debts shall fall due beyond one calendar year (above 12 months).Loans shall be disclosed separately and Grants shall also be separately disclosed under Statement of Cash Receipts and Payment for the year.</li> </ul>	<p><b>16 Loans Granted:</b></p> <ul style="list-style-type: none"> <li>▪ Payments to other Government and Agencies in form of Loans during the year shall be shown separately in the Statement of Receipts and Payments. Amount disclosed shall be actual amount paid during the year.</li> <li>▪ The Local Governments did not give any loan during the two year.</li> </ul>
<p><b>13 Interest Received</b></p> <ul style="list-style-type: none"> <li>? Interest actually received during the financial year shall be treated as a receipt</li> </ul>	<p><b>17 Loan Repayments</b></p> <p>Cash receipts from loans granted to other agencies and government shall be classified under loan repayments in the Statement of Receipts and Payments . Amount disclosed shall be actual amount received during the year.</p>
<p><b>14 Government Business Activities</b></p> <p>Cash Receipts from Trading Activities shall be received net (after deducting direct expenses) unless otherwise provided for by law or policy in force. Total receipts from all trading activities shall be disclosed in the Statement of Cash Receipts and Payments under 'Trading Activities' item.</p> <p>Where gross revenue is received, corresponding payments shall be charged under a corresponding payment item head ' Government Business Activities' in the Statement of Receipts and Payments.</p>	<p><b>18 Interest on Loans:</b></p> <ul style="list-style-type: none"> <li>▪ Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest payment in the Statement of Cash Receipts and Payments</li> </ul>



19	<p><b>Foreign Currency Transactions:</b></p> <ul style="list-style-type: none"><li>Foreign Currency Transactions throughout the year shall be converted into Nigerian Naira at the ruling (Central Bank of Nigeria –CBN) rate of exchange at the dates of the transactions. Foreign currency balances, as at the year end, shall be translated at the exchange rates prevailing on that date.</li><li>At the end of the financial year, additional amounts (in cash or at bank) arising out of Foreign Exchange Gains/Losses shall be recognised in the Statement of Cash Receipts and Payments either as Receipts / Payments respectively.</li><li>Hence the Mokwa Local Government Council did not have foreign currency transactions during the two year.</li></ul>
20	<p><b>Prepayments</b></p> <ul style="list-style-type: none"><li>Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.</li><li>The Local Governments did not make prepayment to contractors during the two year.</li></ul>
21	<p><b>Cash Balances</b></p> <p>This includes Cash in Hand, at Bank and Cash Equivalentents at the end of the Financial year.</p>

**COUNCIL OFFICIALS**

- COUNCIL MEMBERS DESIGNATION:**

Honourable Yahaya M. Abubakar

Executive Chairman

Honourable Mohammed Yahaya Muregi

Secretary

- HEAD OF DEPARTMENTS:**

<b>NAMES:</b>	<b>DEPARTMENTS</b>	<b>DESIGNATION</b>
Sidi Muhammad	Personnel Management	H. O. D
Aliyu Muhammad Naibi	Finance and Supply	H. O. D
Alh. Umar Moh'd	Primary Health Care	H. O. D
Tsonfada Isah Ndagi	Agriculture and Natural Resources	H. O. D
Alhassan Mohammed	Works and Housing	H. O. D
Baba Moh'd Kasim	Budget and Planning	H. O. D
Egiyaya Baba Alh.	Social Development	H. O. D

- BANKERS**

U. B. A. Plc Mokwa Branch

**ADDRESS**

Mokwa Branch

Zenith Bank Plc Mokwa Branch

Mokwa Branch

Keystone Bank Plc Bida Branch

Mokwa Branch

- AUDITORS**

Auditor General

Office of the Auditor General for Local Governments

P.M.B. 53 Minna,

Niger State.



NIGER STATE

**AUDIT CERTIFICATE**

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, 2020 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 State Local Government Joint Account Allocation Committee are indicated in the Supplementary Note 1 to the Accounts. In my opinion, the Supplementary Note 1 to accounts presents fairly, in all material respects, the revenue from Federation Account received by Mokwa Local Government during the year ended December 31st, 2020.

In my opinion, the Financial Statements which are in agreement with the books of accounts and record shows a true and fair view of the financial position of the Mokwa Local Government for the year ended 31st December, 2020 and the transactions for the year ended at that date.



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



**STATEMENT NO. 1**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ANNUAL BUDGET 2021 N		COA	NOTES	ACTUAL YEAR 2021	PREVIOUS YEAR 2020
				N	N
	<b>CashFlows from Operating Activities:</b>				
	<b>Receipts:</b>				
2,079,324,246.00	Statutory Allocations:FAAC		1	1,687,230,866.36	2,368,912,996.22
630,548,822.00	Value Added Tax Allocation		1	801,978,598.08	-
<b>2,709,873,068.00</b>	<b>Sub-total - Statutory Allocation</b>			<b>2,489,209,464.44</b>	<b>2,368,912,996.22</b>
500,000.00	Direct Taxes		2	-	562,500.00
5,837,600.00	Licences		2	2,120,000.00	814,400.00
-	Mining Rents:		2	-	-
-	Royalties		2	-	-
-	Fees:		2	-	-
-	Fines		2	-	-
-	Sales		2	-	-
17,100,000.00	Earnings :		2	16,087,075.60	15,546,704.66
500,000.00	Sales/Rent of Government Buildings:		2	457,600.00	402,500.00
-	Sale/Rent on Lands and Others:		2	-	-
28,000,000.00	Rates		2	13,708,000.00	17,847,800.00
-	Investment Income		2	-	-
-	Interest Earned		2	-	42.00
147,447,704.00	10% IGR From State		2	25,723,459.41	22,002,508.32
<b>199,385,304.00</b>	<b>Sub-total - Independent Revenue</b>			<b>58,096,135.01</b>	<b>57,176,454.98</b>
	Other Revenue Sources of L/Government				
-	Domrstic Grants		3	-	21,747,549.18
-	Grants From other LGs		3	-	-
<b>2,909,258,372.00</b>	<b>Total Receipts</b>			<b>2,547,305,599.45</b>	<b>2,447,837,000.38</b>
	<b>Payments:</b>				
1,706,549,300.00	Personnel Costs ( Including Salaries on CRF Charges):		4	1,518,434,025.54	1,508,506,805.89
-	Federa/ States/ LGC Govt Contribution to Pension:		5	-	-
219,940,000.00	Overhead Charges:		6	138,737,985.25	111,542,233.00
210,006,784.00	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)		7	206,839,798.81	177,946,164.80
28,800,000.00	Subvention to Parastatals:		8	28,800,000.00	102,000,000.00
152,279,850.00	Other Operating Activities		9	231,072,529.63	149,103,626.66
303,307,984.87	Other Transfers		10	303,307,984.87	354,532,725.81
<b>2,620,883,918.87</b>	<b>Total Payments</b>			<b>2,427,192,324.10</b>	<b>2,403,631,556.16</b>
<b>288,374,453.13</b>	<b>Net Cash Flow from Operating Activities</b>			<b>120,113,275.35</b>	<b>44,205,444.22</b>





	<b>CashFlows from Investment Activities:</b>				
153,400,000.00	Capital Expenditure:Administrative Sector:	12	3,500,000.00		37,586,250.00
369,653,166.00	Capital Expenditure: Economic Sector:	12	-		91,071,190.00
-	Capital Expenditure: Law and Justice:	12	-		-
-	Capital Expenditure:Regional Development	12	-		-
345,401,485.00	capital expenditure: Social Service Sector:	12	11,200,000.00		58,000,000.00
-	Capital Expenditure: Funded from Aid and Grants:	11	-		-
<b>868,454,651.00</b>	<b>Net Cash Flow from Investment Activities:</b>		<b>14,700,000.00</b>		<b>186,657,440.00</b>
	<b>CashFlows from Financing Activities:</b>				
-	Proceeds from Aid and Grants	11	-		-
-	Proceeds from External Loan :	20	-		-
-	Proceeds from Internal Loans: FGN/Treasury Bonds :	21	-		-
-	Proceeds from Internal Loan	22	-		174,000,000.00
-	Proceeds from Development of Nat Resources	23	-		-
-	Proceeds of Loans from Other Funds	24	-		-
-	Repayment of External Loans ( Including Servicing)	20	-		-
-	Repayment of FGN/Treasury Bonds :	21	-		-
96,000,000.00	Repayment of Internal Loan	22	104,000,000.00	-	32,000,000.00
-	Repayment of Loans from Development of Nat Resources	23	-		-
	Repayment of Loans from Other Funds	24	-		-
<b>96,000,000.00</b>	<b>Net Cash Flow from Financing Activities:</b>		<b>104,000,000.00</b>		<b>142,000,000.00</b>
	<b>Movement in Other Cash Equivalent Accounts</b>				
-	(Increase)/ Decrease in Investments		-		-
-	Net (Increase)/Decrease in Other Cash Equivalents:		-		-
-	<b>Total Cashflow from other Cash equivalent Accounts</b>		-		-
	Net Cash for the year		1,413,275.35	-	451,995.78
-	Cash & Its Equivalent as at 1st January, 2021		81,311.93		533,307.71
-	Cash & Its Equivalent as at 31st December, 2021		<b>1,494,587.28</b>		<b>81,311.93</b>



**STATEMENT NO. 2**  
**STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER. 2021**

	NOTES	CURRENT YEAR 2021	PREVIOUS YEAR 2020
		N	N
<b>ASSETS:-</b>			
<b>Liquid Assets:-</b>			
Cash Held by AGF:			
-CRF Bank Balance(CBN/ CRF Bank):		-	-
-Pension Account (CBN/ Bank):		-	-
-Other Bank of the Treasury		-	-
-Cash Balances of Trust & Other Funds of the FGN/ States/LGC:		-	-
-Cash Balances with Federal Pay Offices/ Sub-Treasury:		-	-
Cash Held by Agaie Local Government	15	1,494,587.28	81,311.93
<b>TOTAL LIQUID ASSETS</b>		<b>1,494,587.28</b>	<b>81,311.93</b>
<b>Investments and Other Cash Assets:</b>			
Federal/ State/ Local Government Investments	16	-	-
Imprests:-	17	-	-
Advances:-	18	-	-
Revolving Loans Granted:-	19	-	-
Intangible Assets		-	-
<b>TOTAL INVESTMENTS AND OTHER CASH ASSETS</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>1,494,587.28</b>	<b>81,311.93</b>
<b>LIABILITIES OVER ASSETS</b>		<b>38,641,524.90</b>	<b>141,908,153.04</b>
<b>TOTAL</b>		<b>40,136,112.18</b>	<b>141,989,464.97</b>
<b>LIABILITIES:-</b>			
<b>PUBLIC FUNDS</b>			
Consolidated Revenue Fund:		1,494,587.28	370,683.85
Capital Development Fund:		-	-
Trust & Other Public Funds:		-	-
Police Reward Fund		-	-
<b>TOTAL PUBLIC FUNDS</b>		<b>1,494,587.28</b>	<b>370,683.85</b>
<b>EXTERNAL AND INTERNAL LOANS</b>			
External Loans:FGN/States/ LGC	20	-	-
FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-
Internal Loans	22	38,000,000.00	142,000,000.00
Development Loan Stock	23	-	-
Loan From other Funds	24	-	-
Internal Loans from Other Funds		-	-
<b>TOTAL EXTERNAL AND INTERNAL LOANS</b>		<b>38,000,000.00</b>	<b>142,000,000.00</b>
<b>OTHER LIABILITIES</b>			
Deposits:-	25	641,524.90	360,148.82
Overdrawn accounts	26	-	-
<b>TOTAL LIABILITIES</b>		<b>40,136,112.18</b>	<b>141,989,464.97</b>



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## STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021

ACTUAL PREVIOUS YEAR(2020)		NOTES	ACTUAL YEAR 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	VARIANCE ON FINAL BUDGET
			N	N	N	N	%
533,307.71	Opening Balance:		81,311.93				
	<b>ADD: REVENUE</b>						
2,368,912,996.22	Statutory Allocations:FAAC	1	1,687,230,866.36	2,079,324,246.00	2,079,324,246.00	-	81.14
-	Value Added Tax Allocation	1	801,978,598.08	630,548,822.00	630,548,822.00	-	-
<b>2,369,446,303.93</b>	<b>Sub-Total - Statutory Allocation</b>		<b>2,489,209,464.44</b>	<b>2,709,873,068.00</b>	<b>2,709,873,068.00</b>	-	-
562,500.00	Direct Taxes	2	-	-	-	-	-
814,400.00	Licences	2	2,120,000.00	5,837,600.00	5,837,600.00	-	36.32
-	Mining Rents:	2	-	-	-	-	-
-	Royalties	2	-	-	-	-	-
-	Fees:	2	-	-	-	-	-
-	Fines	2	-	-	-	-	-
-	Sales	2	-	-	-	-	-
15,546,704.66	Earnings :	2	16,087,075.60	17,100,000.00	17,100,000.00	-	94.08
402,500.00	Sales/Rent of Government Buildings:	2	457,600.00	-	-	-	-
-	Sale/Rent on Lands and Others:	2	-	-	-	-	-
17,847,800.00	RATES	2	13,708,000.00	28,000,000.00	28,000,000.00	-	48.96
-	Investment Income	2	-	-	-	-	-
42.00	Interest Earned	2	-	-	-	-	-
22,002,508.32	10% IGR From State	2	25,723,459.41	147,447,704.00	147,447,704.00	-	-
<b>57,176,454.98</b>	<b>Sub-Total - Independent Revenue</b>		<b>58,096,135.01</b>	<b>198,385,304.00</b>	<b>198,385,304.00</b>	-	29.28
	Other Revenue Sources of L/Government						
21,747,549.18	Domrstric Grants		0.00	-	21,747,549.18		
-	Grants From other LGs	3	-	-	-	-	-
<b>2,448,370,308.09</b>	<b>TOTAL REVENUE:</b>		<b>2,547,386,911.38</b>	<b>2,908,258,372.00</b>	<b>2,908,258,372.00</b>	-	-
	<b>LESS:EXPENDITURE</b>						
1,508,506,805.89	Personnel Costs ( Including Salaries on CRF Charges):	4	1,518,434,025.54	1,706,549,300.00	1,706,549,300.00	-	88.98
-	Federa/ States/ LGC Govt Contribution to Pension:	5	-	-	-	-	-
111,542,233.00	Overhead Charges:	6	138,737,985.25	219,940,000.00	219,940,000.00	-	63.08
177,946,164.80	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)	7	206,839,798.81	210,006,784.00	210,006,784.00	-	98.49
102,000,000.00	Subvention to Parastatals:	8	28,800,000.00	28,800,000.00	28,800,000.00	-	100.00
149,103,626.66	Other Operating Activities	9	231,072,529.63	152,279,850.00	152,279,850.00	-	151.74
354,532,725.81	Other Transfers	10	303,307,984.87	303,307,984.87	303,307,984.87	-	100.00
<b>2,403,631,556.16</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,427,192,324.10</b>	<b>2,620,883,918.87</b>	<b>2,620,883,918.87</b>	-	92.61
	<b>OTHER RECURRENT PAYMENTS/EXPENDITURE:</b>						
-	Repayments:External Loans:FGN/States/ LGC	19	-	-	-	-	-
-	Repayments:FGN/ States/LGC Bonds & Treasury Bonds.	20	-	-	-	-	-
-	Repayments :Nigerian Treasury Bills (NTB)	21	-	-	-	-	-
32,000,000.00	Repayments:Internal Loans	22	104,000,000.00	96,000,000.00	96,000,000.00	-	-
-	Repayments: Internal Development Loans Stock	23	-	-	-	-	-
-	Repayments:Other Internal Loans( Promissory Notes)	24	-	-	-	-	-
<b>2,435,631,556.16</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,531,192,324.10</b>	<b>2,716,883,918.87</b>	<b>2,716,883,918.87</b>	-	-
<b>12,738,751.93</b>	<b>OPERATING BALANCE:</b>		<b>16,194,587.28</b>	<b>191,374,453.13</b>	<b>191,374,453.13</b>	-	-
	<b>APPROPRIATIONS/TRANSFERS:</b>						
12,657,440.00	Transfer to Capital Development Fund:		14,700,000.00	868,454,651.00	868,454,651.00	-	1.69
<b>81,311.93</b>	<b>Closing Balance:</b>		<b>1,494,587.28</b>				



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**STATEMENT NO. 4**  
**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ACTUAL PREVIOUS YEAR(2020)		NOTES	TOTAL CAPITAL EXPENDITURE 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	PERFORMANCE ON TOTAL
N			N		N		%
-	<b>Opening Balance:</b>		-				
	<b><u>ADD: REVENUE</u></b>						
12,657,440.00	Transfer from Consolidated Revenue Fund:		14,700,000.00	868,454,651.00	868,454,651.00	-	1.69
-	Aid and Grants	11	-	-	-	-	-
-	External Loans:FGN/States/ LGC	20	-	-	-	-	-
-	FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-	-	-	-
174,000,000.00	Internal Loan	22	-	-	-	-	#DIV/0!
-	Development Loan Stock	23	-	-	-	-	-
-	Loan From Other Funds	24	-	-	-	-	-
<b>186,657,440.00</b>	<b>TOTAL REVENUE AVAILABLE:</b>		<b>14,700,000.00</b>	<b>868,454,651.00</b>	868,454,651.00	-	1.69
	<b><u>LESS: CAPITAL EXPENDITURE</u></b>						
37,586,250.00	Capital Expenditure:Administrative Sector:	12	3,500,000.00	153,400,000.00	153,400,000.00	-	2.28
91,071,190.00	Capital Expenditure: Economic Sector:	12	-	369,653,166.00	369,653,166.00	-	-
-	Capital Expenditure: Law and Justice:	12	-	-	-	-	-
-	Capital Expenditure:Regional Development	12	-	-	-	-	-
58,000,000.00	Capital Expenditure: Social Service Sector:	12	11,200,000.00	345,401,485.00	345,401,485.00	-	3.24
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-	-	-	-
<b>186,657,440.00</b>	<b>TOTAL CAPITAL EXPENDITURE:</b>		<b>14,700,000.00</b>	<b>868,454,651.00</b>	<b>868,454,651.00</b>	-	1.69
	Intangible Assets		-				
-	<b>CLOSING BALANCE:</b>		-				



**NOTE TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

<i>Details</i>					
<b>NOTE 1</b>	<b>Ref. Note</b>	<b>Amount</b>	<b>Amount</b>		<b>Remarks</b>
<b>A- Share of Statutory Allocation from FAAC</b>		<b>N</b>	<b>N</b>		
<i>Net Share of Statutory Allocation from FAAC</i>	<b>A</b>	1,584,167,646.44			
<i>Add :Deduction at source for Loan Repayment</i>	<b>B</b>	-			
<i>Share of Exchange Gain Differencial</i>	<b>C</b>	6,163,942.73			
<i>Share of Federal Accounts Allocation- Excess Crude Oil</i>	<b>D</b>	46,145,720.25			
<b>Non-oil Revenue</b>	<b>E</b>	50,753,556.94			
<b>Total FAAC Allocation to LG</b>			<b>1,687,230,866.36</b>		
<b>B. Value Added Tax</b>					
<i>Share of Value Added Tax (VAT)</i>		801,978,598.08	801,978,598.08		
<b>Total Statutory Allocation to LG</b>			<b>2,489,209,464.44</b>		

**NOTE 2**

<b>Internally Generated Revenue (Independent Revenue)</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	
<b>Direct Taxes</b>				
<i>Mokwa local government Internal Revenue</i>	-	500,000.00	500,000.00	
<b>Total - Direct Taxes</b>	-	<b>500,000.00</b>	<b>500,000.00</b>	
<b>Licences</b>				
<i>Mokwa local government Internal Revenue</i>	2,120,000.00	5,837,600.00	3,717,600.00	
<b>Total Licences</b>	<b>2,120,000.00</b>	<b>5,837,600.00</b>	<b>3,717,600.00</b>	
<b>Mining Rents</b>				
<i>Mokwa local government Internal Revenue</i>	-	-	-	
<b>Total Mining Rents</b>	-	-	-	
<b>Royalties</b>				
<i>Mokwa local government Internal Revenue</i>	-	-	-	
<b>Total Royalties</b>	-	-	-	
<b>Fees</b>				
<i>Mokwa local government Internal Revenue</i>	-	-	-	
<b>Total Fees</b>	-	-	-	
<b>Fines</b>				
<i>Mokwa local government Internal Revenue</i>	-	-	-	
<b>Total Fines</b>	-	-	-	



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<b>Sales</b>				
Mokwa local government Internal Revenue		-	-	-
<b>Total Sales</b>		-	-	-
<b>Earnings</b>				
Mokwa local government Internal Revenue		16,087,075.60	17,100,000.00	1,012,924.40
<b>Total Earnings</b>		<b>16,087,075.60</b>	<b>17,100,000.00</b>	<b>1,012,924.40</b>
<b>Sales/Rent of Government Buildings</b>				
Mokwa local government Internal Revenue		457,600.00	500,000.00	42,400.00
<b>Total Sales/Rent of Government Buildings</b>		<b>457,600.00</b>	<b>500,000.00</b>	<b>42,400.00</b>
<b>Sale/Rent on Lands and Others:</b>				
Mokwa local government Internal Revenue		-	-	-
<b>Total Sale/Rent on Lands and Others</b>		-	-	-
<b>Rates</b>				
Mokwa local government Internal Revenue		13,708,000.00	28,000,000.00	14,292,000.00
<b>Total Rates</b>		<b>13,708,000.00</b>	<b>28,000,000.00</b>	<b>14,292,000.00</b>
<b>Investment Income</b>				
Mokwa local government Internal Revenue		-	-	-
<b>Total Investment Income</b>		-	-	-
<b>Interest Earned</b>				
Mokwa local government Internal Revenue		-	-	-
<b>Total Interest Earned</b>		-	-	-
<b>10% IGR From State</b>				
Mokwa local government Internal Revenue		25,723,459.41	147,447,704.00	121,724,244.59
<b>Total 10% IGR From State</b>		<b>25,723,459.41</b>	<b>147,447,704.00</b>	<b>121,724,244.59</b>
<b>Total - Independent Revenue</b>		<b>58,096,135.01</b>	<b>199,385,304.00</b>	<b>141,289,168.99</b>



<b>NOTE 3</b>					
<b>Other Revenue Sources of L/Govt:</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Domestic Grants		-	-	-	
<b>Total Domestic Grants</b>		-	-	-	
Grant from other LGs		-	-	-	
<b>Total Grant from other LGs</b>		-	-	-	
<b>NOTE 4</b>					
<b>A - Total Personnel Costs ( Including Salaries directly charged to CRF in Note 4B below):</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		5,785,557.81	14,064,241.00	8,278,683.19	
The Council		21,438,007.94	32,493,373.00	11,055,365.06	
Office Of The Secretary		2,825,572.22	2,956,945.00	131,372.78	
Personnel Management		68,857,267.05	100,047,389.00	31,190,121.95	
<b>TOTAL Personnel Cost Administrative Sector</b>		<b>98,906,405.02</b>	<b>149,561,948.00</b>	<b>50,655,542.98</b>	
					CRF Charges in Note 3
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		86,016,540.40	86,859,317.00	842,776.60	
Budget, Planning & Research		9,363,619.86	10,933,390.00	1,569,770.14	
Works And Housing		77,942,476.66	68,998,740.00	8,943,736.66	
Agriculture And Natural Resources		119,636,936.26	153,133,225.00	33,496,288.74	
<b>TOTAL Personnel Cost Economic Sector</b>		<b>292,959,573.18</b>	<b>319,924,672.00</b>	<b>26,965,098.82</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		662,944,971.95	683,760,400.00	20,815,428.05	
Primary Health Cure		322,085,210.34	416,767,210.00	94,681,999.66	
Social Development		86,141,620.19	96,300,942.00	10,159,321.81	
Traditional Council		55,396,244.86	40,234,128.00	15,162,116.86	
<b>Total Personnel Cost Social Sector</b>		<b>1,126,568,047.34</b>	<b>1,237,062,680.00</b>	<b>110,494,632.66</b>	
<b>Total Personnel Cost For All Sectors</b>		<b>1,518,434,025.54</b>	<b>1,706,549,300.00</b>	<b>188,115,274.46</b>	
<b>B- Salaries directly charged to CRF( included in Note 4A above)</b>					
<b>List of Parastatals and Agencies:</b>					
Judges of Supreme Court of Nigeria		-	-	-	
Judges of Court of Appeal		-	-	-	
other Judges of Court in Nigeria		-	-	-	
Auditor -General for Federation		-	-	-	
Auditor -General for State		-	-	-	
Auditor -General for Local Government		-	-	-	
INEC Chairman and Commissioners		-	-	-	
e.t.c.		-	-	-	
<b>Total</b>		<b>1,518,434,025.54</b>	<b>1,706,549,300.00</b>	<b>188,115,274.46</b>	



<b>NOTE 5</b>					
<b>Employers Contribution to Pension according to Sector</b>		-	-	-	
Administrative Sector		-	-	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Employers Contribution to Pension</b>		-	-	-	
<b>NOTE 6</b>					
<b>Overhead Costs</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		80,024,500.00	76,300,000.00	-	3,724,500.00
The Council		23,644,923.06	10,000,000.00	-	13,644,923.06
Office Of The Secretary		2,959,538.46	4,200,000.00		1,240,461.54
Personnel Management		3,825,373.38	10,500,000.00		6,674,626.62
<b>Total Overhead Cost Administrative Sector</b>		<b>110,454,334.90</b>	<b>101,000,000.00</b>	<b>-</b>	<b>9,454,334.90</b>
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		11,097,650.35	97,640,000.00		86,542,349.65
Budget, Planning & Research		730,000.00	4,100,000.00		3,370,000.00
Works And Housing		3,303,000.00	4,300,000.00		997,000.00
Agriculture And Natural Resources		9,635,000.00	3,800,000.00	-	5,835,000.00
<b>TOTAL Overhead Cost Economic Sector</b>		<b>24,765,650.35</b>	<b>109,840,000.00</b>		<b>85,074,349.65</b>
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		-	-		-
Primary Health Cure		1,150,000.00	4,300,000.00		3,150,000.00
Social Development		1,273,000.00	2,300,000.00		1,027,000.00
Traditional Council		1,095,000.00	2,500,000.00		1,405,000.00
<b>Total Overhead Cost Social Sector</b>		<b>3,518,000.00</b>	<b>9,100,000.00</b>		<b>5,582,000.00</b>
<b>Total Overhead Cost For All Sectors</b>		<b>138,737,985.25</b>	<b>219,940,000.00</b>		<b>81,202,014.75</b>





<b>NOTE 7</b>					
<b>Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Monthly Pension		206,839,798.81	210,006,784.00	3,166,985.19	
<b>Total Consolidated Revenue Fund Charges</b>		<b>206,839,798.81</b>	<b>210,006,784.00</b>	<b>3,166,985.19</b>	
<b>NOTE 8</b>					
<b>Subventions to Parastatals (According to Sectors-List)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		28,800,000.00	28,800,000.00	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Subventions to Parastatals</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	
<b>NOTE 9</b>					
<b>Other Operating Activities</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		231,072,529.63	152,279,850.00	- 78,792,679.63	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Other Operating Activities</b>		<b>231,072,529.63</b>	<b>152,279,850.00</b>	<b>- 78,792,679.63</b>	
<b>NOTE 10</b>					
<b>Other Transfer</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		19,200,000.00	19,200,000.00	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		9,600,000.00	9,600,000.00	-	
<b>sub-total</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	
Transfers to other local governments		274,507,984.87	274,507,984.87	-	
<b>Total Other Transfer</b>		<b>303,307,984.87</b>	<b>303,307,984.87</b>	<b>-</b>	



<b>NOTE 11</b>					
<b>Details of Aid &amp; Grants Received</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
<b>Bilateral</b>		-	-	-	
<b>Multi Lateral</b>		-	-	-	
<b>ETC</b>		-	-	-	
<b>Total Details of Aid &amp; Grants Received</b>		-	-	-	
<b>NOTE 12</b>					
<b>A - Details of Total Capital Expenditures (According to Sectors)</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>		
Administrative Sector	3,500,000.00	153,400,000.00	149,900,000.00		
Economic Sector	-	369,653,166.00	369,653,166.00		
Law and Justice Sector	-	-	-		
Regional Sector	-	-	-		
Social Sector	11,200,000.00	345,401,485.00	334,201,485.00		
<b>Total Details of Capital Expenditures</b>	<b>14,700,000.00</b>	<b>868,454,651.00</b>	<b>853,754,651.00</b>		
<b>B - Details of Capital Expenditures of Parastatals (Included in 12A above)</b>					
	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>		
Administrative Sector	-	-	-		
Economic Sector	-	-	-		
Law and Justice Sector	-	-	-		
Regional Sector	-	-	-		
Social Sector	-	-	-		
<b>Total Details of Capital Expenditures of Parastatals</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>NOTE 13</b>					
<b>CLOSING BOOK BALANCES OF OTHER FUNDS OF THE GOVERNMENT</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the Other Funds Cash Book Balances		-	-		



<b>NOTE 14</b>					
<b>CLOSING CASH BOOK BALANCE OF FEDERAL PAY OFFICES/SUB-TREASURY OFFICES</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the FPO/Sub-Treasuries Cash Book Balances		-	-		
<b>NOTE 15</b>					
<b>CLOSING CASH BOOK BALANCE OF MOKWA LOCAL GOVERNMENT</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Mokwa Local Government		1,494,587.28	81,311.93		
<b>Total Details of Cash Book Balances</b>		<b>1,494,587.28</b>	<b>81,311.93</b>		
<b>NOTE 16</b>					
<b>INVESTMENTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Investments in Quoted Companies		-	-		
Investments in unQuoted Companies		-	-		
Loans to Government Companies		-	-		
Loans to Other Government		-	-		
<b>Total Investments</b>		<b>-</b>	<b>-</b>		
<b>NOTE17</b>					
<b>LIST OF OUTSTANDING IMPRESTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Imprests</b>		<b>-</b>	<b>-</b>		
<b>NOTE 18</b>					
<b>LIST OF OUTSTANDING ADVANCES</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Advances</b>		<b>-</b>	<b>-</b>		



<b>NOTE 19</b>					
<b>Revolving Loan Account</b>					
List the Loans		<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 20</b>					
<b>External Loans:FGN/States/ LGC</b>					
List the Loans		<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 21</b>					
<b>FGN/ States/LGC Bonds &amp; Treasury Bonds.</b>					
List the Loans		<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 22</b>					
<b>Internal Loan</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>Opening balance at as 1st january, 2021</b>		142,000,000.00	-		
Add: Additional Loan Issued		-	174,000,000.00		
Less: Repaid		104,000,000.00	32,000,000.00		
<b>Loans as at 31st December, 2021</b>		<b>38,000,000.00</b>	<b>142,000,000.00</b>		



<b>NOTE 23</b>					
<b>Development Loan Stock</b>					
List the Loans	<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>	
Loan 1	-	-	-	-	-
Loan 2	-	-	-	-	-
Loan 3	-	-	-	-	-
Loan 4	-	-	-	-	-
<b>Total</b>	-	-	-	-	-
<b>NOTE 24</b>					
<b>Internal Loans from Other Funds</b>					
List the Loans	<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>	
Loan 1	-	-	-	-	-
Loan 2	-	-	-	-	-
Loan 3	-	-	-	-	-
Loan 4	-	-	-	-	-
<b>Total</b>	-	-	-	-	-
<b>NOTE 25</b>					
<b>Schedule of Deposit</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Mokwa Local Government		641,524.90	360,148.82		
<b>Total Outstanding Deposits</b>		<b>641,524.90</b>	<b>360,148.82</b>		
<b>Details Of Deposits</b>					
Retention		-	-		
5% Vat Deduction		559,965.37	216,089.29		
5% Tax		81,559.53	144,059.53		
1% Stamp duty		-	-		
<b>TOTAL</b>		<b>641,524.90</b>	<b>360,148.82</b>		
<b>NOTE 26</b>					
<b>Schedule of Overdrawn accounts</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Mokwa Local Government		-	-		
<b>Total Overdrawn account</b>		-	-		
<b>NOTE 27</b>					
<b>CONTINGENT LIABILITES AS AT YEAR END</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>E.G.</b>				<b>List All the Contigent Liabilities</b>	
... Pension and Gratuity Due		-	-		
....Outstanding Contractors Liabilities ( According to MDA)		-	-		
.....Pending Litigations ( According to MDA)		-	-		
.....Guarantees ( According to MDA)		-	-		
..... Others		-	-		
<b>Total Contigent Liabilities</b>		-	-		

**SUPPLEMENTARY NOTE**

1	<b>GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)</b>		
		<b>2021</b>	<b>2020</b>
	<b>MONTH</b>	<b>TOTAL</b>	<b>TOTAL</b>
	JANUARY	184,770,259.41	219,374,029.91
	FEBRUARY	193,041,278.01	202,727,654.00
	MARCH	161,439,588.25	181,092,076.04
	APRIL	180,738,277.56	205,631,136.48
	MAY	199,683,111.88	191,475,616.37
	JUNE	193,086,550.06	172,256,700.44
	JULY	229,488,733.62	209,171,729.70
	AUGUST	229,488,733.62	214,663,870.60
	SEPTEMBER	229,031,747.76	213,763,690.15
	OCTOBER	238,562,785.95	200,085,050.81
	NOVEMBER	226,954,116.05	180,622,197.55
	DECEMBER	222,924,282.27	178,049,244.17
<b>TOTAL</b>	<b>2,489,209,464.44</b>	<b>2,368,912,996.22</b>	

<b>INTERNELLY GENERATED REVENUE 2021</b>	
<b>DETAILS</b>	<b>AMOUNT</b>
Taxes	-
Rates	13,708,000.00
Lincences	2,120,000.00
Earning	16,087,075.60
Rent	457,600.00
interest	-
10% IGR From State	25,723,459.41
<b>TOTAL</b>	<b>58,096,135.01</b>



### 1.1 INTRODUCTION

In compliance with the provision of section 125 (2) of 1999 Constitution of the Federal Republic of Nigeria and Niger State Local Government Law (N.S.L.N. No. 14) of 2001, I have examined the Accounts and Financial Statement of Mokwa Local Government for the year ended 31<sup>st</sup> December, 2021 in accordance with the Public Finance (Control Management Act. 1958).

I have therefore certified the accounts as correct subject to various observations raised and contained in this report while the irregularities discovered thereon had been forwarded through Audit Inspection reports to the attached for Accounting officer`s comments and necessary actions

### 2.0 FINANCIAL HIGHLIGHTS

RECEIPTS DESCRIPTION	AMOUNT (?)	PERCENTAGE
Internally Generated Revenue	32,372,675.60	1.27%
10% IGR	25,723,459.41	1.01%
Share of Exchange Gain Differential	6,163,942.73	0.24%
Share of Excess Crude Oil	46,145,720.25	1.81%
Non-oil Revenue	50,753,556.94	1.99%
Statutory Allocation	1,584,167,646.44	62.19%
Share of Value Added Tax (VAT)	801,978,598.08	31.49%
	<b><u>2,547,305,599.45</u></b>	<b><u>100.00%</u></b>

#### 2.1.1 REVENUE

The sum of ? 2,547,305,599.45 accrued to the Mokwa Local Government Council as total receipts for the year ended 31<sup>st</sup> December, 2021

##### 2.1.1.1 INTERNALLY GENERATED REVENUE

Mokwa Local Government Council generated the sum of ? 32,372,675.60 and ? 25,723,459.41 as Internally Generated Revenue and 10% IGR from State respectively. Which amounted to a total sum of ? **58,096,135.01** only for the year ended 31<sup>st</sup> December, 2021 which represented 2.28% of the total accrued revenue of ? 2,547,305,599.45 This shows that the Council solely depends on statutory allocation from the Federation Account and grants from other sources for survival despite my several advices to improve and explore other sources of revenue for the Council. This could result to non-survival of the councils if there is a decline of revenue from the Federation Account.

Management in their response, promised to come up with strategies to improve revenue collection.

I advise that the Council should make up extra efforts to generate more in the years ahead.



**2.1.1.2 FEDERAL STATUTORY ALLOCATION**

The sum of ₦ 2,489,209,464.44 which is 97.71% of the total receipts of ₦ 2,547,305,599.45 was disbursed to Mokwa Local Government Council for the year under review. This sum comprises the followings:

- i. Share of Exchange Gain Differentials
- ii. Share of Excess Crude oil
- iii. Non-oil Revenue
- iv. Statutory Allocation
- v. Share of Value Added Tax (VAT)

**2.1.2 EXPENDITURE****2.1.2.1 ANALYSIS OF EXPENDITURE**

During the year under review, Mokwa Local Government Council expended the total sum of ₦ 2,545,892,324.10 as follows:

DETAILS	AMOUNT (₦)	PERCENTAGE
Personnel cost	1,518,434,025.54	59.65%
Overhead cost	138,737,985.25	5.45%
Consolidated Fund charges	206,839,798.81	8.12%
Operating Activities	231,072,529.63	9.08%
Other Transfers	303,307,984.87	11.91%
Contributions	28,800,000.00	1.13%
Repayment of Loans	104,000,000.00	4.08%
Capital Expenditure	14,700,000.00	0.58%
	<b><u>2,545,892,324.10</u></b>	<b><u>100.00%</u></b>

**3.0 WEAKNESSES IN THE INTERNAL CONTROL SYSTEM**

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

**3.1 Unsupported payments by third party documentation**

I observed that some of the payment vouchers raised were not having documentary evidences such as delivery notes, Stores Received Vouchers, Stores Issues Vouchers, receipts etc. to justify the payments made. This implies some of the payments were made for goods not delivered or services not rendered.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

I advised the Council to ensure that all payments are supported appropriately.





### 3.1 Unremitted WHT, VAT Deductions and Stamp Duty

During the course of my audit, I observed that Mokwa Local Government Council had not remitted ₦ 641,524.90 to the appropriate authorities as at 31 December 2021. The outstanding amount comprises ₦ 81,559.53 in respect of WHT and ₦ 559,965.37 in respect of VAT.

This exposes the Local Government Council to the risk of payment of fines and penalties for late remittance.

I advised the Council to remit the outstanding deductions immediately and in future, the Councils should ensure all deductions are made and remitted in accordance with the relevant guidelines.

Management acknowledged and promised to remit the outstanding deductions as soon as funds are available and that in future, they will effect deductions on all contracts and remit the deductions in accordance with the provisions of the law.

### 3.2 Payment Vouchers not checked nor passed by the Internal Audit Unit.

During the course of our audit exercise, it was observed that despite being raised in our previous reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued in some cases which contravenes Chapter 14, section 1-19 of Model Financial Memoranda. The non-compliance was evidenced by the Payment Vouchers which were prepared and paid out without endorsement by the Internal Audit Unit and Officer Controlling the Vote and Checks by the Accounting Officer. This exposes the Council to fraudulent practices. I advised the Council to adhere strictly to the provisions of the Model Financial Memoranda.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memoranda.

I advised management to comply with the provisions of the Model Financial Memorandum when processing payments.

### 3.3 Non-maintenance of Fixed/Moveable Asset register.

A Fixed Assets Register is a management tool to monitor and control use of assets. However, as pointed out in my previous reports, Mokwa Local Council did not maintain an up-to-date Fixed Assets Register during the year under review.

The risk of non-maintenance of Fixed Assets Register is that the council may not be able to detect misuse and loss of its assets on time.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

I advised the Council to ensure that an up-to-date Fixed Assets/Movable Assets Register is maintained.



### 3.4 Non-maintenance of Loan/Overdraft Register/Ledger.

We observed that Mokwa Local Government Council did not maintain Loans/Overdraft Register/Ledger during the year.

The risk is that the Council may not be able to reconcile loan balances with the lenders leading to overpayments or fines and penalties for under payments.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

We recommend that the Council should immediately open and maintain Loans Register.

## 4.0 BUDGETARY CONTROL

### 4.1 REVENUE COMPARISON

During the year under review, there was a shortfall in the target of Internally Generated Revenue in Mokwa Local Government Council in all revenue codes as shown below:

#### MOKWA LOCAL GOVERNMENT BUDGETED INTERNALLY GENERATED REVENUE COMPARED WITH ACTUAL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021

S/N	CODES	DETAILS	BUDGET ?	ACTUAL ?	SHORTFALL ?
1	12010000	Taxes	500,000.00	-	(500,000.00)
2	12021700	Rates	28,000,000.00	13,708,000.00	(14,292,000.00)
3	12021300	Local Licenses, Fees, and Fine	5,837,600.00	2,120,000.00	(3,717,600.00)
4	12021500	Earning from Commercial undertakings	17,100,000.00	16,087,075.60	(1,012,924.40)
5	12021600	Rent on Local Government Properties	500,000.00	457,600.00	(42,400.00)
6	12021100	Interest	-	-	-
<b>TOTAL</b>			<b>51,973,600.00</b>	<b>32,372,675.60</b>	<b>(19,600,924.40)</b>

From the above table, it clearly shows that the Council solely relies on Statutory Allocation from the Federation Account for its survival when comparing the total budgeted amount of ? 51,973,600.00 with actual Internally Generated Revenue of ? 32,372,675.60 leaving a short fall of ? 19,600,924.40 during the year under review.

This implies that the Council could not fully implement its planned programs during the financial year or the budget was not realistic.

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

- i. Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- ii. Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- iii. Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- iv. Control over issuance of revenue receipts
- v. Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.
- vi. The Council should ensure that realistic budgets are prepared.

## 4.2 RECURRENT EXPENDITURE

### 4.2.1 PERSONNEL COST

As regards to the personnel cost, it was observed that, the sum of ₦ 1,508,506,805.89 and ₦ 1,518,434,025.54 was spent as personnel cost in 2020 and 2021 respectively with an increase of ₦ 9,927,219.65 over the previous year. The increase represents 0.65% of personnel cost for the year under review.

### 4.2.2 CAPITAL EXPENDITURE

During the year under review, it was observed that the sum of ₦ 14,700,000.00 was spent on Capital project by Mokwa Local Government Council. This was made by the Council to boost the developmental activities in the rural areas in which various projects were executed and some were still in progress. Though approved capital expenditure estimate was ₦ 868,454,651.00, only the sum of ₦ 14,700,000.00 representing 1.69% was expended leading to a variance of ₦ 853,754,651.00.

I advised the Council to ensure that estimates should be based on realistic and cognizance of environmental factors, and the cash flows should be adequately monitored in order to reduce unnecessary expenses on overhead and give priority to project execution.

## 5.0 ANALYSIS OF ASSETS AND LIABILITIES

### 5.1 ASSETS

#### 5.1.1 CASH AND ITS EQUIVALENTS

The closing cash and its equivalents amounted to the sum of N1,494,587.28 for Mokwa Local Government as at 31<sup>st</sup> December, 2021.

### 5.2. LIABILITIES

#### 5.2.1. DEPOSITS

Deposits comprise unremitted statutory deductions and bank overdrafts as explained below.

##### 5.2.1.1 UNREMITTED DEDUCTIONS

The balance on the unremitted deductions account was ₦ 641,524.90 as at 31<sup>st</sup> December, 2021. The unremitted deductions include deductions from payments made on behalf of Government Agencies and various other bodies by the Local Government which ought to be promptly remitted to the appropriate authorities.

The management of Mokwa Local Government Council has been advised to ensure that all Deposits are remitted timely to avoid accumulating



liabilities and attracting fines and penalties for the Local Government.

#### 5.2.1.2. BANK OVERDRAFTS

The Council did not have any bank overdrafts at the end of the financial year under review.

### 6.0 OUTSTANDING ISSUES FROM THE AUDIT INSPECTION REPORT

The following are outstanding issues from the Inspection Report for the period under review.

#### AGX/F.O.21/TA/MOK/VOL.1

- Payment made without acknowledgement receipt attached to the Payment vouchers = ₦ 735,000.00
- Items purchased not taken on charge to Store = ₦ 275,000.00
- Payment made without payment vouchers = ₦ 2,416,376.08
- Payment made without any evidence of payment attached to the Payment voucher = ₦ 5,700,000.00

Management in their response promise to follow up and resolve the issues.

We recommend that the management of Mokwa Local Government should ensure the issues raised above are adequately addressed.

### 6.1 OUTSTANDING ISSUES FROM THE REPORT ON CAPITAL PROJECT

#### AGX/D.128/VOL.9/1

- Duplication of payment on Kudu Electrification = ₦ 6,140,000.00

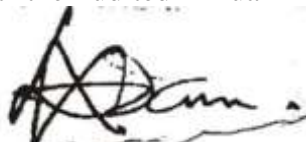
The management in their response acknowledged the lapses and promised to revisit the issue.

We recommend that the management of Mokwa Local Government should ensure the issue raised above are adequately addressed.

### 7.0 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 Report.



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, 2021

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



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NIGER STATE



OFFICE OF THE DIRECTOR FINANCE AND SUPPLY  
**MUNYA LOCAL GOVERNMENT COUNCIL**  
NIGER STATE

**MUNYA LOCAL GOVERNMENT COUNCIL, SARKIN PAWA ANNUAL  
STATEMENT FOR THE YEAR ENDED DECEMBER 31<sup>ST</sup> 2021  
FINANCIAL RESPONSIBILITY**

These Financial Statements have been prepared by the Treasurer of Munya Local Government Councils in accordance with the provision of the finance (Council and Management) Acct. 1959 as amended. The financial statements comply with generally accepted accounting practices.

The treasury is responsible for the establishing and maintaining a system of internal controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and properly record the use of all public financial resources by the Local Government Council. To the best of my knowledge, the system of internal control has operated adequately throughout the reporting period.

Sign:.....  
Mohammed Haruna Madaki  
Treasurer

Date: 31 Dec 2021

We accept responsibility of these financial statements, the information they contain and their compliance with the financial (control and management) Act. 1958 as Amended.

In our operation, these financial statements fairly reflect the financial position of Munya Local Government as at 31<sup>st</sup> December, 2021 and its operations for the year ended on that date.

Mohammed Haruna Madaki  
Treasurer

Date: \_\_\_\_\_

Hon. Mohammed Garba Daza  
Chairman

Date: \_\_\_\_\_



NIGER STATE

**NIGER STATE GOVERNMENT**

**MUNYA LOCAL GOVERNMENT COUNCIL**

**ACCOUNTING POLICIES**

**(IPSAS CASH)**

**ISSUED BY**

**OFFICE OF THE DIRECTOR FINANCE**

**MUNYA LOCAL GOVERNMENT COUNCIL**

**2021**





## List of Abbreviations/Acronyms

Abbreviation/Term	Description
CBN	Central Bank of Nigeria
COA	Chart of Account
FAAC	Federation Accounts Allocation Committee
FGN	Federal Government of Nigeria
FRC	Financial Reporting Council
GAAP	Generally Accepted Accounting Principles
GPFS	General Purpose Financial Statement
IPSAS	International Public Sector Accounting Standards
LFN	Law of the Federal Republic of Nigeria
LGC	Local Government Council
NCOA	National Chart of Account
GBE	Government Business Enterprises
FRCON	Financial Reporting Council of Nigeria
PPE	Properties, Plants and Equipment



## Introduction

In line with the adoption of the International Public Sector Accounting Standards (IPSAS) in Nigeria, a Standardised Chart of Account (COA) alongside a set of General Purpose Financial Statements (GPFS) have been designed and introduced by FAAC for adoption by all tiers of Government in Nigeria.

The standardised COA and the GPFS is hereby adopted by Munya Local Government Council to comply with FAAC directive to harmonise public sector accounts reporting in Nigeria.

In order to ensure an effective and efficient utilisation of the COA and GPFS, the Accounting Policies have been developed as a set of guidelines to direct the Processes and Procedures relating to financial reporting in Munya Local Government Council.

These policies shall form part of the universally agreed framework for financial reporting in Munya Local Government Council.

## IPSAS Cash Basis of Accounting

The IPSAS Cash Basis of Accounting recognizes transactions and events only when Cash (including Cash Equivalents) is received or paid by the Local Government. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of Cash raised during the period, the purposes for which Cash was used and the Cash balances at the reporting date. The measurement focus in the GPFS balances are Cash and changes during the period. Therefore, Bank Reconciliation Statement shall form integral part of periodic Reports in Munya Local Government Council.

Notes to the GPFS provide additional information about liabilities, including payables and borrowings, and non-cash assets that include receivables, investments and property, plant and equipment.

This Accounting Policy addresses the following fundamental accounting issues:

1. Definition of Accounting Terminologies
2. Recognition of Accounting Items
3. Measurement of Accounting Items
4. Treatment of Accounting items

The Accounting Policy is subject to periodic reviews and updates as shall be deemed necessary by the Director Finance, Munya Local Government Council.





S/N	Accounting Policies:	2
1	<p><b>Accounting Terminologies / Definitions</b></p> <ol style="list-style-type: none"> <li>I. <b>Accounting policies</b> are the specific principles, bases, conventions, rules and practices adopted by Munya Local Government Council in preparing and presenting Financial Statements.</li> <li>II. <b>Cash:</b> Cash comprises cash in hand, demand deposits in financial institutions and cash equivalents.</li> <li>III. <b>Cash equivalents</b> are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.</li> <li>IV. <b>Cash basis</b> means a basis of accounting that recognizes transactions and other events only when cash is received or paid.</li> <li>V. <b>Cash flows</b> are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.</li> <li>VI. <b>Cash receipts</b> are cash inflows.</li> <li>VII. <b>Cash payments</b> are cash outflows.</li> <li>VIII. <b>Cash Controlled by Munya Local Government Council:</b> Cash is deemed to be controlled by Munya Local Government Council when the government can freely use the available cash for the achievement of its objectives or enjoy benefit from the cash, and can also exclude or regulate the access of others to that benefit. Cash collected by, or appropriated or granted to the government which the government can freely use to fund its operating objectives, such as acquiring of capital assets or repaying its debt is controlled by the government.</li> <li>IX. <b>Notes to the GPFS</b> shall include narrative descriptions or more detailed schedules or analyses of amounts shown on the face of the GPFS, as well as additional information</li> </ol>	<p><b>General Purpose Financial Statements (GPFS)</b></p> <p>The GPFS comprise of Statement of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by Munya Local Government Council and Accounting Policies and Notes to the Financial Statements. In Munya Local Government Council, the GPFS Accounting Policy include the following:</p> <ol style="list-style-type: none"> <li>I. Statement 1 - Cash Flow Statements: Statement of Cash Receipts and Payments which:             <ul style="list-style-type: none"> <li>▪ recognizes all Cash Receipts, Cash Payments and Cash Balances controlled by Munya Local Government Council; and</li> <li>▪ separately identifies payments made by third parties on behalf of Munya Local Government Council.</li> </ul> </li> <li>II. Statement 2 - Statement of Assets and Liabilities: Statement of Financial Position (also known as Balance Sheet);</li> <li>III. Statement 3 - Statement of Consolidated Revenue Fund: Statement of Recurrent Financial Performance (also known as Profit &amp; Loss Account);</li> <li>IV. Statement 4- Statement of Capital Development Fund: Statement of Capital Financial Performance (also known as Capital Expenditure);</li> <li>V. Notes to the Accounts: Additional disclosures to explain the GPFS; and</li> <li>VI. Accounting Policies and Explanatory Notes.</li> </ol>



<p><b>3 Basis of Preparation and Legal Provisions</b></p> <p>The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, GPFS are in compliance with the provisions of other financial regulations of Munya Local Government Council</p>	<p><b>6 Reporting Currency</b></p> <p>The General Purpose GPFS are prepared in Nigerian Naira.</p>
<p><b>4 Fundamental Accounting Concepts</b></p> <p>The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in Munya Local Government Council</p> <ul style="list-style-type: none"> <li>? Cash Basis of Accounting;</li> <li>? Understability;</li> <li>? Materiality,</li> <li>? Relevance;</li> <li>? Going Concern Concept;</li> <li>? Consistency Concept</li> <li>? Prudence</li> <li>? Completeness, etc.</li> </ul>	<p><b>7 LGC for Consolidation</b></p> <ul style="list-style-type: none"> <li>▪ The Consolidation of the GPFS are based on the Cash transactions of Munya Local Government Council except Government Business Enterprises (GBEs).</li> </ul>
<p><b>5 Accounting Period</b></p> <p>The accounting year (fiscal year) is from 1<sup>st</sup> January to 31<sup>st</sup> December. Each accounting year is divided into 12 calendar months (periods) and shall be set up as such in the accounting system.</p>	<p><b>8 Comparative Information</b></p> <ul style="list-style-type: none"> <li>▪ The General Purpose GPFS shall disclose all numerical information relating to previous period (at least one year).</li> </ul>
	<p><b>9 Budget Figures</b></p> <ul style="list-style-type: none"> <li>▪ These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation Law of Niger State.</li> </ul>
	<p><b>10 Receipts</b></p> <ul style="list-style-type: none"> <li>? These are Cash inflows within the Financial Year. They comprise of receipts from Statutory Allocations (FAAC monthly disbursement), Taxes, External Assistance (from Bilateral and Multilateral Agencies), Other Aid and Grants, Other Borrowings, Capital Receipts (Sale of Government Assets, etc), Receipts from Trading activities and Other Cash Receipts.</li> <li>? These items shall be disclosed at the face of the Statement of Cash Receipts and Payment for the year in accordance with the standardised GPFS. Notes shall be provided as per standardised Notes to GPFS.</li> </ul>



<p><b>11 External Assistance</b></p> <ul style="list-style-type: none"> <li>? Receipts from Loans are Funds received from external sources to be paid back at an agreed period of time. They are categorised either as Bilateral or Multilateral.</li> <li>? External Loans receipts shall be disclosed separately under Statement of Cash Receipts and Payment for the year.</li> <li>? The Local Governments did not receive external assistance during the two year.</li> </ul>	<p><b>15 Payments</b></p> <ul style="list-style-type: none"> <li>▪ These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorised either by Function and/or by Sector in the Statement of Cash Receipts and Payment.</li> <li>▪ Payments for purchase of items of capital nature( e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.</li> </ul>
<p><b>12 Other Borrowings / Grants&amp; Aid Received</b></p> <ul style="list-style-type: none"> <li>▪ These shall be categorised as either Short or Long term Loans.Short-Term Loans are those repayable within one calendar year (12 months), while Long - Term Loans and Debts shall fall due beyond one calendar year (above 12 months).Loans shall be disclosed separately and Grants shall also be separately disclosed under Statement of Cash Receipts and Payment for the year.</li> </ul>	<p><b>16 Loans Granted:</b></p> <ul style="list-style-type: none"> <li>▪ Payments to other Government and Agencies in form of Loans during the year shall be shown separately in the Statement of Receipts and Payments. Amount disclosed shall be actual amount paid during the year.</li> <li>▪ The Local Governments did not give any loan during the two year.</li> </ul>
<p><b>13 Interest Received</b></p> <ul style="list-style-type: none"> <li>? Interest actually received during the financial year shall be treated as a receipt</li> </ul>	<p><b>17 Loan Repayments</b></p> <p>Cash receipts from loans granted to other agencies and government shall be classified under loan repayments in the Statement of Receipts and Payments . Amount disclosed shall be actual amount received during the year.</p>
<p><b>14 Government Business Activities</b></p> <p>Cash Receipts from Trading Activities shall be received net (after deducting direct expenses) unless otherwise provided for by law or policy in force. Total receipts from all trading activities shall be disclosed in the Statement of Cash Receipts and Payments under 'Trading Activities' item.</p> <p>Where gross revenue is received, corresponding payments shall be charged under a corresponding payment item head ' Government Business Activities' in the Statement of Receipts and Payments.</p>	<p><b>18 Interest on Loans:</b></p> <ul style="list-style-type: none"> <li>▪ Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest payment in the Statement of Cash Receipts and Payments</li> </ul>



19	<p><b>Foreign Currency Transactions:</b></p> <ul style="list-style-type: none"><li>Foreign Currency Transactions throughout the year shall be converted into Nigerian Naira at the ruling (Central Bank of Nigeria –CBN) rate of exchange at the dates of the transactions. Foreign currency balances, as at the year end, shall be translated at the exchange rates prevailing on that date.</li><li>At the end of the financial year, additional amounts (in cash or at bank) arising out of Foreign Exchange Gains/Losses shall be recognised in the Statement of Cash Receipts and Payments either as Receipts / Payments respectively.</li><li>Hence the Munya Local Government Council did not have foreign currency transactions during the two year.</li></ul>
20	<p><b>Prepayments</b></p> <ul style="list-style-type: none"><li>Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.</li><li>The Local Governments did not make prepayment to contractors during the two year.</li></ul>
21	<p><b>Cash Balances</b></p> <p>This includes Cash in Hand, at Bank and Cash Equivalentents at the end of the Financial year.</p>

**COUNCIL OFFICIALS**

- COUNCIL MEMBERS DESIGNATION:**

Honourable Garba Muhammad Daza  
Honourable James Jagaba

Executive Chairman  
Secretary

- HEAD OF DEPARTMENTS:**

<b>NAMES:</b>	<b>DEPARTMENTS</b>	<b>DESIGNATION</b>
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.



**AUDIT CERTIFICATE**

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, 2020 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 State Local Government Joint Account Allocation Committee are indicated in the Supplementary Note 1 to the Accounts. In my opinion, the Supplementary Note 1 to accounts presents fairly, in all material respects, the revenue from Federation Account received by Munya Local Government during the year ended December 31st, 2020.

In my opinion, the Financial Statements which are in agreement with the books of accounts and record shows a true and fair view of the financial position of the Munya Local Government for the year ended 31st December, 2020 and the transactions for the year ended at that date.



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









	<b>CashFlows from Investment Activities:</b>				
65,475,862.00	Capital Expenditure:Administrative Sector:	12	3,380,000.00		139,977,443.00
264,186,401.00	Capital Expenditure: Economic Sector:	12	27,000,000.00		65,508,495.00
-	Capital Expenditure: Law and Justice:	12	-		-
-	Capital Expenditure:Regional Development	12	-		-
132,003,419.00	capital expenditure: Social Service Sector:	12	14,800,000.00		53,938,062.00
-	Capital Expenditure: Funded from Aid and Grants:	11	-		-
<b>461,665,682.00</b>	<b>Net Cash Flow from Investment Activities:</b>		<b>45,180,000.00</b>		<b>259,424,000.00</b>
	<b>CashFlows from Financing Activities:</b>				
-	Proceeds from Aid and Grants	11	-		-
-	Proceeds from ExternaL Loan :	20	-		-
-	Proceeds from Internal Loans: FGN/Treasury Bonds :	21	-		-
-	Proceeds from InternaL Loan	22	-		224,000,000.00
-	Proceeds from Development of Nat Resources	23	-		-
-	Proceeds of Loans from Other Funds	24	-		-
-	Repayment of External Loans ( Including Servicing)	20	-		-
-	Repayment of FGN/Treasury Bonds :	21	-		-
96,000,000.00	Repayment of Internal Loan	22	96,000,000.00	-	40,000,000.00
-	Repayment of Loans from Development of Nat Resources	23	-		-
	Repayment of Loans from Other Funds	24	-		-
<b>96,000,000.00</b>	<b>Net Cash Flow from Financing Activities:</b>		<b>96,000,000.00</b>		<b>184,000,000.00</b>
	<b>Movement in Other Cash Equivalent Accounts</b>				
-	(Increase)/ Decrease in Investments		-		-
-	Net (Increase)/Decrease in Other Cash Equivalents:		-		-
-	<b>Total Cashflow from other Cash equivalent Accounts</b>		-		-
-	Net Cash for the year		4,243,011.24	-	1,124,294.13
-	Cash & Its Equivalent as at 1st January, 2021		13,098.57		1,137,392.70
-	Cash & Its Equivalent as at 31st December, 2021		<b>4,256,109.81</b>		<b>13,098.57</b>

**STATEMENT NO. 2**  
**STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	NOTES	CURRENT YEAR 2021	PREVIOUS YEAR 2020
		N	N
<b><u>ASSETS:-</u></b>			
<b>Liquid Assets:-</b>			
Cash Held by AGF:			
-CRF Bank Balance(CBN/ CRF Bank):		-	-
-Pension Account (CBN/ Bank):		-	-
-Other Bank of the Treasury		-	-
-Cash Balances of Trust & Other Funds of the FGN/ States/LGC:		-	-
-Cash Balances with Federal Pay Offices/ Sub-Treasury:		-	-
Cash Held by Agaie Local Government	15	4,256,109.81	13,098.57
<b>TOTAL LIQUID ASSETS</b>		<b>4,256,109.81</b>	<b>13,098.57</b>
<b>Investments and Other Cash Assets:</b>			
Federal/ State/ Local Government Investments	16	-	-
Imprests:-	17	-	-
Advances:-	18	-	-
Revolving Loans Granted:-	19	-	-
Intangible Assets		-	-
<b>TOTAL INVESTMENTS AND OTHER CASH ASSETS</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>4,256,109.81</b>	<b>13,098.57</b>
<b>LIABILITIES OVER ASSETS</b>		<b>116,923,910.70</b>	<b>207,212,216.14</b>
<b>TOTAL</b>		<b>121,180,020.51</b>	<b>207,225,314.71</b>
<b><u>LIABILITIES:-</u></b>			
<b><u>PUBLIC FUNDS</u></b>			
Consolidated Revenue Fund:		4,256,109.81	1,111,195.56
Capital Development Fund:		-	-
Trust & Other Public Funds:		-	-
Police Reward Fund		-	-
<b>TOTAL PUBLIC FUNDS</b>		<b>4,256,109.81</b>	<b>1,111,195.56</b>
<b>EXTERNAL AND INTERNAL LOANS</b>			
External Loans:FGN/States/ LGC	20	-	-
FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-
internal Loans	22	88,000,000.00	184,000,000.00
Development Loan Stock	23	-	-
Loan From other Funds	24	-	-
Internal Loans from Other Funds		-	-
<b>TOTAL EXTERNAL AND INTERNAL LOANS</b>		<b>88,000,000.00</b>	<b>184,000,000.00</b>
<b>OTHER LIABILITIES</b>			
Deposits:-	25	28,923,910.70	24,336,510.27
Overdrawn accounts	26	-	-
<b>TOTAL LIABILITIES</b>		<b>121,180,020.51</b>	<b>207,225,314.71</b>



NIGER STATE

## STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021

ACTUAL PREVIOUS YEAR(2020)		NOTES	ACTUAL YEAR 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	VARIANCE ON FINAL BUDGET
1,137,392.70	Opening Balance:		N 13,098.57	N	N	N	%
	<b>ADD: REVENUE</b>						
1,632,232,811.61	Statutory Allocations:FAAC	1	1,119,696,646.03	1,397,275,428.00	1,397,275,428.00	-	80.13
-	Value Added Tax Allocation	1	600,194,722.08	470,191,818.00	470,191,818.00	-	-
<b>1,633,370,204.31</b>	<b>Sub-Total - Statutory Allocation</b>		<b>1,719,891,368.11</b>	<b>1,867,467,246.00</b>	<b>1,867,467,246.00</b>	-	-
-	Direct Taxes	2	-	-	-	-	-
3,916,060.00	Licences	2	2,615,916.00	8,814,500.00	8,814,500.00	-	29.68
-	Mining Rents:	2	-	-	-	-	-
-	Royalties	2	-	-	-	-	-
-	Fees:	2	-	-	-	-	-
-	Fines	2	-	-	-	-	-
-	Sales	2	-	-	-	-	-
3,143,020.00	Earnings :	2	2,918,730.00	5,600,966.00	5,600,966.00	-	52.11
-	Sales/Rent of Government Buildings:	2	-	-	-	-	-
-	Sale/Rent on Lands and Others:	2	-	-	-	-	-
-	RATES	2	60,000.00	-	-	-	#DIV/0!
-	Investment Income	2	-	-	-	-	-
-	Interest Earned	2	-	-	-	-	-
22,002,508.32	10% IGR From State	2	25,723,459.41	147,447,704.00	147,447,704.00	-	-
<b>29,061,588.32</b>	<b>Sub-Total - Independent Revenue</b>		<b>31,318,105.41</b>	<b>161,863,170.00</b>	<b>161,863,170.00</b>	-	19.35
-	<b>Other Revenue Sources of L/Government</b>		-	-	-	-	-
21,747,549.18	Domestic Grants	3	-	-	21,747,549.18	-	-
-	Grants From other LGs	3	-	-	-	-	-
<b>1,684,179,341.81</b>	<b>TOTAL REVENUE:</b>		<b>1,751,222,572.09</b>	<b>2,029,330,416.00</b>	<b>2,029,330,416.00</b>	-	-
	<b>LESS:EXPENDITURE</b>						
761,071,689.79	Personnel Costs ( Including Salaries on CRF Charges):	4	650,587,624.91	825,343,653.00	825,343,653.00	-	78.83
-	Federa/ States/ LGC Govt Contribution to Pension:	5	-	-	-	-	-
100,697,312.45	Overhead Charges:	6	113,034,816.61	389,018,800.00	389,018,800.00	-	29.06
36,106,972.19	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)	7	42,965,468.89	45,935,195.00	45,935,195.00	-	93.53
102,000,000.00	Subvention to Parastatals:	8	28,800,000.00	28,800,000.00	28,800,000.00	-	100.00
316,097,221.09	Other Operating Activities	9	289,331,057.81	480,000,000.00	480,000,000.00	-	60.28
292,769,047.72	Other Transfers	10	481,067,494.06	481,067,494.06	481,067,494.06	-	100.00
<b>1,608,742,243.24</b>	<b>TOTAL EXPENDITURE:</b>		<b>1,605,786,462.28</b>	<b>2,250,165,142.06</b>	<b>2,250,165,142.06</b>	-	71.36
	<b>OTHER RECURRENT PAYMENTS/EXPENDITURE:</b>						
-	Repayments:External Loans:FGN/States/ LGC	19	-	-	-	-	-
-	Repayments:FGN/ States/LGC Bonds & Treasury Bonds.	20	-	-	-	-	-
-	Repayments :Nigerian Treasury Bills (NTB)	21	-	-	-	-	-
40,000,000.00	Repayments:Internal Loans	22	96,000,000.00	96,000,000.00	96,000,000.00	-	-
-	Repayments: Internal Development Loans Stock	23	-	-	-	-	-
-	Repayments:Other Internal Loans( Promissory Notes)	24	-	-	-	-	-
<b>1,648,742,243.24</b>	<b>TOTAL EXPENDITURE:</b>		<b>1,701,786,462.28</b>	<b>2,346,165,142.06</b>	<b>2,346,165,142.06</b>	-	-
<b>35,437,098.57</b>	<b>OPERATING BALANCE:</b>		<b>49,436,109.81</b>	<b>316,834,726.06</b>	<b>316,834,726.06</b>	-	-
	<b>APPROPRIATIONS/TRANSFERS:</b>						
35,424,000.00	Transfer to Capital Development Fund:		45,180,000.00	461,665,682.00	461,665,682.00	-	9.79
<b>13,098.57</b>	<b>Closing Balance:</b>		<b>4,256,109.81</b>				



NIGER STATE

**STATEMENT NO. 4**  
**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ACTUAL PREVIOUS YEAR(2020)		NOTES	TOTAL CAPITAL EXPENDITURE 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	PERFORMANCE ON TOTAL
N			N		N		%
-	Opening Balance:		-				
	<b><u>ADD: REVENUE</u></b>						
35,424,000.00	Transfer from Consolidated Revenue Fund:		45,180,000.00	461,665,682.00	461,665,682.00	-	9.79
-	Aid and Grants	11	-	-	-	-	-
-	External Loans:FGN/States/ LGC	20	-	-	-	-	-
-	FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-	-	-	-
224,000,000.00	Internal Loan	22	-	-	-	-	#DIV/0!
-	Development Loan Stock	23	-	-	-	-	-
-	Loan From Other Funds	24	-	-	-	-	-
<b>259,424,000.00</b>	<b>TOTAL REVENUE AVAILABLE:</b>		<b>45,180,000.00</b>	<b>461,665,682.00</b>	461,665,682.00	-	9.79
	<b><u>LESS: CAPITAL EXPENDITURE</u></b>						
139,977,443.00	Capital Expenditure:Administrative Sector:	12	3,380,000.00	65,475,862.00	65,475,862.00	-	5.16
65,508,495.00	Capital Expenditure: Economic Sector:	12	27,000,000.00	264,186,401.00	264,186,401.00	-	10.22
-	Capital Expenditure: Law and Justice:	12	-	-	-	-	-
-	Capital Expenditure:Regional Development	12	-	-	-	-	-
53,938,062.00	Capital Expenditure: Social Service Sector:	12	14,800,000.00	132,003,419.00	132,003,419.00	-	11.21
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-	-	-	-
<b>259,424,000.00</b>	<b>TOTAL CAPITAL EXPENDITURE:</b>		<b>45,180,000.00</b>	<b>461,665,682.00</b>	<b>461,665,682.00</b>	-	9.79
-	Intangible Assets		-				
-	<b>CLOSING BALANCE:</b>		-				



## NOTE TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021

Details					
<b>NOTE 1</b>	<b>Ref. Note</b>	<b>Amount</b>	<b>Amount</b>		<b>Remarks</b>
<b>A- Share of Statutory Allocation from FAAC</b>		<b>N</b>	<b>N</b>		
Net Share of Statutory Allocation from FAAC	<b>A</b>	1,050,079,656.39			
Add :Deduction at source for Loan Repayment	<b>B</b>	-			
Share of Exchange Gain Differencial	<b>C</b>	4,163,610.86			
Share of Federal Accounts Allocation- Excess Crude Oil	<b>D</b>	31,170,441.51			
Non-oil Revenue	<b>E</b>	34,282,937.27			
<b>Total FAAC Allocation to LG</b>			<b>1,119,696,646.03</b>		
<b>B. Value Added Tax</b>					
Share of Value Added Tax (VAT)		600,194,722.08	600,194,722.08		
<b>Total Statutory Allocation to LG</b>			<b>1,719,891,368.11</b>		
<b>NOTE 2</b>					
<b>Internally Generated Revenue (Independent Revenue)</b>		<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	
<b>Direct Taxes</b>					
Munya local government Internal Revenue		-	-	-	
<b>Total - Direct Taxes</b>		-	-	-	
<b>Licences</b>					
Munya local government Internal Revenue		2,615,916.00	8,814,500.00	6,198,584.00	
<b>Total Licences</b>		<b>2,615,916.00</b>	<b>8,814,500.00</b>	<b>6,198,584.00</b>	
<b>Mining Rents</b>					
Munya local government Internal Revenue		-	-	-	
<b>Total Mining Rents</b>		-	-	-	
<b>Royalties</b>					
Munya local government Internal Revenue		-	-	-	
<b>Total Royalties</b>		-	-	-	
<b>Fees</b>					
Munya local government Internal Revenue		-	-	-	
<b>Total Fees</b>		-	-	-	
<b>Fines</b>					
Munya local government Internal Revenue		-	-	-	
<b>Total Fines</b>		-	-	-	





<b>Sales</b>					
Munya local government Internal Revenue		-	-	-	
<b>Total Sales</b>		-	-	-	
<b>Earnings</b>					
Munya local government Internal Revenue		2,918,730.00	5,600,966.00	2,682,236.00	
<b>Total Earnings</b>		<b>2,918,730.00</b>	<b>5,600,966.00</b>	<b>2,682,236.00</b>	
<b>Sales/Rent of Government Buildings</b>					
Munya local government Internal Revenue		-	-	-	
<b>Total Sales/Rent of Government Buildings</b>		-	-	-	
<b>Sale/Rent on Lands and Others:</b>					
Munya local government Internal Revenue		-	-	-	
<b>Total Sale/Rent on Lands and Others</b>		-	-	-	
<b>Rates</b>					
Munya local government Internal Revenue		60,000.00	-	60,000.00	
<b>Total Rates</b>		<b>60,000.00</b>	-	<b>60,000.00</b>	
<b>Investment Income</b>					
Munya local government Internal Revenue		-	-	-	
<b>Total Investment Income</b>		-	-	-	
<b>Interest Earned</b>					
Munya local government Internal Revenue		-	-	-	
<b>Total Interest Earned</b>		-	-	-	
<b>10% IGR From State</b>					
Munya local government Internal Revenue		25,723,459.41	147,447,704.00	121,724,244.59	
<b>Total 10% IGR From State</b>		<b>25,723,459.41</b>	<b>147,447,704.00</b>	<b>121,724,244.59</b>	
<b>Total - Independent Revenue</b>		<b>31,318,105.41</b>	<b>161,863,170.00</b>	<b>8,820,820.00</b>	



<b>NOTE 3</b>					
<b>Other Revenue Sources of L/Govt:</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Domestic Grants		-	-	-	
<b>Total Domestic Grants</b>		-	-	-	
Grant from other LGs		-	-	-	
<b>Total Grant from other LGS</b>		-	-	-	
<b>NOTE 4</b>					
<b>A - Total Personnel Costs ( Including Salaries directly charged to CRF in Note 4B below):</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		2,880,362.49	17,596,760.00	14,716,397.51	
The Council		20,361,748.17	42,000,000.00	21,638,251.83	
Office Of The Secretary		2,030,527.74	6,315,161.00	4,284,633.26	
Personnel Management		28,200,572.61	34,681,604.00	6,481,031.39	
<b>TOTAL Personnel Cost Administrative Sector</b>		<b>53,473,211.01</b>	<b>100,593,525.00</b>	<b>47,120,313.99</b>	
					CRF Charges in Note 3
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		25,490,655.28	36,820,923.00	11,330,267.72	
Budget, Planning & Research		1,976,595.97	3,527,373.00	1,550,777.03	
Works And Housing		34,772,048.25	47,906,537.00	13,134,488.75	
Agriculture And Natural Resources		47,752,549.36	38,167,474.00	9,585,075.36	
<b>TOTAL Personnel Cost Economic Sector</b>		<b>109,991,848.86</b>	<b>126,422,307.00</b>	<b>16,430,458.14</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		341,206,453.09	356,034,921.00	14,828,467.91	
Primary Health Cure		125,864,984.01	195,883,335.00	70,018,350.99	
Social Development		11,925,507.85	31,391,106.00	19,465,598.15	
Traditional Council		8,125,620.09	15,018,459.00	6,892,838.91	
<b>Total Personnel Cost Social Sector</b>		<b>487,122,565.04</b>	<b>598,327,821.00</b>	<b>111,205,255.96</b>	
<b>Total Personnel Cost For All Sectors</b>		<b>650,587,624.91</b>	<b>825,343,653.00</b>	<b>174,756,028.09</b>	
<b>B- Salaries directly charged to CRF( included in Note 4A above)</b>					
<b>List of Parastatals and Agencies:</b>					
Auditor -General for Local Government		-	-	-	
e.t.c.		-	-	-	
<b>Total</b>		<b>650,587,624.91</b>	<b>825,343,653.00</b>	<b>174,756,028.09</b>	





<b>NOTE 5</b>					
<b>Employers Contribution to Pension according to Sector</b>					
Administrative Sector		-	-	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Employers Contribution to Pension</b>		-	-	-	
<b>NOTE 6</b>					
<b>Overhead Costs</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		53,177,175.01	129,000,000.00	75,822,824.99	
The Council		29,620,704.70	55,000,000.00	25,379,295.30	
Office Of The Secretary		11,176,060.51	25,500,000.00	14,323,939.49	
Personnel Management		5,495,493.20	30,000,000.00	24,504,506.80	
<b>Total Overhead Cost Administrative Sector</b>		<b>99,469,433.42</b>	<b>239,500,000.00</b>	<b>140,030,566.58</b>	
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		4,082,383.19	36,825,000.00	32,742,616.81	
Budget, Planning & Research		960,000.00	7,943,800.00	6,983,800.00	
Works And Housing		5,047,000.00	36,750,000.00	31,703,000.00	
Agriculture And Natural Resources		400,000.00	22,500,000.00	22,100,000.00	
<b>TOTAL Overhead Cost Economic Sector</b>		<b>10,489,383.19</b>	<b>104,018,800.00</b>	<b>93,529,416.81</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		-	-	-	
Primary Health Cure		1,070,000.00	22,500,000.00	21,430,000.00	
Social Development		1,686,000.00	20,000,000.00	18,314,000.00	
Traditional Council		320,000.00	3,000,000.00	2,680,000.00	
<b>Total Overhead Cost Social Sector</b>		<b>3,076,000.00</b>	<b>45,500,000.00</b>	<b>42,424,000.00</b>	
<b>Total Overhead Cost For All Sectors</b>		<b>113,034,816.61</b>	<b>389,018,800.00</b>	<b>275,983,983.39</b>	
<b>NOTE 7</b>					
<b>Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Monthly Pension		42,965,468.89	45,935,195.00	2,969,726.11	
<b>Total Consolidated Revenue Fund Charges</b>		<b>42,965,468.89</b>	<b>45,935,195.00</b>	<b>2,969,726.11</b>	



<b>NOTE 8</b>				
<b>Subventions to Parastatals (According to Sectors-List)</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector	28,800,000.00	28,800,000.00	-	
Economic Sector	-	-	-	
Law and Justice Sector	-	-	-	
Regional Sector	-	-	-	
Social Sector	-	-	-	
<b>Total Subventions to Parastatals</b>	<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	
<b>NOTE 9</b>				
<b>Other Operating Activities</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector	289,331,057.81	480,000,000.00	190,668,942.19	
Economic Sector	-	-	-	
Law and Justice Sector	-	-	-	
Regional Sector	-	-	-	
Social Sector	-	-	-	
<b>Total Other Operating Activities</b>	<b>289,331,057.81</b>	<b>480,000,000.00</b>	<b>190,668,942.19</b>	
<b>NOTE 10</b>				
<b>Other Transfer</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector	19,200,000.00	19,200,000.00	-	
Economic Sector	-	-	-	
Law and Justice Sector	-	-	-	
Regional Sector	-	-	-	
Social Sector	9,600,000.00	9,600,000.00	-	
<b>sub-total</b>	<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	
Transfers to other local governments	452,267,494.06	452,267,494.06	-	
<b>Total Other Transfer</b>	<b>481,067,494.06</b>	<b>481,067,494.06</b>	<b>-</b>	
<b>NOTE 11</b>				
<b>Details of Aid &amp; Grants Received</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
<b>Bilateral</b>	-	-	-	
<b>Multi Lateral</b>	-	-	-	
<b>ETC</b>	-	-	-	
<b>Total Details of Aid &amp; Grants Received</b>	<b>-</b>	<b>-</b>	<b>-</b>	



<b>NOTE 12</b>					
<b>A - Details of Total Capital Expenditures (According to Sectors)</b>					
	Actual	Total Budget	Variance		
Administrative Sector	3,380,000.00	65,475,862.00	62,095,862.00		
Economic Sector	27,000,000.00	264,186,401.00	237,186,401.00		
Law and Justice Sector	-	-	-		
Regional Sector	-	-	-		
Social Sector	14,800,000.00	132,003,419.00	117,203,419.00		
<b>Total Details of Capital Expenditures</b>	<b>45,180,000.00</b>	<b>461,665,682.00</b>	<b>416,485,682.00</b>		
<b>B - Details of Capital Expenditures of Parastatals (Included in 12A above)</b>					
	Actual	Total Budget	Variance		
Administrative Sector	-	-	-		
Economic Sector	-	-	-		
Law and Justice Sector	-	-	-		
Regional Sector	-	-	-		
Social Sector	-	-	-		
<b>Total Details of Capital Expenditures of Parastatals</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>NOTE 13</b>					
<b>CLOSING BOOK BALANCES OF OTHER FUNDS OF THE GOVERNMENT</b>					
	Amount 2021	Amount 2020			
List all the Other Funds Cash Book Balances	-	-			
<b>NOTE 14</b>					
<b>CLOSING CASH BOOK BALANCE OF FEDERAL PAY OFFICES/SUB-TREASURY OFFICES</b>					
	Amount 2021	Amount 2020			
List all the FPO/Sub-Treasuries Cash Book Balances	-	-			
<b>NOTE 15</b>					
<b>CLOSING CASH BOOK BALANCE OF MUNYA LOCAL GOVERNMENT</b>					
	Amount 2021	Amount 2020			
Munya Local Government	4,256,109.81	13,098.57			
<b>Total Details of Cash Book Balances</b>	<b>4,256,109.81</b>	<b>13,098.57</b>			



<b>NOTE 16</b>					
<b>INVESTMENTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Investments in Quoted Companies		-	-		
Investments in unQuoted Companies		-	-		
Loans to Government Companies		-	-		
Loans to Other Government		-	-		
<b>Total Investments</b>		-	-		
<b>NOTE17</b>					
<b>LIST OF OUTSTANDING IMPRESTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Imprests</b>		-	-		
<b>NOTE 18</b>					
<b>LIST OF OUTSTANDING ADVANCES</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Advances</b>		-	-		
<b>NOTE 19</b>					
<b>Revolving Loan Account</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-



<b>NOTE 20</b>					
<b>External Loans:FGN/States/ LGC</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 21</b>					
<b>FGN/ States/LGC Bonds &amp; Treasury Bonds.</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 22</b>					
<b>Internal Loan</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>Opening balance at as 1st january, 2021</b>		184,000,000.00	-		
Add: Additional Loan Issued		-	224,000,000.00		
Less: Repaid		96,000,000.00	40,000,000.00		
<b>Loans as at 31st December, 2021</b>		<b>88,000,000.00</b>	<b>184,000,000.00</b>		



**NOTE 23**

<b>Development Loan Stock</b>					
List the Loans		<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-

**NOTE 24**

<b>Internal Loans from Other Funds</b>					
List the Loans		<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-

**NOTE 25**

<b>Schedule of Deposit</b>		<b>Amount 2021</b>	<b>Amount 2020</b>
Munya Local Government		28,923,910.70	24,336,510.27
<b>Total Outstanding Deposits</b>		<b>28,923,910.70</b>	<b>24,336,510.27</b>
<b>Details Of Deposits</b>			
PAYE		270,897.97	270,897.97
1% Stamp Duty Charges		639,900.00	299,999.58
5% VAT (Value Added Tax)		14,777,614.27	12,229,114.27
Federal Mortgage Bank		70,103.17	70,103.17
Medical and Health Union		91,581.70	91,581.70
2.5% Housing Funds		203,610.00	203,610.00
5% Withholding Tax		12,500,326.46	10,801,326.45
Compensation Funds		213,000.00	213,000.00
Comrade Cycle		156,877.13	156,877.13
<b>TOTAL</b>		<b>28,923,910.70</b>	<b>24,336,510.27</b>

**NOTE 26**

<b>Schedule of Overdrawn accounts</b>		<b>Amount 2021</b>	<b>Amount 2020</b>
Munya Local Government		-	-
<b>Total Overdrawn account</b>		-	-

**NOTE 27**

<b>CONTINGENT LIABILITES AS AT YEAR END</b>		<b>Amount 2021</b>	<b>Amount 2020</b>	
<b>E.G.</b>				<b>List All the Contigent Liabilities</b>
... Pension and Gratuity Due		-	-	
....Outstanding Contractors Liabilities ( According to MDA)		-	-	
.....Pending Litigations ( According to MDA)		-	-	
.....Guarantees ( According to MDA)		-	-	
..... Others		-	-	
<b>Total Contigent Liabilities</b>		-	-	

**SUPPLEMENTARY NOTE**

1 GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)			
		2021	2020
	MONTH	TOTAL	TOTAL
	JANUARY	127,401,191.54	151,436,579.60
	FEBRUARY	134,834,157.65	139,765,727.22
	MARCH	108,892,846.61	125,003,799.93
	APRIL	125,063,263.47	142,228,088.31
	MAY	137,917,943.59	131,791,649.32
	JUNE	133,526,426.41	119,266,235.75
	JULY	157,328,530.93	144,798,615.71
	AUGUST	157,328,530.93	148,557,511.80
	SEPTEMBER	157,976,585.20	146,492,247.97
	OCTOBER	165,610,281.56	136,968,378.46
	NOVEMBER	157,763,808.89	123,669,107.03
	DECEMBER	156,247,801.33	122,254,870.51
	<b>TOTAL</b>	<b>1,719,891,368.11</b>	<b>1,632,232,811.61</b>

INTERNALLY GENERATED REVENUE 2021	
DETAILS	AMOUNT
Taxes	-
Rates	60,000.00
Lincences	2,615,916.00
Earning	2,918,730.00
Rent	-
interest	-
10% IGR From State	25,723,459.41
<b>TOTAL</b>	<b>31,318,105.41</b>



**1.1 INTRODUCTION**

In compliance with the provision of section 125 (2) of 1999 Constitution of the Federal Republic of Nigeria and Niger State Local Government Law (N.S.L.N. No. 14) of 2001, I have examined the Accounts and Financial Statement of Munya Local Government for the year ended 31<sup>st</sup> December, 2021 in accordance with the Public Finance (Control Management Act. 1958).

I have therefore certified the accounts as correct subject to various observations raised and contained in this report while the irregularities discovered thereon had been forwarded through Audit Inspection reports to the attached for Accounting officer`s comments and necessary actions

**2.0 FINANCIAL HIGHLIGHTS**

RECEIPTS DESCRIPTION	AMOUNT (?)	PERCENTAGE
Internally Generated Revenue	5,594,646.00	0.32%
10% IGR	25,723,459.41	1.47%
Share of Exchange Gain Differential	4,163,610.86	0.24%
Share of Excess Crude Oil	31,170,441.51	1.78%
Non-oil Revenue	34,282,937.27	1.96%
Statutory Allocation	1,050,079,656.39	59.96%
Share of Value Added Tax (VAT)	600,194,722.08	34.27%
	<u>? 1,751,209,473.52</u>	<u>100.00%</u>

**2.1.1 REVENUE**

The sum of ? 1,751,209,473.52 accrued to the Munya Local Government Council as total receipts for the year ended 31<sup>st</sup> December, 2021

**2.1.1.1 INTERNALLY GENERATED REVENUE**

Munya Local Government Council generated the sum of ? 5,594.646.00 and ? 25,723,459.41 as Internally Generated Revenue and 10% IGR from State respectively, which amounted to a total sum of ? 31,318,105.41 only for the year ended 31<sup>st</sup> December, 2021 which represented 1.79% of the total accrued revenue of ? 1,751,209,473.52 This shows that the Council solely depends on statutory allocation from the Federation Account and grants from other sources for survival despite my several advices to improve and explore other sources of revenue for the Council. This could result to non-survival of the councils if there is a decline of revenue from the Federation Account.

The Council promised to look for other ways of improving collections of its internally generated revenue.

I advised that the Council should make up extra efforts to generate more in the years ahead.





**2.1.1.2 FEDERAL STATUTORY ALLOCATION**

The sum of ₦ 1,719,891,368.11 which is 98.21% of the total receipts of ₦ 1,751,209,473.52 was disbursed to Munya Local Government Council for the year under review. This sum comprises the followings:

- i. Share of Exchange Gain Differentials
- ii. Share of Excess Crude
- iii. Non-oil Revenue
- iv. Statutory Allocation
- v. Valued Added Tax (VAT)

**2.1.2 EXPENDITURE****2.1.2.1 ANALYSIS OF EXPENDITURE**

The total sum of ₦ 1,907,041,949.11 was allocated directly to Munya Local Government Council and expended as follows:

DETAILS	AMOUNT (₦)	PERCENTAGE
Personnel cost	650,587,624.91	37.24%
Overhead cost	113,034,816.61	6.47%
Consolidated Fund charges	42,965,468.89	2.46%
Operating Activities	289,331,057.81	16.56%
Other Transfers	481,067,494.06	27.54%
Contributions	28,800,000.00	1.65%
Repayment of Loans	96,000,000.00	5.50%
Capital Expenditure	45,180,000.00	2.59%
	<b><u>1,746,966,462.28</u></b>	<b><u>100.00%</u></b>

**3.0 WEAKNESSES IN THE INTERNAL CONTROL SYSTEM**

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

**3.1 Unsupported payments by third party documentation**

I observed that some of the payment vouchers raised were not having documentary evidences such as delivery notes, Stores Received Vouchers, Stores Issues Vouchers, receipts etc. to justify the payments made. This implies some of the payments were made for goods not delivered or services not rendered.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

I advised the Council to ensure that all payments are supported appropriately.



### 3.1 Unremitted WHT, VAT Deductions and Stamp Duty

During the course of my audit, I observed that Munya Local Government Council had not remitted ₦ 27,917,840.73 to the appropriate authorities as at 31 December 2021. The outstanding amount comprises ₦ 12,500,326.46 in respect of WHT, ₦ 14,777,614.27 in respect of VAT and ₦ 639,900.00 in respect of Stamp duty.

This exposes the Local Government Council to the risk of payment of fines and penalties for late remittance.

I advised the Council to remit the outstanding deductions immediately and in future, the Council should ensure all deductions are made and remitted in accordance with the relevant guidelines.

Management acknowledged and promised to remit the outstanding deductions as soon as funds are available and that in future, they will effect deductions on all contracts and remit the deductions in accordance with the provisions of the law.

### 3.2 Payment Vouchers not checked nor passed by the Internal Audit Unit.

During the course of our audit exercise, it was observed that despite being raised in our previous reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued in some cases which contravenes Chapter 14, section 1-19 of Model Financial Memoranda. The non-compliance was evidenced by the Payment Vouchers which were prepared and paid out without endorsement by the Internal Audit Unit and Officer Controlling the Vote and Checks by the Accounting Officer. This exposes the Council to fraudulent practices. I advised the Council to adhere strictly to the provisions of the Model Financial Memoranda.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memoranda.

I advised management to comply with the provisions of the Model Financial Memorandum when processing payments

### 3.3 Non-maintenance of Fixed/Moveable Asset register.

A Fixed Assets Register is a management tool to monitor and control use of assets. However, as pointed out in my previous reports, Munya Local Council did not maintain an up-to-date Fixed Assets Register during the year under review.

The risk of non-maintenance of Fixed Assets Register is that the council may not be able to detect misuse and loss of its assets on time.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

I advised the Council to ensure that an up-to-date Fixed Assets/Movable Assets Register is maintained.



**3.4 Non-maintenance of Loan/Overdraft Register/Ledger.**

We observed that Munya Local Government Council did not maintain Loans/Overdraft Register/Ledger during the year.

The risk is that the Council may not be able to reconcile loan balances with the lenders leading to overpayments or fines and penalties for under payments.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

We recommend that the Council should immediately open and maintain Loans Register.

**4.0 BUDGETARY CONTROL****4.1 REVENUE COMPARISON**

During the year under review, there was a shortfall in the target of Internally Generated Revenue in Munya Local Government Council in all revenue codes as shown below:

**MUNYA LOCAL GOVERNMENT BUDGETED INTERNALLY GENERATED REVENUE COMPARED WITH ACTUAL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**

S/N	CODES	DETAILS	BUDGET ?	ACTUAL ?	SHORTFALL ?
1	12010000	Taxes	-	-	1,100,000.00
2	12021700	Rates	-	60,000.00	3,000,000.00
3	12021300	Local Licenses, Fees, and Fine	8,814,500.00	2,615,916.00	3,293,940.00
4	12021500	Earning from Commercial undertakings	5,600,966.00	2,918,730.00	1,903,946.00
5	12021600	Rent on Local Government Properties	-	-	-
6	12021100	Interest	-	-	20,000.00
<b>TOTAL</b>			<b>16,376,966.00</b>	<b>7,059,080.00</b>	<b>9,317,886.00</b>

From the above table, it clearly shows that the Council solely relies on Statutory Allocation from the Federation Account for its survival when comparing the total budgeted amount of ? 16,376,966.00 with actual Internally Generated Revenue of ? 7,059,080.00 leaving a short fall of ? 9,317,886.00 during the year under review.

This implies that the Council could not fully implement its planned programs during the financial year or the budget was not realistic.

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



- i. Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- ii. Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- iii. Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- iv. Control over issuance of revenue receipts
- v. Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.
- vi. The Council should ensure that realistic budgets are prepared.

## 4.2 RECURRENT EXPENDITURE

### 4.2.1 PERSONNEL COST

As regards to the personnel cost, it was observed that, the sum of ₦ 761,071,689.79 and ₦ 650,587,624.91 was spent as personnel cost in 2020 and 2021 respectively with a decrease of ₦ 110,484,064.88 over the previous year. The decrease represents 14.52% of personnel cost for the year under review.

### 4.2.2 CAPITAL EXPENDITURE

During the year under review, it was observed that the sum of ₦ 45,180,000.00 was spent on Capital project by Munya Local Government Council. This was made by the Council to boost the developmental activities in the rural areas in which various projects were executed and some were still in progress. Though approved capital expenditure estimate was ₦ 461,665,682.00, only the sum of ₦ 45,180,000.00 representing 9.79% was expended leading to a variance of ₦ 416,485,682.00.

I advised the Council to ensure that estimates should be based on realistic and cognizance of environmental factors, and the cash flows should be adequately monitored in order to reduce unnecessary expenses on overhead and give priority to project execution.

## 5.0 ANALYSIS OF ASSETS AND LIABILITIES

### 5.1 ASSETS

#### 5.1.1 CASH AND ITS EQUIVALENTS

The closing cash and its equivalents amounted to the sum of ₦ 4,256,109.81 for Munya Local Government as at 31<sup>st</sup> December, 2021.

### 5.2. LIABILITIES

#### 5.2.1. DEPOSITS

Deposits comprise unremitted statutory deductions and bank overdrafts as explained below.

##### 5.2.1.1 UNREMITTED DEDUCTIONS

The balance on the unremitted deductions account was ₦ 28,923,910.70 as at 31<sup>st</sup> December, 2021. The unremitted deductions include deductions from payments made on behalf of Government Agencies and various other bodies by the Local Government which ought to be promptly remitted to the appropriate authorities.

##### 5.2.1.2. BANK OVERDRAFTS

The Council did not have any bank overdrafts at the end of the financial year under review.

## 6.0 OUTSTANDING ISSUE FROM AUDIT INSPECTION REPORT

The following is the outstanding issue from the Inspection Report for the period under review.

AGX/F.O.21/TA/MUN/VOL.1

Dated – 01/3/2022



i.	Payment without council chairman's Approval	=	? 256,000.00
ii.	Cash Interception of IGR	=	? 1,945,810.00
iii.	Withdrawal of public fund without payment vouchers	=	? 6,109,325.72
iv.	Payment made without acknowledgement receipt by the payee	=	? 3,945,135.29
v.	Outstanding revenue receipt booklets	=	? 200,000.00
vi.	Purchase of Tipper and security materials suspected not to have been made	=	? 25,000,000.00
vii.	Doubtful payment made for construction of Bridge	=	? 17,000,000.00
viii.	Contract/Supply, payment without Deducting VAT, WHT and Stamp Duty amounting to	=	? 2,767,500.00

Management in their response, promised to follow up and resolve the issues.

We recommend that the management of Munya Local Government should ensure the issue raised above are adequately addressed.

## 6.1 OUTSTANDING ISSUES FROM THE REPORT ON CAPITAL PROJECT

### AGX/D.137/VOL.9/1

- |    |   |   |                |
|----|---|---|----------------|
| i. | Suspicious payment made on Rentage and furnishing without the Memo, Bill of Quantity, Local Purchase Order, SRV and SIV attached to the payment voucher | = | ? 3,380,000.00 |
|----|---|---|----------------|

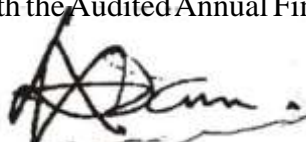
Management in their response, promised to follow up and resolve the issue.

We recommend that the management of Munya Local Government should ensure the issue raised above are adequately addressed.

## 7.0 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, 2021

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



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# PAIKORO LOCAL GOVERNMENT COUNCIL

Telegram: \_\_\_\_\_

Telegram No \_\_\_\_\_

Your Ref: \_\_\_\_\_



Paikoro Local Government Secretariat,  
Paiko, Niger State  
PLG/FIN/MFS/1/VOL.II  
Ref No \_\_\_\_\_  
Date: 16<sup>th</sup> September, 2022

## PAIKORO LOCAL GOVERNMENT COUNCIL, PAIKO STATEMENT OF FINANCIAL RESPONSIBILITY STATEMENT NO.1

The Financial Statements have been prepared by the treasurer of Paikoro Local Government Councils in accordance with the provision of the financial (Council and management) act. 1959 as Amended. The financial statements comply with generally accepted accounting practices.

The treasury is responsible for the establishing and maintaining a system of internal controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and properly record the use of all public financial resources by the Local Government Council. To the best of my knowledge, the system of internal control has operated adequately throughout the reporting period.

Sign: \_\_\_\_\_

Treasurer

*(Signature)*  
21/1/22

Sign: \_\_\_\_\_

Chairman

*(Signature)*  
31/01/22

We accept responsibility of these financial statements, the information they contain and their compliance with the financial (control and management) Act. 1958 as Amended.

In our operation, these financial statements fairly reflect the financial position of Paikoro Local Government as at 31<sup>st</sup> January, 2021 and its operations for the year ended on that date.

Treasurer

Date: \_\_\_\_\_

*(Signature)*  
31/1/22

Chairman

Date: \_\_\_\_\_

*(Signature)*  
31/01/22



NIGER STATE



NIGER STATE GOVERNMENT

PAIKORO LOCAL GOVERNMENT COUNCIL  
ACCOUNTING POLICIES  
(IPSAS CASH)

**ISSUED BY**

**OFFICE OF THE DIRECTOR FINANCE  
PAIKORO LOCAL GOVERNMENT COUNCIL**

**2021**



## List of Abbreviations/Acronyms

Abbreviation/Term	Description
CBN	Central Bank of Nigeria
COA	Chart of Account
FAAC	Federation Accounts Allocation Committee
FGN	Federal Government of Nigeria
FRC	Financial Reporting Council
GAAP	Generally Accepted Accounting Principles
GPFS	General Purpose Financial Statement
IPSAS	International Public Sector Accounting Standards
LFN	Law of the Federal Republic of Nigeria
LGC	Local Government Council
NCOA	National Chart of Account
GBE	Government Business Enterprises
FRCON	Financial Reporting Council of Nigeria
PPE	Properties, Plants and Equipment



### **Introduction**

In line with the adoption of the International Public Sector Accounting Standards (IPSAS) in Nigeria, a Standardised Chart of Account (COA) alongside a set of General Purpose Financial Statements (GPFS) have been designed and introduced by FAAC for adoption by all tiers of Government in Nigeria.

The standardised COA and the GPFS is hereby adopted by Paikoro Local Government Council to comply with FAAC directive to harmonise public sector accounts reporting in Nigeria.

In order to ensure an effective and efficient utilisation of the COA and GPFS, the Accounting Policies have been developed as a set of guidelines to direct the Processes and Procedures relating to financial reporting in Paikoro Local Government Council.

These policies shall form part of the universally agreed framework for financial reporting in Paikoro Local Government Council.

### **IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when Cash (including Cash Equivalents) is received or paid by the Local Government. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of Cash raised during the period, the purposes for which Cash was used and the Cash balances at the reporting date. The measurement focus in the GPFS balances are Cash and changes during the period. Therefore, Bank Reconciliation Statement shall form integral part of periodic Reports in Paikoro Local Government Council.

Notes to the GPFS provide additional information about liabilities, including payables and borrowings, and non-cash assets that include receivables, investments and property, plant and equipment.

This Accounting Policy addresses the following fundamental accounting issues:

1. Definition of Accounting Terminologies
2. Recognition of Accounting Items
3. Measurement of Accounting Items
4. Treatment of Accounting items

The Accounting Policy is subject to periodic reviews and updates as shall be deemed necessary by the Director Finance, Paikoro Local Government Council.





NIGER STATE

S/N	Accounting Policies:	2
1	<p><b>Accounting Terminologies / Definitions</b></p> <ol style="list-style-type: none"> <li>I. <b>Accounting policies</b> are the specific principles, bases, conventions, rules and practices adopted by Paikoro Local Government Council in preparing and presenting Financial Statements.</li> <li>II. <b>Cash:</b> Cash comprises cash in hand, demand deposits in financial institutions and cash equivalents.</li> <li>III. <b>Cash equivalents</b> are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.</li> <li>IV. <b>Cash basis</b> means a basis of accounting that recognizes transactions and other events only when cash is received or paid.</li> <li>V. <b>Cash flows</b> are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.</li> <li>VI. <b>Cash receipts</b> are cash inflows.</li> <li>VII. <b>Cash payments</b> are cash outflows.</li> <li>VIII. <b>Cash Controlled by Rafi Local Government Council:</b> Cash is deemed to be controlled by Paikoro Local Government Council when the government can freely use the available cash for the achievement of its objectives or enjoy benefit from the cash, and can also exclude or regulate the access of others to that benefit. Cash collected by, or appropriated or granted to the government which the government can freely use to fund its operating objectives, such as acquiring of capital assets or repaying its debt is controlled by the government.</li> <li>IX. <b>Notes to the GPFS</b> shall include narrative descriptions or more detailed schedules or analyses of amounts shown on the face of the GPFS, as well as additional information</li> </ol>	<p><b>General Purpose Financial Statements (GPFS)</b></p> <p>The GPFS comprise of Statement of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by Rafi Local Government Council and Accounting Policies and Notes to the Financial Statements. In Paikoro Local Government Council, the GPFS Accounting Policy include the following:</p> <ol style="list-style-type: none"> <li>I. Statement 1 - Cash Flow Statements: Statement of Cash Receipts and Payments which:             <ul style="list-style-type: none"> <li>▪ recognizes all Cash Receipts, Cash Payments and Cash Balances controlled by Paikoro Local Government Council; and</li> <li>▪ separately identifies payments made by third parties on behalf of Paikoro Local Government Council.</li> </ul> </li> <li>II. Statement 2 - Statement of Assets and Liabilities: Statement of Financial Position (also known as Balance Sheet);</li> <li>III. Statement 3 - Statement of Consolidated Revenue Fund: Statement of Recurrent Financial Performance (also known as Profit &amp; Loss Account);</li> <li>IV. Statement 4- Statement of Capital Development Fund: Statement of Capital Financial Performance (also known as Capital Expenditure);</li> <li>V. Notes to the Accounts: Additional disclosures to explain the GPFS; and</li> <li>VI. Accounting Policies and Explanatory Notes.</li> </ol>



<p><b>3 Basis of Preparation and Legal Provisions</b></p> <p>The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, GPFS are in compliance with the provisions of other financial regulations of Paikoro Local Government Council</p>	<p><b>6 Reporting Currency</b></p> <p>The General Purpose GPFS are prepared in Nigerian Naira.</p>
<p><b>4 Fundamental Accounting Concepts</b></p> <p>The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in Paikoro Local Government Council</p> <ul style="list-style-type: none"> <li>? Cash Basis of Accounting;</li> <li>? Understability;</li> <li>? Materiality,</li> <li>? Relevance;</li> <li>? Going Concern Concept;</li> <li>? Consistency Concept</li> <li>? Prudence</li> <li>? Completeness, etc.</li> </ul>	<p><b>7 LGC for Consolidation</b></p> <ul style="list-style-type: none"> <li>▪ The Consolidation of the GPFS are based on the Cash transactions of Paikoro Local Government Council except Government Business Enterprises (GBEs).</li> </ul>
<p><b>5 Accounting Period</b></p> <p>The accounting year (fiscal year) is from 1<sup>st</sup> January to 31<sup>st</sup> December. Each accounting year is divided into 12 calendar months (periods) and shall be set up as such in the accounting system.</p>	<p><b>8 Comparative Information</b></p> <ul style="list-style-type: none"> <li>▪ The General Purpose GPFS shall disclose all numerical information relating to previous period (at least one year).</li> </ul>
	<p><b>9 Budget Figures</b></p> <ul style="list-style-type: none"> <li>▪ These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation Law of Niger State.</li> </ul>
	<p><b>10 Receipts</b></p> <ul style="list-style-type: none"> <li>? These are Cash inflows within the Financial Year. They comprise of receipts from Statutory Allocations (FAAC monthly disbursement), Taxes, External Assistance (from Bilateral and Multilateral Agencies), Other Aid and Grants, Other Borrowings, Capital Receipts (Sale of Government Assets, etc), Receipts from Trading activities and Other Cash Receipts.</li> <li>? These items shall be disclosed at the face of the Statement of Cash Receipts and Payment for the year in accordance with the standardised GPFS. Notes shall be provided as per standardised Notes to GPFS.</li> </ul>



<p><b>11 External Assistance</b></p> <ul style="list-style-type: none"> <li>? Receipts from Loans are Funds received from external sources to be paid back at an agreed period of time. They are categorised either as Bilateral or Multilateral.</li> <li>? External Loans receipts shall be disclosed separately under Statement of Cash Receipts and Payment for the year.</li> <li>? The Local Governments did not receive external assistance during the two year.</li> </ul>	<p><b>15 Payments</b></p> <ul style="list-style-type: none"> <li>▪ These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorised either by Function and/or by Sector in the Statement of Cash Receipts and Payment.</li> <li>▪ Payments for purchase of items of capital nature( e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.</li> </ul>
<p><b>12 Other Borrowings / Grants&amp; Aid Received</b></p> <ul style="list-style-type: none"> <li>▪ These shall be categorised as either Short or Long term Loans.Short-Term Loans are those repayable within one calendar year (12 months), while Long - Term Loans and Debts shall fall due beyond one calendar year (above 12 months).Loans shall be disclosed separately and Grants shall also be separately disclosed under Statement of Cash Receipts and Payment for the year.</li> </ul>	<p><b>16 Loans Granted:</b></p> <ul style="list-style-type: none"> <li>▪ Payments to other Government and Agencies in form of Loans during the year shall be shown separately in the Statement of Receipts and Payments. Amount disclosed shall be actual amount paid during the year.</li> <li>▪ The Local Governments did not give any loan during the two year.</li> </ul>
<p><b>13 Interest Received</b></p> <ul style="list-style-type: none"> <li>? Interest actually received during the financial year shall be treated as a receipt</li> </ul>	<p><b>17 Loan Repayments</b></p> <p>Cash receipts from loans granted to other agencies and government shall be classified under loan repayments in the Statement of Receipts and Payments . Amount disclosed shall be actual amount received during the year.</p>
<p><b>14 Government Business Activities</b></p> <p>Cash Receipts from Trading Activities shall be received net (after deducting direct expenses) unless otherwise provided for by law or policy in force. Total receipts from all trading activities shall be disclosed in the Statement of Cash Receipts and Payments under 'Trading Activities' item.</p> <p>Where gross revenue is received, corresponding payments shall be charged under a corresponding payment item head ' Government Business Activities' in the Statement of Receipts and Payments.</p>	<p><b>18 Interest on Loans:</b></p> <ul style="list-style-type: none"> <li>▪ Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest payment in the Statement of Cash Receipts and Payments</li> </ul>



19	<p><b>Foreign Currency Transactions:</b></p> <ul style="list-style-type: none"> <li>▪ Foreign Currency Transactions throughout the year shall be converted into Nigerian Naira at the ruling (Central Bank of Nigeria –CBN) rate of exchange at the dates of the transactions. Foreign currency balances, as at the year end, shall be translated at the exchange rates prevailing on that date.</li> <li>▪ At the end of the financial year, additional amounts (in cash or at bank) arising out of Foreign Exchange Gains/Losses shall be recognised in the Statement of Cash Receipts and Payments either as Receipts / Payments respectively.</li> <li>▪ Hence the Paikoro Local Government Council did not have foreign currency transactions during the two year.</li> </ul>
20	<p><b>Prepayments</b></p> <ul style="list-style-type: none"> <li>▪ Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.</li> <li>▪ The Local Governments did not make prepayment to contractors during the two year.</li> </ul>
21	<p><b>Cash Balances</b></p> <p>This includes Cash in Hand, at Bank and Cash Equivalentents at the end of the Financial year.</p>

**COUNCIL OFFICIALS**

- COUNCIL MEMBERS DESIGNATION:**

Honourable Yakub Yuhana	Executive Chairman
Honourable Adamu Muhammad Garba	Secretary

- HEAD OF DEPARTMENTS:**

<b>NAMES:</b>	<b>DEPARTMENTS</b>	<b>DESIGNATION</b>
Alh. Sani Balarabe Kagara	Personnel Management	H. O. D
Ahmadu Makun	Finance and Supply	H. O. D
Hadiza Aliyu	Primary Health Care	H. O. D
Haj.Hafsat Gouma Mohd	Agriculture and Natural Resources	H. O. D
Elisah D. Thomas	Works and Housing	H. O. D
Bawa Ibrahim	Budget and Planning	H. O. D
Alhaji Danlami Iiyasu Tanko	Social Development	H. O. D

- BANKERS**

Union Bank Plc.  
 First Bank Plc.  
 Unity Bank Plc.  
 Pana Micro Finance Bank Ltd.  
 United Bank for Africa Plc.

**ADDRESS**

Paiko Branch  
 Minna Branch  
 Minna Branch  
 Paiko Branch  
 Minna Branch

- AUDITORS**

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





**AUDIT CERTIFICATE**

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, 2020 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 State Local Government Joint Account Allocation Committee are indicated in the Supplementary Note 1 to the Accounts. In my opinion, the Supplementary Note 1 to accounts presents fairly, in all material respects, the revenue from Federation Account received by Paikoro Local Government during the year ended December 31st, 2020.

In my opinion, the Financial Statements which are in agreement with the books of accounts and record shows a true and fair view of the financial position of the Paikoro Local Government for the year ended 31st December, 2020 and the transactions for the year ended at that date.



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



**STATEMENT NO. 1  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**



ANNUAL BUDGET 2021 N		COA	NOTES	ACTUAL YEAR 2021	PREVIOUS YEAR 2020
				N	N
	<b>CashFlows from Operating Activities:</b>				
	<u>Receipts:</u>				
1,609,859,990.00	Statutory Allocations:FAAC		1	1,297,936,871.67	1,873,946,388.33
498,544,536.00	Value Added Tax Allocation		1	677,938,485.01	-
<b>2,108,404,526.00</b>	<b>Sub-total - Statutory Allocation</b>			<b>1,975,875,356.68</b>	<b>1,873,946,388.33</b>
200,000.00	Direct Taxes		2	-	-
15,685,000.00	Licences		2	4,369,650.00	4,146,220.00
-	Mining Rents:		2	-	-
-	Royalties		2	-	-
-	Fees:		2	-	-
-	Fines		2	-	-
-	Sales		2	-	-
24,000,000.00	Earnings :		2	13,969,540.00	16,335,310.00
7,600,000.00	Sales/Rent of Government Buildings:		2	1,657,300.00	1,037,000.00
-	Sale/Rent on Lands and Others:		2	-	-
3,500,000.00	Rates		2	1,260,000.00	1,767,000.00
-	Investment Income		2	-	-
20,000.00	Interest Earned		2	-	6,302.07
147,447,704.00	10% IGR From State		2	25,723,459.41	22,002,508.32
<b>198,452,704.00</b>	<b>Sub-total - Independent Revenue</b>			<b>46,979,949.41</b>	<b>45,294,340.39</b>
	<b>Other Revenue Sources of L/Government</b>				
-	Domrstic Grants		3	-	<b>21,747,549.18</b>
328,505,598.23	Grants From other LGs		3	328,505,598.23	174,259,069.99
<b>2,306,857,230.00</b>	<b>Total Receipts</b>			<b>2,351,360,904.32</b>	<b>2,115,247,347.89</b>
	<u>Payments:</u>				
1,837,138,208.00	Personnel Costs ( Including Salaries on CRF Charges):		4	1,442,619,849.13	1,530,904,285.04
-	Federal/ States/ LGC Govt Contribution to Pension:		5	-	-
334,500,000.00	Overhead Charges:		6	92,420,491.37	160,586,105.15
230,440,287.00	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)		7	215,555,847.84	169,425,329.34
28,800,000.00	Subvention to Parastatals:		8	28,800,000.00	102,000,000.00
471,727,954.00	Other Operating Activities		9	408,021,820.03	78,636,960.00
28,800,000.00	Other Transfers		10	28,800,000.00	68,080,000.00
<b>2,931,406,449.00</b>	<b>Total Payments</b>			<b>2,216,218,008.37</b>	<b>2,109,632,679.53</b>
<b>-624,549,219.00</b>	<b>Net Cash Flow from Operating Activities</b>			<b>135,142,895.95</b>	<b>5,614,668.36</b>



	<b>CashFlows from Investment Activities:</b>				
110,611,104.00	Capital Expenditure:Administrative Sector:		12	3,900,000.00	40,286,972.00
250,715,735.00	Capital Expenditure: Economic Sector:		12	5,000,000.00	23,286,072.00
-	Capital Expenditure: Law and Justice:		12	-	-
-	Capital Expenditure:Regional Development		12	-	-
179,586,652.00	capital expenditure: Social Service Sector:		12	22,300,000.00	120,776,956.00
-	Capital Expenditure: Funded from Aid and Grants:		11	-	-
<b>540,913,491.00</b>	<b>Net Cash Flow from Investment Activities:</b>			<b>31,200,000.00</b>	<b>184,350,000.00</b>
	<b>CashFlows from Financing Activities:</b>				
-	Proceeds from Aid and Grants		11	-	-
-	Proceeds from ExternaL Loan :		20	-	-
-	Proceeds from Internal Loans: FGN/Treasury Bonds :		21	-	-
-	Proceeds from InternaL Loan		22	-	174,000,000.00
-	Proceeds from Development of Nat Resources		23	-	-
-	Proceeds of Loans from Other Funds		24	-	-
-	Repayment of External Loans ( Including Servicing)		20	-	-
-	Repayment of FGN/Treasury Bonds :		21	-	-
96,000,000.00	Repayment of Internal Loan		22	104,000,000.00	- 32,000,000.00
-	Repayment of Loans from Development of Nat Resources		23	-	-
	Repayment of Loans from Other Funds		24	-	-
<b>96,000,000.00</b>	<b>Net Cash Flow from Financing Activities:</b>			<b>104,000,000.00</b>	<b>142,000,000.00</b>
	<b>Movement in Other Cash Equivalent Accounts</b>				
-	(Increase)/ Decrease in Investments			-	-
-	Net (Increase)/Decrease in Other Cash Equivalents:			-	-
-	<b>Total Cashflow from other Cash equivalent Accounts</b>			-	-
-	Net Cash for the year			- 57,104.05	- 36,735,331.64
-	Cash & Its Equivalent as at 1st January, 2021			901,014.61	37,636,346.25
-	Cash & Its Equivalent as at 31st December, 2021			<b>843,910.56</b>	<b>901,014.61</b>

**STATEMENT NO. 2  
STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	NOTES	CURRENT YEAR 2021 N	PREVIOUS YEAR 2020 N
<b><u>ASSETS:-</u></b>			
<b>Liquid Assets:-</b>			
Cash Held by AGF:			
-CRF Bank Balance(CBN/ CRF Bank):		-	-
-Pension Account (CBN/ Bank):		-	-
-Other Bank of the Treasury		-	-
-Cash Balances of Trust & Other Funds of the FGN/ States/LGC:		-	-
-Cash Balances with Federal Pay Offices/ Sub-Treasury:		-	-
Cash Held by Agaie Local Government	15	843,910.56	901,014.61
<b>TOTAL LIQUID ASSETS</b>		<b>843,910.56</b>	<b>901,014.61</b>
<b>Investments and Other Cash Assets:</b>			
Federal/ State/ Local Government Investments	16	-	-
Imprests:-	17	-	-
Advances:-	18	-	-
Revolving Loans Granted:-	19	-	-
Intangible Assets		-	-
<b>TOTAL INVESTMENTS AND OTHER CASH ASSETS</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>843,910.56</b>	<b>901,014.61</b>
<b>LIABILITIES OVER ASSETS</b>		<b>52,653,462.67</b>	<b>154,633,212.67</b>
<b>TOTAL</b>		<b>53,497,373.23</b>	<b>155,534,227.28</b>
<b><u>LIABILITIES:-</u></b>			
<b><u>PUBLIC FUNDS</u></b>			
Consolidated Revenue Fund:		843,910.56	901,014.61
Capital Development Fund:		-	-
Trust & Other Public Funds:		-	-
Police Reward Fund		-	-
<b>TOTAL PUBLIC FUNDS</b>		<b>843,910.56</b>	<b>901,014.61</b>
<b><u>EXTERNAL AND INTERNAL LOANS</u></b>			
External Loans:FGN/States/ LGC	20	-	-
FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-
internal Loans	22	38,000,000.00	142,000,000.00
Development Loan Stock	23	-	-
Loan From other Funds	24	-	-
Internal Loans from Other Funds		-	-
<b>TOTAL EXTERNAL AND INTERNAL LOANS</b>		<b>38,000,000.00</b>	<b>142,000,000.00</b>
<b><u>OTHER LIABILITIES</u></b>			
Deposits:-	25	14,653,462.67	12,633,212.67
Overdrawn accounts	26	-	-
<b>TOTAL LIABILITIES</b>		<b>53,497,373.23</b>	<b>155,534,227.28</b>



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STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021



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ACTUAL PREVIOUS YEAR(2020)		NOTES	ACTUAL YEAR 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	VARIANCE ON FINAL BUDGET
37,636,346.25	Opening Balance:		N 901,014.61	N	N	N	%
	<b>ADD: REVENUE</b>						
1,873,946,388.33	Statutory Allocations:FAAC	1	1,297,936,871.67	1,609,859,990.00	1,609,859,990.00	-	80.62
-	Value Added Tax Allocation	1	677,938,485.01	498,544,536.00	498,544,536.00	-	-
<b>1,911,582,734.58</b>	<b>Sub-Total - Statutory Allocation</b>		<b>1,975,875,356.68</b>	<b>2,108,404,526.00</b>	<b>2,108,404,526.00</b>	-	-
-	Direct Taxes	2	-	200,000.00	200,000.00	-	-
4,146,220.00	Licences	2	4,369,650.00	15,685,000.00	15,685,000.00	-	27.86
-	Mining Rents:	2	-	-	-	-	-
-	Royalties	2	-	-	-	-	-
-	Fees:	2	-	-	-	-	-
-	Fines	2	-	-	-	-	-
-	Sales	2	-	-	-	-	-
16,335,310.00	Earnings :	2	13,969,540.00	24,000,000.00	24,000,000.00	-	58.21
1,037,000.00	Sales/Rent of Government Buildings:	2	1,657,300.00	7,600,000.00	7,600,000.00	-	-
-	Sale/Rent on Lands and Others:	2	-	-	-	-	-
1,767,000.00	RATES	2	1,260,000.00	3,500,000.00	3,500,000.00	-	36.00
-	Investment Income	2	-	-	-	-	-
6,302.07	Interest Earned	2	-	20,000.00	20,000.00	-	-
22,002,508.32	10% IGR From State	2	25,723,459.41	147,447,704.00	147,447,704.00	-	-
<b>45,294,340.39</b>	<b>Sub-Total - Independent Revenue</b>		<b>46,979,949.41</b>	<b>198,252,704.00</b>	<b>198,252,704.00</b>	-	23.70
	<b>Other Revenue Sources of L/Government</b>						
21,747,549.18	Domrstic Grants	3	-	-	21,747,549.18	-	-
174,259,069.99	Grants From other LGs	3	328,505,598.23	328,505,598.23	328,505,598.23	-	-
<b>2,152,883,694.14</b>	<b>TOTAL REVENUE:</b>		<b>2,352,261,918.93</b>	<b>2,635,162,828.23</b>	<b>2,635,162,828.23</b>	-	-
	<b>LESS:EXPENDITURE</b>						
1,530,904,285.04	Personnel Costs ( Including Salaries on CRF Charges):	4	1,442,619,849.13	1,837,138,208.00	1,837,138,208.00	-	78.53
-	Federa/ States/ LGC Govt Contribution to Pension:	5	-	-	-	-	-
160,586,105.15	Overhead Charges:	6	92,420,491.37	334,500,000.00	334,500,000.00	-	27.63
169,425,329.34	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)	7	215,555,847.84	230,440,287.00	230,440,287.00	-	93.54
102,000,000.00	Subvention to Parastatals:	8	28,800,000.00	28,800,000.00	28,800,000.00	-	100.00
78,636,960.00	Other Operating Activities	9	408,021,820.03	471,727,954.00	471,727,954.00	-	86.50
68,080,000.00	Other Transfers	10	28,800,000.00	28,800,000.00	28,800,000.00	-	100.00
<b>2,109,632,679.53</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,216,218,008.37</b>	<b>2,931,406,449.00</b>	<b>2,931,406,449.00</b>	-	75.60
	<b>OTHER RECURRENT PAYMENTS/EXPENDITURE:</b>						
-	Repayments:External Loans:FGN/States/ LGC	19	-	-	-	-	-
-	Repayments:FGN/ States/LGC Bonds & Treasury Bonds.	20	-	-	-	-	-
-	Repayments :Nigerian Treasury Bills (NTB)	21	-	-	-	-	-
32,000,000.00	Repayments:Internal Loans	22	104,000,000.00	96,000,000.00	96,000,000.00	-	-
-	Repayments: Internal Development Loans Stock	23	-	-	-	-	-
-	Repayments:Other Internal Loans( Promissory Notes)	24	-	-	-	-	-
<b>2,141,632,679.53</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,320,218,008.37</b>	<b>3,027,406,449.00</b>	<b>3,027,406,449.00</b>	-	-
<b>11,251,014.61</b>	<b>OPERATING BALANCE:</b>		<b>32,043,910.56</b>	<b>- 392,243,620.77</b>	<b>- 392,243,620.77</b>	-	-
	<b>APPROPRIATIONS/TRANSFERS:</b>						
10,350,000.00	Transfer to Capital Development Fund:		31,200,000.00	540,913,491.00	540,913,491.00	-	5.77
<b>901,014.61</b>	<b>Closing Balance:</b>		<b>843,910.56</b>				

**STATEMENT NO. 4  
STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ACTUAL PREVIOUS YEAR(2020)		NOTES	TOTAL CAPITAL EXPENDITURE 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	PERFORMANCE ON TOTAL
N			N		N		%
-	<b>Opening Balance:</b>		-				
	<b>ADD: REVENUE</b>						
10,350,000.00	Transfer from Consolidated Revenue Fund:		31,200,000.00	540,913,491.00	540,913,491.00	-	5.77
-	Aid and Grants	11	-	-	-	-	-
-	External Loans:FGN/States/ LGC	20	-	-	-	-	-
-	FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-	-	-	-
174,000,000.00	Internal Loan	22	-	-	-	-	#DIV/0!
-	Development Loan Stock	23	-	-	-	-	-
-	Loan From Other Funds	24	-	-	-	-	-
<b>184,350,000.00</b>	<b>TOTAL REVENUE AVAILABLE:</b>		<b>31,200,000.00</b>	<b>540,913,491.00</b>	540,913,491.00	-	5.77
	<b>LESS: CAPITAL EXPENDITURE</b>						
40,286,972.00	Capital Expenditure:Administrative Sector:	12	3,900,000.00	110,611,104.00	110,611,104.00	-	3.53
23,286,072.00	Capital Expenditure: Economic Sector:	12	5,000,000.00	250,715,735.00	250,715,735.00	-	1.99
-	Capital Expenditure: Law and Justice:	12	-	-	-	-	-
-	Capital Expenditure:Regional Development	12	-	-	-	-	-
120,776,956.00	Capital Expenditure: Social Service Sector:	12	22,300,000.00	179,586,652.00	179,586,652.00	-	12.42
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-	-	-	-
<b>184,350,000.00</b>	<b>TOTAL CAPITAL EXPENDITURE:</b>		<b>31,200,000.00</b>	<b>540,913,491.00</b>	<b>540,913,491.00</b>	-	5.77
-	Intangible Assets		-				
-	<b>CLOSING BALANCE:</b>		-				



**NOTE TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

<i>Details</i>					
<b>NOTE 1</b>	<i>Ref. Note</i>	<i>Amount</i>	<i>Amount</i>		<i>Remarks</i>
<b>A- Share of Statutory Allocation from FAAC</b>		<b>N</b>	<b>N</b>		
<i>Net Share of Statutory Allocation from FAAC</i>	<b>A</b>	1,217,815,723.66			
<i>Add :Deduction at source for Loan Repayment</i>	<b>B</b>	-			
<i>Share of Exchange Gain Differencial</i>	<b>C</b>	4,791,836.56			
<i>Share of Federal Accounts Allocation- Excess Crude Oil</i>	<b>D</b>	35,873,589.22			
<b>Non-oil Revenue</b>	<b>E</b>	39,455,722.23			
<b>Total FAAC Allocation to LG</b>			<b>1,297,936,871.67</b>		
<b>B. Value Added Tax</b>					
<i>Share of Value Added Tax (VAT)</i>		677,938,485.01	677,938,485.01		
<b>Total Statutory Allocation to LG</b>			<b>1,975,875,356.68</b>		
<b>NOTE 2</b>					
<b>Internally Generated Revenue (Independent Revenue)</b>		<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	
<b>Direct Taxes</b>					
<i>Paikoro local government Internal Revenue</i>		-	200,000.00	200,000.00	
<b>Total - Direct Taxes</b>		-	<b>200,000.00</b>	<b>200,000.00</b>	
<b>Licences</b>					
<i>Paikoro local government Internal Revenue</i>		4,369,650.00	15,685,000.00	11,315,350.00	
<b>Total Licences</b>		<b>4,369,650.00</b>	<b>15,685,000.00</b>	<b>11,315,350.00</b>	
<b>Mining Rents</b>					
<i>Paikoro local government Internal Revenue</i>		-	-	-	
<b>Total Mining Rents</b>		-	-	-	
<b>Royalties</b>					
<i>Paikoro local government Internal Revenue</i>		-	-	-	
<b>Total Royalties</b>		-	-	-	
<b>Fees</b>					
<i>Paikoro local government Internal Revenue</i>		-	-	-	
<b>Total Fees</b>		-	-	-	
<b>Fines</b>					
<i>Paikoro local government Internal Revenue</i>		-	-	-	
<b>Total Fines</b>		-	-	-	



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<b>Sales</b>					
Paikoro local government Internal Revenue		-	-	-	
<b>Total Sales</b>		-	-	-	
<b>Earnings</b>					
Paikoro local government Internal Revenue		13,969,540.00	24,000,000.00	10,030,460.00	
<b>Total Earnings</b>		<b>13,969,540.00</b>	<b>24,000,000.00</b>	<b>10,030,460.00</b>	
<b>Sales/Rent of Government Buildings</b>					
Paikoro local government Internal Revenue		1,657,300.00	7,600,000.00	5,942,700.00	
<b>Total Sales/Rent of Government Buildings</b>		<b>1,657,300.00</b>	<b>7,600,000.00</b>	<b>5,942,700.00</b>	
<b>Sale/Rent on Lands and Others:</b>					
Paikoro local government Internal Revenue		-	-	-	
<b>Total Sale/Rent on Lands and Others</b>		-	-	-	
<b>Rates</b>					
Paikoro local government Internal Revenue		1,260,000.00	3,500,000.00	2,240,000.00	
<b>Total Rates</b>		<b>1,260,000.00</b>	<b>3,500,000.00</b>	<b>2,240,000.00</b>	
<b>Investment Income</b>					
Paikoro local government Internal Revenue		-	-	-	
<b>Total Investment Income</b>		-	-	-	
<b>Interest Earned</b>					
Paikoro local government Internal Revenue		-	20,000.00	20,000.00	
<b>Total Interest Earned</b>		-	<b>20,000.00</b>	<b>20,000.00</b>	
<b>10% IGR From State</b>					
Paikoro local government Internal Revenue		25,723,459.41	147,447,704.00	121,724,244.59	
<b>Total 10% IGR From State</b>		<b>25,723,459.41</b>	<b>147,447,704.00</b>	<b>121,724,244.59</b>	
<b>Total - Independent Revenue</b>		<b>46,979,949.41</b>	<b>198,452,704.00</b>	<b>151,472,754.59</b>	





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<b>NOTE 3</b>					
<b>Other Revenue Sources of L/Govt:</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Domestic Grants		-	-	-	
<b>Total Domestic Grants</b>		-	-	-	
Grant from other LGs		328,505,598.23	328,505,598.23	-	
<b>Total Grant from other LGS</b>		<b>328,505,598.23</b>	<b>328,505,598.23</b>	-	
<b>NOTE 4</b>					
<b>A - Total Personnel Costs ( Including Salaries directly charged to CRF in Note 4B below):</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		4,995,151.77	11,275,205.00	6,280,053.23	
The Council		24,947,913.36	28,402,300.00	3,454,386.64	
Office Of The Secretary		7,496,591.54	9,009,300.00	1,512,708.46	
Personnel Management		50,062,435.75	53,132,357.00	3,069,921.25	
<b>TOTAL Personnel Cost Administrative Sector</b>		<b>87,502,092.42</b>	<b>101,819,162.00</b>	<b>14,317,069.58</b>	
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		48,202,102.78	96,230,922.00	48,028,819.22	
Budget, Planning & Research		3,456,507.56	5,615,197.00	2,158,689.44	
Works And Housing		39,276,118.06	66,731,632.00	27,455,513.94	
Agriculture And Natural Resources		58,734,706.15	105,190,534.00	46,455,827.85	
<b>TOTAL Personnel Cost Economic Sector</b>		<b>149,669,434.55</b>	<b>273,768,285.00</b>	<b>124,098,850.45</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		972,912,064.22	1,009,430,721.00	36,518,656.78	
Primary Health Cure		185,828,848.68	353,594,614.00	167,765,765.32	
Social Development		39,649,949.49	69,651,383.00	30,001,433.51	
Traditional Council		7,057,459.77	28,874,043.00	21,816,583.23	
<b>Total Personnel Cost Social Sector</b>		<b>1,205,448,322.16</b>	<b>1,461,550,761.00</b>	<b>256,102,438.84</b>	
<b>Total Personnel Cost For All Sectors</b>		<b>1,442,619,849.13</b>	<b>1,837,138,208.00</b>	<b>394,518,358.87</b>	
<b>B- Salaries directly charged to CRF( included in Note 4A above)</b>					
<b>List of Parastatals and Agencies:</b>		-	-	-	
Judges of Supreme Court of Nigeria		-	-	-	
Judges of Court of Appeal		-	-	-	
other Judges of Court in Nigeria		-	-	-	
Auditor -General for Federation		-	-	-	
Auditor -General for State		-	-	-	
Auditor -General for Local Government		-	-	-	
INEC Chairman and Commissioners		-	-	-	
e.t.c.		-	-	-	
<b>Total</b>		<b>1,442,619,849.13</b>	<b>1,837,138,208.00</b>	<b>394,518,358.87</b>	



<b>NOTE 5</b>					
<b>Employers Contribution to Pension according to Sector</b>					
Administrative Sector		-	-	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Employers Contribution to Pension</b>		-	-	-	
<b>NOTE 6</b>					
<b>Overhead Costs</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		62,066,900.00	203,660,000.00	141,593,100.00	
The Council		5,320,000.00	14,600,000.00	9,280,000.00	
Office Of The Secretary		490,000.00	3,200,000.00	2,710,000.00	
Personnel Management		4,409,000.00	11,440,000.00	7,031,000.00	
<b>Total Overhead Cost Administrative Sector</b>		<b>72,285,900.00</b>	<b>232,900,000.00</b>	<b>160,614,100.00</b>	
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		14,511,591.37	46,900,000.00	32,388,408.63	
Budget, Planning & Research		1,327,000.00	6,000,000.00	4,673,000.00	
Works And Housing		988,000.00	15,000,000.00	14,012,000.00	
Agriculture And Natural Resources		498,000.00	8,500,000.00	8,002,000.00	
<b>TOTAL Overhead Cost Economic Sector</b>		<b>17,324,591.37</b>	<b>76,400,000.00</b>	<b>59,075,408.63</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		-	-	-	
Primary Health Cure		360,000.00	19,000,000.00	18,640,000.00	
Social Development		1,750,000.00	3,500,000.00	1,750,000.00	
Traditional Council		700,000.00	2,700,000.00	2,000,000.00	
<b>Total Overhead Cost Social Sector</b>		<b>2,810,000.00</b>	<b>25,200,000.00</b>	<b>22,390,000.00</b>	
<b>Total Overhead Cost For All Sectors</b>		<b>92,420,491.37</b>	<b>334,500,000.00</b>	<b>242,079,508.63</b>	



<b>NOTE 7</b>					
<b>Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Monthly Pension		215,555,847.84	230,440,287.00	14,884,439.16	
<b>Total Consolidated Revenue Fund Charges</b>		<b>215,555,847.84</b>	<b>230,440,287.00</b>	<b>14,884,439.16</b>	
<b>NOTE 8</b>					
<b>Subventions to Parastatals (According to Sectors-List)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		28,800,000.00	28,800,000.00	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Subventions to Parastatals</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	
<b>NOTE 9</b>					
<b>Other Operating Activities</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		408,021,820.03	471,727,954.00	63,706,133.97	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Other Operating Activities</b>		<b>408,021,820.03</b>	<b>471,727,954.00</b>	<b>63,706,133.97</b>	
<b>NOTE 10</b>					
<b>Other Transfer</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		19,200,000.00	19,200,000.00	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		9,600,000.00	9,600,000.00	-	
<b>sub-total</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	
Transfers to other local governments				-	
<b>Total Other Transfer</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	



<b>NOTE 11</b>					
<b>Details of Aid &amp; Grants Received</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Bilateral		-	-	-	
Multi Lateral		-	-	-	
ETC		-	-	-	
<b>Total Details of Aid &amp; Grants Received</b>		<b>-</b>	<b>-</b>	<b>-</b>	
<b>NOTE 12</b>					
<b>A - Details of Total Capital Expenditures (According to Sectors)</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>		
Administrative Sector	3,900,000.00	110,611,104.00	106,711,104.00		
Economic Sector	5,000,000.00	250,715,735.00	245,715,735.00		
Law and Justice Sector	-	-	-		
Regional Sector	-	-	-		
Social Sector	22,300,000.00	179,586,652.00	157,286,652.00		
<b>Total Details of Capital Expenditures</b>	<b>31,200,000.00</b>	<b>540,913,491.00</b>	<b>509,713,491.00</b>		
<b>B - Details of Capital Expenditures of Parastatals (Included in 12A above)</b>					
	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>		
Administrative Sector	-	-	-		
Economic Sector	-	-	-		
Law and Justice Sector	-	-	-		
Regional Sector	-	-	-		
Social Sector	-	-	-		
<b>Total Details of Capital Expenditures of Parastatals</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>NOTE 13</b>					
<b>CLOSING BOOK BALANCES OF OTHER FUNDS OF THE GOVERNMENT</b>					
	<b>Amount 2021</b>	<b>Amount 2020</b>			
List all the Other Funds Cash Book Balances	-	-			
<b>NOTE 14</b>					
<b>CLOSING CASH BOOK BALANCE OF FEDERAL PAY OFFICES/SUB-TREASURY OFFICES</b>					
	<b>Amount 2021</b>	<b>Amount 2020</b>			
List all the FPO/Sub-Treasuries Cash Book Balances	-	-			



<b>NOTE 15</b>					
<b>CLOSING CASH BOOK BALANCE OF PAIKORO LOCAL GOVERNMENT</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Paikoro Local Government		843,910.56	901,014.61		
<b>Total Details of Cash Book Balances</b>		<b>843,910.56</b>	<b>901,014.61</b>		
<b>NOTE 16</b>					
<b>INVESTMENTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Investments in Quoted Companies		-	-		
Investments in unQuoted Companies		-	-		
Loans to Government Companies		-	-		
Loans to Other Government		-	-		
<b>Total Investments</b>		<b>-</b>	<b>-</b>		
<b>NOTE 17</b>					
<b>LIST OF OUTSTANDING IMPRESTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Imprests</b>		<b>-</b>	<b>-</b>		
<b>NOTE 18</b>					
<b>LIST OF OUTSTANDING ADVANCES</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Advances</b>		<b>-</b>	<b>-</b>		



<b>NOTE 19</b>					
<b>Revolving Loan Account</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 20</b>					
<b>External Loans: FGN/States/ LGC</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 21</b>					
<b>FGN/ States/LGC Bonds &amp; Treasury Bonds.</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 22</b>					
<b>Internal Loan</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>Opening balance at as 1st january, 2021</b>		142,000,000.00	-		
Add: Additional Loan Issued		-	174,000,000.00		
Less: Repaid		104,000,000.00	32,000,000.00		
<b>Loans as at 31st December, 2021</b>		<b>38,000,000.00</b>	<b>142,000,000.00</b>		



<b>NOTE 23</b>					
<b>Development Loan Stock</b>					
List the Loans	<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>	
Loan 1	-	-	-	-	-
Loan 2	-	-	-	-	-
Loan 3	-	-	-	-	-
Loan 4	-	-	-	-	-
<b>Total</b>	-	-	-	-	-
<b>NOTE 24</b>					
<b>Internal Loans from Other Funds</b>					
List the Loans	<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>	
Loan 1	-	-	-	-	-
Loan 2	-	-	-	-	-
Loan 3	-	-	-	-	-
Loan 4	-	-	-	-	-
<b>Total</b>	-	-	-	-	-
<b>NOTE 25</b>					
<b>Schedule of Deposit</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Paikoro Local Government		14,653,462.67	12,633,212.67		
<b>Total Outstanding Deposits</b>		<b>14,653,462.67</b>	<b>12,633,212.67</b>		
<b>Details Of Deposits</b>					
5% Withholding Tax		7,692,777.59	6,648,777.59		
5% Value Added Tax		6,373,529.39	4,873,529.39		
Refund of LEA		49,655.69	49,655.69		
1% Stamp Duty Charges		403,500.00	927,250.00		
RETENTION		134,000.00	134,000.00		
<b>TOTAL</b>		<b>14,653,462.67</b>	<b>12,633,212.67</b>		
<b>NOTE 26</b>					
<b>Schedule of Overdrawn accounts</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Paikoro Local Government		-	-		
<b>Total Overdrawn account</b>		-	-		
<b>NOTE 27</b>					
<b>CONTINGENT LIABILITES AS AT YEAR END</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>E.G.</b>				<b>List All the Contigent Liabilities</b>	
... Pension and Gratuity Due		-	-		
....Outstanding Contractors Liabilities ( According to MDA)		-	-		
.....Pending Litigations ( According to MDA)		-	-		
.....Guarantees ( According to MDA)		-	-		
..... Others		-	-		
<b>Total Contigent Liabilities</b>		-	-		

**SUPPLEMENTARY NOTE**



1	<b>GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)</b>			
			<b>2021</b>	
			<b>2020</b>	
		<b>MONTH</b>	<b>TOTAL</b>	<b>TOTAL</b>
		JANUARY	146,621,495.69	173,579,000.15
		FEBRUARY	154,219,335.01	160,275,000.04
		MARCH	126,500,148.30	143,317,781.46
		APRIL	143,824,217.89	162,984,781.91
		MAY	158,556,462.20	151,199,401.84
		JUNE	153,503,099.48	136,637,648.34
		JULY	181,075,562.69	165,920,044.25
		AUGUST	181,075,562.69	170,249,912.61
		SEPTEMBER	181,546,973.52	168,674,182.42
		OCTOBER	189,722,713.86	157,786,693.81
		NOVEMBER	180,662,591.35	142,443,609.02
		DECEMBER	178,567,194.00	140,878,332.48
		<b>TOTAL</b>	<b>1,975,875,356.68</b>	<b>1,873,946,388.33</b>
	<b>INTERNALLY GENERATED REVENUE 2021</b>			
	<b>DETAILS</b>	<b>AMOUNT</b>		
	Taxes	-		
	Rates	1,260,000.00		
	Lincences	4,369,650.00		
	Earning	13,969,540.00		
	Rent	1,657,300.00		
	interest	-		
	10% IGR From State	25,723,459.41		
	<b>TOTAL</b>	<b>46,979,949.41</b>		



**1.1 INTRODUCTION**

In compliance with the provision of section 125 (2) of 1999 Constitution of the Federal Republic of Nigeria and Niger State Local Government Law (N.S.L.N. No. 14) of 2001, I have examined the Accounts and Financial Statement of Paikoro Local Government for the year ended 31<sup>st</sup> December, 2021 in accordance with the Public Finance (Control Management Act. 1958).

I have therefore certified the accounts as correct subject to various observations raised and contained in this report while the irregularities discovered thereon had been forwarded through Audit Inspection reports to the attached for Accounting officer`s comments and necessary actions

**2.0 FINANCIAL HIGHLIGHTS**

RECEIPTS DESCRIPTION	AMOUNT (?)	PERCENTAGE
Internally Generated Revenue	21,256,490.00	1.00%
10% IGR	25,723,459.41	1.10%
Grant from other LGs	328,505,598.23	13.97%
Share of Exchange Gain Differentials	4,791,836.56	0.20%
Share of Excess Crude oil	35,873,589.22	1.52%
Non-oil Revenue	39,455,722.23	1.68%
Statutory Allocation	1,217,815,723.66	51.79%
Value Added Tax (VAT)	677,938,485.01	28.83%
	<b><u>2,351,360,904.32</u></b>	<b><u>100.00%</u></b>

**2.1 ANALYSIS OF REVENUE AND EXPENDITURE****2.1.1 REVENUE**

The sum of ? 2,351,360,904.32 accrued to the Paikoro Local Government Council as total receipts for the year ended 31<sup>st</sup> December, 2021

**2.1.1.1 INTERNALLY GENERATED REVENUE**

Paikoro Local Government council Generated the sum of ? 21,256,490.00 and ? 25,723,459.41 As Internally Generated Revenue and 10% IGR from State, also the sum of ? 328,505,598.23 were received as Grant from other Local Government, altogether amounted to ? 375,485,547.64 only for the year ended 31<sup>st</sup> December, 2021 which represented 15.97% of the total accrued revenue of ? 2,351,360,904.32 This shows that the council solely depend on statutory allocation from the Federation Account and Grants from other sources for survival despite several advice to improve and explore other source of revenue for the council. In addition, I frown at the situation where the IGR cannot cover the total Recurrent Expenditure. This could result to non-survival of the councils if there is a decline of revenue from the Federation Account.

The Council promised to look for other ways of improving collections of its internally generated revenue.

I advised that the councils should make up extra efforts to generate more in the years ahead.



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**2.1.1.2 FEDERAL STATUTORY ALLOCATION**

The sum of ₦ **1,975,875,356.68** which is 84.03% of the total receipts of ₦ 2,351,360,904.32 was disbursed to Paikoro Local Government Council for the year under review. This sum comprises the followings:

- i. Share of Exchange Gain Differential's
- ii. Share of Excess Crude oil
- iii. Non-oil Revenue
- iv. Statutory Allocation
- v. Value Added Tax (VAT)

**2.1.2 EXPENDITURE**

**2.1.2.1 ANALYSIS OF EXPENDITURE**

The total sum of ₦ 2,351,360,904.32 was allocated directly to Paikoro Local Government Council and expended as follows:

DETAILS	AMOUNT (₦)	PERCENTAGE
Personnel cost	1,442,619,849.13	61.35%
Overhead cost	92,420,491.37	3.93%
Consolidated Fund charges	215,555,847.84	9.17%
Operating Activities	408,021,820.03	17.35%
Other Transfers	28,800,000.00	1.22%
Contributions	28,800,000.00	1.22%
Repayment of Loans	104,000,000.00	4.42%
Capital Expenditure	31,200,000.00	1.33%
	<b><u>2,351,418,008.37</u></b>	100.00%

**3.0 WEAKNESSES IN THE INTERNAL CONTROL SYSTEM**

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

**3.1 Unsupported payments by third party documentation**

I observed that some of the payment vouchers raised were not having documentary evidences such as delivery notes, Stores Received Vouchers, Stores Issues Vouchers, receipts etc. to justify the payments made. This implies some of the payments were made for goods not delivered or services not rendered.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

I advised the Council to ensure that all payments are supported appropriately.



### 3.1 Unremitted WHT, VAT Deductions and Stamp Duty

During the course of my audit, I observed that Paikoro Local Government Council had not remitted ₦ 14,469,806.98 to the appropriate authorities as at 31 December 2021. The outstanding amount comprises ₦ 7,692,777.59 in respect of WHT, ₦ 6,373,529.39 in respect of VAT and ₦ 403,500.00 in respect of Stamp duty.

This exposes the Local Government Council to the risk of payment of fines and penalties for late remittance.

I advised the Council to remit the outstanding deductions immediately and in future, the Council should ensure all deductions are made and remitted in accordance with the relevant guidelines.

Management acknowledged and promised to remit the outstanding deductions as soon as funds are available and that in future, they will effect deductions on all contracts and remit the deductions in accordance with the provisions of the law.

### 3.2 Payment Vouchers not checked nor passed by the Internal Audit Unit.

During the course of our audit exercise, it was observed that despite being raised in our previous reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued in some cases which contravenes Chapter 14, section 1-19 of Model Financial Memoranda. The non-compliance was evidenced by the Payment Vouchers which were prepared and paid out without endorsement by the Internal Audit Unit and Officer Controlling the Vote and Checks by the Accounting Officer. This exposes the Council to fraudulent practices. I advised the Council to adhere strictly to the provisions of the Model Financial Memoranda.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memoranda.

I advised management to comply with the provisions of the Model Financial Memorandum when processing payments.

### 3.3 Non-maintenance of Fixed/Moveable Asset register.

A Fixed Assets Register is a management tool to monitor and control use of assets. However, as pointed out in my previous reports, Paikoro Local Council did not maintain an up-to-date Fixed Assets Register during the year under review.

The risk of non-maintenance of Fixed Assets Register is that the council may not be able to detect misuse and loss of its assets on time.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

I advised the Council to ensure that an up-to-date Fixed Assets/Movable Assets Register is maintained.



**3.1 Non-maintenance of Loan/Overdraft Register/Ledger.**

weakness and promised to comply with the provisions of the Model Financial Memorandum.

We recommend that the Council should immediately open and maintain We observed that Paikoro Local Government Council did not maintain Loans/Overdraft Register/Ledger during the year.

The risk is that the Council may not be able to reconcile loan balances with the lenders leading to overpayments or fines and penalties for under payments.

Management in their response acknowledged the Loans Register.

**4.0 BUDGETARY CONTROL**

**4.1 REVENUE COMPARISON**

During the year under review, there was a shortfall in the target of Internally Generated Revenue in Paikoro Local Government Council in all revenue codes as shown below:

**PAIKORO LOCAL GOVERNMENT BUDGETED INTERNALLY GENERATED REVENUE COMPARED WITH ACTUAL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**

S/N	CODES	DETAILS	BUDGET ?	ACTUAL ?	SHORTFALL ?
1	12010000	Taxes	200,000.00	-	(200,000.00)
2	12021700	Rates	3,500,000.00	1,260,000.00	(2,249,000.00)
3	12021300	Local Licenses, Fees, and Fine	15,685,000.00	4,369,650.00	(11,315,350.00)
4	12021500	Earning from Comm. undertakings	24,000,000.00	13,969,540.00	(10,030,460.00)
5	12021600	Rent on Local Govt. Properties	7,600,000.00	1,657,300.00	(5,942,700.00)
6	12021100	Interest	20,000.00	-	(20,000.00)
<b>TOTAL</b>			<b>51,005,000.00</b>	<b>21,256,490.00</b>	<b>(29,748,510.00)</b>

From the above table, it clearly shows that the Council solely relies on Statutory Allocation from the Federation Account for its survival when comparing the total budgeted amount of ? 51,005,000.00 with actual Internally Generated Revenue of ? 21,256,490.00 leaving a short fall of ? 29,748,510.00 during the year under review.

This implies that the Council could not fully implement its planned programs during the financial year or the budget was not realistic.

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



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- i. Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- ii. Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- iii. Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- iv. Control over issuance of revenue receipts
- v. Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.
- vi. The Council should ensure that realistic budgets are prepared.

**4.2 RECURRENT EXPENDITURE**

**4.2.1 PERSONNEL COST**

As regards to the personnel cost, it was observed that, the sum of ₦ 1,530,904,285.04 and ₦ 1,442,619,849.13 was spent as personnel cost in 2020 and 2021 respectively with a decrease of ₦ 88,284,435.91 over the previous year. The decrease represents 5.77% of personnel cost for the year under review.

**4.2.2 CAPITAL EXPENDITURE**

During the year under review, it was observed that the sum of ₦ 31,200,000.00 was spent on Capital project by Paikoro Local Government Council. This was made by the Council to boost the developmental activities in the rural areas in which various projects were executed and some were still in progress. Though approved capital expenditure estimate was ₦ 540,913,491.00, only the sum of ₦ 31,200,000.00 representing 5.77% was expended leading to a variance of ₦ 509,713,491.00.

I advised the Council to ensure that estimates should be based on realistic and cognizance of environmental factors, and the cash flows should be adequately monitored in order to reduce unnecessary expenses on overhead and give priority to project execution.

**5.0 ANALYSIS OF ASSETS AND LIABILITIES**

**5.1 ASSETS**

**5.1.1 CASH AND ITS EQUIVALENTS**

The closing cash and its equivalents amounted to the sum of ₦ **843,910.56** for Paikoro Local Government as at 31<sup>st</sup> December, 2021.

**5.2. LIABILITIES**

**5.2.1. DEPOSITS**

Deposits comprise unremitted statutory deductions and bank overdrafts as explained below.

**5.2.1.1 UNREMITTED DEDUCTIONS**

The balance on the unremitted deductions account was ₦ **14,653,462.67** as at 31<sup>st</sup> December, 2021. The unremitted deductions include deductions from payments made on behalf of Government Agencies and various other bodies by the Local Government which ought to be promptly remitted to the appropriate authorities.

The management of Paikoro Local Government Council has been advised to ensure that all Deposits are remitted timely to avoid accumulating liabilities and attracting fines and penalties for the Local Government.



NIGER STATE

**5.2.1.2. BANK OVERDRAFTS**

The Council did not have any bank overdrafts at the end of the financial year under review.

**6.0 OUTSTANDING ISSUES FROM THE AUDIT INSPECTION REPORT**

The following are the outstanding issues from the Inspection Report for the period under review.

**AGX/F.O.21/TA/PAK/VOL.1**

- Payment made without acknowledgement receipt = ₦ 30,000.00

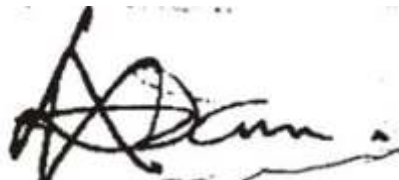
Management promised in their response to address the issue.

We recommend that the management of Paikoro Local Government should ensure the issues raised above are adequately addressed.

**7.0 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



NIGER STATE GOVERNMENT OF NIGERIA  
RAFI LOCAL GOVERNMENT COUNCIL

**AUDITED ACCOUNTS**  
FOR THE YEAR ENDED 31ST DECEMBER, 2021

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



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# FINANCE AND SUPPLY DEPARTMENT RAFI LOCAL GOVERNMENT

*Our Ref:* \_\_\_\_\_ *Your Ref:* \_\_\_\_\_ *Date* \_\_\_\_\_

## RAFI LOCAL GOVERNMENT COUNCIL STATEMENT OF FINANCIAL RESPONSIBILITY STATEMENT NO. 1

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

The treasury is responsible for the establishing and maintaining a system of internal controls designed to provide reasonable assurance that the transactions seconded are within statutory authority and properly record the use of all public resources by the Local Government Council. To the best of my knowledge, his system of internal control has operated adequately throughout the reporting period. Appreciate

*Sign:*

*Accountant*

*Date*

We accept responsibility for these Financial Statements, the information they contain 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 Government as at 31<sup>st</sup>, December, 2021 and its operations for the year ended on the date.

*Director Finance and Supply*  
*Date*

*Honorable Chairman*  
*Date*



NIGER STATE

# NIGER STATE GOVERNMENT

## RAFI LOCAL GOVERNMENT COUNCIL ACCOUNTING POLICIES (IPSAS CASH)

**ISSUED BY**

**OFFICE OF THE DIRECTOR FINANCE  
RAFI LOCAL GOVERNMENT COUNCIL**

**2021**



### List of Abbreviations/Acronyms

Abbreviation/Term	Description
CBN	Central Bank of Nigeria
COA	Chart of Account
FAAC	Federation Accounts Allocation Committee
FGN	Federal Government of Nigeria
FRC	Financial Reporting Council
GAAP	Generally Accepted Accounting Principles
GPFS	General Purpose Financial Statement
IPSAS	International Public Sector Accounting Standards
LFN	Law of the Federal Republic of Nigeria
LGC	Local Government Council
NCOA	National Chart of Account
GBE	Government Business Enterprises
FRCON	Financial Reporting Council of Nigeria
PPE	Properties, Plants and Equipment



**Introduction**

In line with the adoption of the International Public Sector Accounting Standards (IPSAS) in Nigeria, a Standardised Chart of Account (COA) alongside a set of General Purpose Financial Statements (GPFS) have been designed and introduced by FAAC for adoption by all tiers of Government in Nigeria.

The standardised COA and the GPFS is hereby adopted by Rafi Local Government Council to comply with FAAC directive to harmonise public sector accounts reporting in Nigeria.

In order to ensure an effective and efficient utilisation of the COA and GPFS, the Accounting Policies have been developed as a set of guidelines to direct the Processes and Procedures relating to financial reporting in Rafi Local Government Council.

These policies shall form part of the universally agreed framework for financial reporting in Rafi Local Government Council.

**IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when Cash (including Cash Equivalents) is received or paid by the Local Government. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of Cash raised during the period, the purposes for which Cash was used and the Cash balances at the reporting date. The measurement focus in the GPFS balances are Cash and changes during the period. Therefore, Bank Reconciliation Statement shall form integral part of periodic Reports in Rafi Local Government Council.

Notes to the GPFS provide additional information about liabilities, including payables and borrowings, and non-cash assets that include receivables, investments and property, plant and equipment.

This Accounting Policy addresses the following fundamental accounting issues:

1. Definition of Accounting Terminologies
2. Recognition of Accounting Items
3. Measurement of Accounting Items
4. Treatment of Accounting items

The Accounting Policy is subject to periodic reviews and updates as shall be deemed necessary by the Director Finance, Rafi Local Government Council.





S/N	Accounting Policies:	2
1	<p><b>Accounting Terminologies / Definitions</b></p> <p>I. <b>Accounting policies</b> are the specific principles, bases, conventions, rules and practices adopted by RafiLocal Government Council in preparing and presenting Financial Statements.</p> <p>II. <b>Cash:</b> Cash comprises cash in hand, demand deposits in financial institutions and cash equivalents.</p> <p>III. <b>Cash equivalents</b> are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.</p> <p>IV. <b>Cash basis</b> means a basis of accounting that recognizes transactions and other events only when cash is received or paid.</p> <p>V. <b>Cash flows</b> are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.</p> <p>VI. <b>Cash receipts</b> are cash inflows.</p> <p>VII. <b>Cash payments</b> are cash outflows.</p> <p>VIII. <b>Cash Controlled by Rafi Local Government Council:</b> Cash is deemed to be controlled by RafiLocal Government Council when the government can freely use the available cash for the achievement of its objectives or enjoy benefit from the cash, and can also exclude or regulate the access of others to that benefit. Cash collected by, or appropriated or granted to the government which the government can freely use to fund its operating objectives, such as acquiring of capital assets or repaying its debt is controlled by the government.</p> <p>IX. <b>Notes to the GPFs</b> shall include narrative descriptions or more detailed schedules or analyses of amounts shown on the face of the GPFs, as well as additional information</p>	<p><b>General Purpose Financial Statements (GPFS)</b></p> <p>The GPFS comprise of Statement of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by RafiLocal Government Council and Accounting Policies and Notes to the Financial Statements. In Rafi Local Government Council, the GPFS Accounting Policy include the following:</p> <ol style="list-style-type: none"> <li>I. Statement 1 - Cash Flow Statements: Statement of Cash Receipts and Payments which:             <ul style="list-style-type: none"> <li>▪ recognizes all Cash Receipts, Cash Payments and Cash Balances controlled by Rafi Local Government Council; and</li> <li>▪ separately identifies payments made by third parties on behalf of Rafi Local Government Council.</li> </ul> </li> <li>II. Statement 2 - Statement of Assets and Liabilities: Statement of Financial Position (also known as Balance Sheet);</li> <li>III. Statement 3 - Statement of Consolidated Revenue Fund: Statement of Recurrent Financial Performance (also known as Profit &amp; Loss Account);</li> <li>IV. Statement 4- Statement of Capital Development Fund: Statement of Capital Financial Performance (also known as Capital Expenditure);</li> <li>V. Notes to the Accounts: Additional disclosures to explain the GPFS; and</li> <li>VI. Accounting Policies and Explanatory Notes.</li> </ol>



<p><b>3 Basis of Preparation and Legal Provisions</b></p> <p>The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, GPFS are in compliance with the provisions of other financial regulations of Rafi Local Government Council.</p>	<p><b>6 Reporting Currency</b></p> <p>The General Purpose GPFS are prepared in Nigerian Naira.</p>
<p><b>4 Fundamental Accounting Concepts</b></p> <p>The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in Rafi Local Government Council</p> <ul style="list-style-type: none"> <li>? Cash Basis of Accounting;</li> <li>? Understability;</li> <li>? Materiality,</li> <li>? Relevance;</li> <li>? Going Concern Concept;</li> <li>? Consistency Concept</li> <li>? Prudence</li> <li>? Completeness, etc.</li> </ul>	<p><b>7 LGC for Consolidation</b></p> <ul style="list-style-type: none"> <li>▪ The Consolidation of the GPFS are based on the Cash transactions of Rafi Local Government Council except Government Business Enterprises (GBEs).</li> </ul>
<p><b>5 Accounting Period</b></p> <p>The accounting year (fiscal year) is from 1<sup>st</sup> January to 31<sup>st</sup> December. Each accounting year is divided into 12 calendar months (periods) and shall be set up as such in the accounting system.</p>	<p><b>8 Comparative Information</b></p> <ul style="list-style-type: none"> <li>▪ The General Purpose GPFS shall disclose all numerical information relating to previous period (at least one year).</li> </ul>
	<p><b>9 Budget Figures</b></p> <ul style="list-style-type: none"> <li>▪ These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation Law of Niger State.</li> </ul>
	<p><b>10 Receipts</b></p> <ul style="list-style-type: none"> <li>? These are Cash inflows within the Financial Year. They comprise of receipts from Statutory Allocations (FAAC monthly disbursement), Taxes, External Assistance (from Bilateral and Multilateral Agencies), Other Aid and Grants, Other Borrowings, Capital Receipts (Sale of Government Assets, etc), Receipts from Trading activities and Other Cash Receipts.</li> <li>? These items shall be disclosed at the face of the Statement of Cash Receipts and Payment for the year in accordance with the standardised GPFS. Notes shall be provided as per standardised Notes to GPFS.</li> </ul>



<p><b>11 External Assistance</b></p> <ul style="list-style-type: none"> <li>? Receipts from Loans are Funds received from external sources to be paid back at an agreed period of time. They are categorised either as Bilateral or Multilateral.</li> <li>? External Loans receipts shall be disclosed separately under Statement of Cash Receipts and Payment for the year.</li> <li>? The Local Governments did not receive external assistance during the two year.</li> </ul>	<p><b>15 Payments</b></p> <ul style="list-style-type: none"> <li>▪ These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorised either by Function and/or by Sector in the Statement of Cash Receipts and Payment.</li> <li>▪ Payments for purchase of items of capital nature( e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.</li> </ul>
<p><b>12 Other Borrowings / Grants&amp; Aid Received</b></p> <ul style="list-style-type: none"> <li>▪ These shall be categorised as either Short or Long term Loans.Short-Term Loans are those repayable within one calendar year (12 months), while Long - Term Loans and Debts shall fall due beyond one calendar year (above 12 months).Loans shall be disclosed separately and Grants shall also be separately disclosed under Statement of Cash Receipts and Payment for the year.</li> </ul>	<p><b>16 Loans Granted:</b></p> <ul style="list-style-type: none"> <li>▪ Payments to other Government and Agencies in form of Loans during the year shall be shown separately in the Statement of Receipts and Payments. Amount disclosed shall be actual amount paid during the year.</li> <li>▪ The Local Governments did not give any loan during the two year.</li> </ul>
<p><b>13 Interest Received</b></p> <ul style="list-style-type: none"> <li>? Interest actually received during the financial year shall be treated as a receipt</li> </ul>	<p><b>17 Loan Repayments</b></p> <p>Cash receipts from loans granted to other agencies and government shall be classified under loan repayments in the Statement of Receipts and Payments . Amount disclosed shall be actual amount received during the year.</p>
<p><b>14 Government Business Activities</b></p> <p>Cash Receipts from Trading Activities shall be received net (after deducting direct expenses) unless otherwise provided for by law or policy in force. Total receipts from all trading activities shall be disclosed in the Statement of Cash Receipts and Payments under 'Trading Activities' item.</p> <p>Where gross revenue is received, corresponding payments shall be charged under a corresponding payment item head ' Government Business Activities' in the Statement of Receipts and Payments.</p>	<p><b>18 Interest on Loans:</b></p> <ul style="list-style-type: none"> <li>▪ Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest payment in the Statement of Cash Receipts and Payments</li> </ul>



<p>19</p>	<p><b>Foreign Currency Transactions:</b></p> <ul style="list-style-type: none"> <li>▪ Foreign Currency Transactions throughout the year shall be converted into Nigerian Naira at the ruling (Central Bank of Nigeria –CBN) rate of exchange at the dates of the transactions. Foreign currency balances, as at the year end, shall be translated at the exchange rates prevailing on that date.</li> <li>▪ At the end of the financial year, additional amounts (in cash or at bank) arising out of Foreign Exchange Gains/Losses shall be recognised in the Statement of Cash Receipts and Payments either as Receipts / Payments respectively.</li> <li>▪ Hence the Rafi Local Government Council did not have foreign currency transactions during the two year.</li> </ul>
<p>20</p>	<p><b>Prepayments</b></p> <ul style="list-style-type: none"> <li>▪ Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.</li> <li>▪ The Local Governments did not make prepayment to contractors during the two year.</li> </ul>
<p>21</p>	<p><b>Cash Balances</b></p> <p>This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.</p>



**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.



**AUDIT CERTIFICATE**

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, 2020 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 State Local Government Joint Account Allocation Committee are indicated in the Supplementary Note 1 to the Accounts. In my opinion, the Supplementary Note 1 to accounts presents fairly, in all material respects, the revenue from Federation Account received by Rafi Local Government during the year ended December 31st, 2020.

In my opinion, the Financial Statements which are in agreement with the books of accounts and record shows a true and fair view of the financial position of the Rafi Local Government for the year ended 31st December, 2020 and the transactions for the year ended at that date.



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



**STATEMENT NO. 1  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ANNUAL BUDGET 2021 N		COA	NOTES	ACTUAL YEAR 2021 N	PREVIOUS YEAR 2020 N
	<b>CashFlows from Operating Activities:</b>				
	<u>Receipts:</u>				
2,065,950,821.00	Statutory Allocations:FAAC		1	1,506,473,996.85	2,115,758,282.48
448,911,200.00	Value Added Tax Allocation		1	711,990,924.38	-
<b>2,514,862,021.00</b>	<b>Sub-total - Statutory Allocation</b>			<b>2,218,464,921.23</b>	<b>2,115,758,282.48</b>
800,000.00	Direct Taxes		2	-	-
660,000.00	Licences		2	961,000.00	1,721,122.54
-	Mining Rents:		2	-	-
-	Royalties		2	-	-
-	Fees:		2	-	-
-	Fines		2	-	-
-	Sales		2	-	-
5,000,000.00	Earnings :		2	2,380,510.00	2,967,200.00
-	Sales/Rent of Government Buildings:		2	-	-
-	Sale/Rent on Lands and Others:		2	-	-
2,500,000.00	Rates		2	1,314,000.00	6,804,000.00
-	Investment Income		2	-	-
-	Interest Earned		2	-	3,910.44
147,447,704.00	10% IGR From State		2	25,723,459.41	22,002,508.32
<b>156,407,704.00</b>	<b>Sub-total - Independent Revenue</b>			<b>30,378,969.41</b>	<b>33,498,741.30</b>
-	<b>Other Revenue Sources of L/Government</b>				
-	Domrstic Grants		3	-	21,747,549.18
521,653,088.75	Grants From other LGs		3	521,653,088.75	-
<b>2,671,269,725.00</b>	<b>Total Receipts</b>			<b>2,770,496,979.39</b>	<b>2,171,004,572.96</b>
	<u>Payments:</u>				
1,485,523,439.00	Personnel Costs ( Including Salaries on CRF Charges):		4	1,345,000,384.79	993,576,252.68
-	Federa/ States/ LGC Govt Contribution to Pension:		5	-	-
604,010,000.00	Overhead Charges:		6	515,716,554.91	171,871,851.61
141,912,066.00	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)		7	136,064,770.31	104,546,447.65
28,800,000.00	Subvention to Parastatals:		8	28,800,000.00	102,000,000.00
389,732,488.00	Other Operating Activities		9	539,050,765.54	280,209,343.49
28,800,000.00	Other Transfers		10	28,800,000.00	480,298,216.64
<b>2,678,777,993.00</b>	<b>Total Payments</b>			<b>2,593,432,475.55</b>	<b>2,132,502,112.07</b>
<b>-7,508,268.00</b>	<b>Net Cash Flow from Operating Activities</b>			<b>177,064,503.84</b>	<b>38,502,460.89</b>





	<b>CashFlows from Investment Activities:</b>				
47,873,752.00	Capital Expenditure:Administrative Sector:		12	-	69,289,215.87
224,753,044.00	Capital Expenditure: Economic Sector:		12	-	83,118,036.33
-	Capital Expenditure: Law and Justice:		12	-	-
-	Capital Expenditure:Regional Development		12	-	-
189,507,500.00	capital expenditure: Social Service Sector:		12	67,322,724.91	105,527,997.80
-	Capital Expenditure: Funded from Aid and Grants:		11	-	-
<b>462,134,296.00</b>	<b>Net Cash Flow from Investment Activities:</b>			<b>67,322,724.91</b>	<b>257,935,250.00</b>
	<b>CashFlows from Financing Activities:</b>				
-	Proceeds from Aid and Grants		11	-	-
-	Proceeds from ExternaL Loan :		20	-	-
-	Proceeds from Internal Loans: FGN/Treasury Bonds :		21	-	-
-	Proceeds from InternaL Loan		22	-	224,000,000.00
-	Proceeds from Development of Nat Resources		23	-	-
-	Proceeds of Loans from Other Funds		24	-	-
-	Repayment of External Loans ( Including Servicing)		20	-	-
-	Repayment of FGN/Treasury Bonds :		21	-	-
96,000,000.00	Repayment of Internal Loan		22	96,000,000.00	40,000,000.00
-	Repayment of Loans from Development of Nat Resources		23	-	-
	Repayment of Loans from Other Funds		24	-	-
<b>96,000,000.00</b>	<b>Net Cash Flow from Financing Activities:</b>			<b>96,000,000.00</b>	<b>184,000,000.00</b>
	<b>Movement in Other Cash Equivalent Accounts</b>				
-	(Increase)/ Decrease in Investments			-	-
-	Net (Increase)/Decrease in Other Cash Equivalents:			-	-
-	<b>Total Cashflow from other Cash equivalent Accounts</b>			<b>-</b>	<b>-</b>
-	Net Cash for the year			13,741,778.93	- 35,432,789.11
-	Cash & Its Equivalent as at 1st January, 2021			1,954,045.66	37,386,834.77
-	Cash & Its Equivalent as at 31st December, 2021			<b>15,695,824.59</b>	<b>1,954,045.66</b>

**STATEMENT NO. 2  
STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	NOTES	CURRENT YEAR 2021	PREVIOUS YEAR 2020
		N	N
<b><u>ASSETS:-</u></b>			
<b>Liquid Assets:-</b>			
Cash Held by AGF:			
-CRF Bank Balance(CBN/ CRF Bank):		-	-
-Pension Account (CBN/ Bank):		-	-
-Other Bank of the Treasury		-	-
-Cash Balances of Trust & Other Funds of the FGN/ States/LGC:		-	-
-Cash Balances with Federal Pay Offices/ Sub-Treasury:		-	-
Cash Held by Agaie Local Government	15	15,695,824.59	1,954,045.66
<b>TOTAL LIQUID ASSETS</b>		<b>15,695,824.59</b>	<b>1,954,045.66</b>
<b>Investments and Other Cash Assets:</b>			
Federal/ State/ Local Government Investments	16	-	-
Imprests:-	17	-	-
Advances:-	18	-	-
Revolving Loans Granted:-	19	-	-
Intangible Assets		-	-
<b>TOTAL INVESTMENTS AND OTHER CASH ASSETS</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>15,695,824.59</b>	<b>1,954,045.66</b>
<b>LIABILITIES OVER ASSETS</b>		<b>114,646,920.17</b>	<b>170,568,469.03</b>
<b>TOTAL</b>		<b>130,342,744.76</b>	<b>172,522,514.69</b>
<b><u>LIABILITIES:-</u></b>			
<b><u>PUBLIC FUNDS</u></b>			
Consolidated Revenue Fund:		15,695,824.59	33,478,743.45
Capital Development Fund:		-	-
Trust & Other Public Funds:		-	-
Police Reward Fund		-	-
<b>TOTAL PUBLIC FUNDS</b>		<b>15,695,824.59</b>	<b>33,478,743.45</b>
<b>EXTERNAL AND INTERNAL LOANS</b>			
External Loans:FGN/States/ LGC	20	-	-
FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-
internal Loans	22	88,000,000.00	184,000,000.00
Development Loan Stock	23	-	-
Loan From other Funds	24	-	-
Internal Loans from Other Funds		-	-
<b>TOTAL EXTERNAL AND INTERNAL LOANS</b>		<b>88,000,000.00</b>	<b>184,000,000.00</b>
<b>OTHER LIABILITIES</b>			
Deposits:-	25	26,126,068.74	21,480,406.71
Overdrawn accounts	26	520,851.43	520,851.43
<b>TOTAL LIABILITIES</b>		<b>130,342,744.76</b>	<b>172,522,514.69</b>



NIGER STATE

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021



ACTUAL PREVIOUS YEAR(2020)		NOTES	ACTUAL YEAR 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	VARIANCE ON FINAL BUDGET
37,386,834.77	Opening Balance:		N 1,954,045.66	N	N	N	%
	<b>ADD: REVENUE</b>						
2,115,758,282.48	Statutory Allocations:FAAC	1	1,506,473,996.85	2,065,950,821.00	2,065,950,821.00	-	72.92
-	Value Added Tax Allocation	1	711,990,924.38	448,911,200.00	448,911,200.00	-	-
<b>2,153,145,117.25</b>	<b>Sub-Total - Statutory Allocation</b>		<b>2,218,464,921.23</b>	<b>2,514,862,021.00</b>	<b>2,514,862,021.00</b>	-	-
-	Direct Taxes	2	-	800,000.00	800,000.00	-	-
1,721,122.54	Licences	2	961,000.00	660,000.00	660,000.00	-	145.61
-	Mining Rents:	2	-	-	-	-	-
-	Royalties	2	-	-	-	-	-
-	Fees:	2	-	-	-	-	-
-	Fines	2	-	-	-	-	-
-	Sales	2	-	-	-	-	-
2,967,200.00	Earnings :	2	2,380,510.00	5,000,000.00	5,000,000.00	-	47.61
-	Sales/Rent of Government Buildings:	2	-	-	-	-	-
-	Sale/Rent on Lands and Others:	2	-	-	-	-	-
6,804,000.00	RATES	2	1,314,000.00	2,500,000.00	2,500,000.00	-	52.56
-	Investment Income	2	-	-	-	-	-
3,910.44	Interest Earned	2	-	-	-	-	-
22,002,508.32	10% IGR From State	2	25,723,459.41	147,447,704.00	147,447,704.00	-	-
<b>33,498,741.30</b>	<b>Sub-Total - Independent Revenue</b>		<b>30,378,969.41</b>	<b>155,607,704.00</b>	<b>155,607,704.00</b>	-	19.52
-	<b>Other Revenue Sources of L/Government</b>	3	-	-	-	-	-
21,747,549.18	Domestic Grants		-	-	21,747,549.18	-	-
0	Grants From other LGs		521,653,088.75	-	-	-	-
<b>2,208,391,407.73</b>	<b>TOTAL REVENUE:</b>		<b>2,772,451,025.05</b>	<b>2,670,469,725.00</b>	<b>2,670,469,725.00</b>	-	-
	<b>LESS:EXPENDITURE</b>						
993,576,252.68	Personnel Costs ( Including Salaries on CRF Charges):	4	1,345,000,384.79	1,485,523,439.00	1,485,523,439.00	-	90.54
-	Federal/ States/ LGC Govt Contribution to Pension:	5	-	-	-	-	-
171,871,851.61	Overhead Charges:	6	515,716,554.91	604,010,000.00	604,010,000.00	-	85.38
104,546,447.65	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)	7	136,064,770.31	141,912,066.00	141,912,066.00	-	95.88
102,000,000.00	Subvention to Parastatals:	8	28,800,000.00	28,800,000.00	28,800,000.00	-	100.00
280,209,343.49	Other Operating Activities	9	539,050,765.54	389,732,488.00	389,732,488.00	-	138.31
480,298,216.64	Other Transfers	10	28,800,000.00	28,800,000.00	28,800,000.00	-	100.00
<b>2,132,502,112.07</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,593,432,475.55</b>	<b>2,678,777,993.00</b>	<b>2,678,777,993.00</b>	-	96.81
	<b>OTHER RECURRENT PAYMENTS/EXPENDITURE:</b>						
-	Repayments:External Loans:FGN/States/ LGC	19	-	-	-	-	-
-	Repayments:FGN/ States/LGC Bonds & Treasury Bonds.	20	-	-	-	-	-
-	Repayments :Nigerian Treasury Bills (NTB)	21	-	-	-	-	-
40,000,000.00	Repayments:Internal Loans	22	96,000,000.00	96,000,000.00	96,000,000.00	-	-
-	Repayments: Internal Development Loans Stock	23	-	-	-	-	-
-	Repayments:Other Internal Loans( Promissory Notes)	24	-	-	-	-	-
<b>2,172,502,112.07</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,689,432,475.55</b>	<b>2,774,777,993.00</b>	<b>2,774,777,993.00</b>	-	-
<b>35,889,295.66</b>	<b>OPERATING BALANCE:</b>		<b>83,018,549.50</b>	<b>104,308,268.00</b>	<b>104,308,268.00</b>	-	-
	<b>APPROPRIATIONS/TRANSFERS:</b>						
33,935,250.00	Transfer to Capital Development Fund:		67,322,724.91	462,134,296.00	462,134,296.00	-	14.57
<b>1,954,045.66</b>	<b>Closing Balance:</b>		<b>15,695,824.59</b>				

**STATEMENT NO. 4**  
**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ACTUAL PREVIOUS YEAR(2020)		NOTES	TOTAL CAPITAL EXPENDITURE 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	PERFORMANCE ON TOTAL
N			N		N		%
-	Opening Balance:		-				
	<b><u>ADD: REVENUE</u></b>						
33,935,250.00	Transfer from Consolidated Revenue Fund:		67,322,724.91	462,134,296.00	462,134,296.00	-	14.57
-	Aid and Grants	11	-	-	-	-	-
-	External Loans:FGN/States/ LGC	20	-	-	-	-	-
-	FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-	-	-	-
224,000,000.00	Internal Loan	22	-	-	-	-	#DIV/0!
-	Development Loan Stock	23	-	-	-	-	-
-	Loan From Other Funds	24	-	-	-	-	-
<b>257,935,250.00</b>	<b>TOTAL REVENUE AVAILABLE:</b>		<b>67,322,724.91</b>	<b>462,134,296.00</b>	462,134,296.00	-	14.57
	<b><u>LESS: CAPITAL EXPENDITURE</u></b>						
69,289,215.87	Capital Expenditure:Administrative Sector:	12	-	47,873,752.00	47,873,752.00	-	-
83,118,036.33	Capital Expenditure: Economic Sector:	12	-	224,753,044.00	224,753,044.00	-	-
-	Capital Expenditure: Law and Justice:	12	-	-	-	-	-
-	Capital Expenditure:Regional Development	12	-	-	-	-	-
105,527,997.80	Capital Expenditure: Social Service Sector:	12	67,322,724.91	189,507,500.00	189,507,500.00	-	35.53
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-	-	-	-
<b>257,935,250.00</b>	<b>TOTAL CAPITAL EXPENDITURE:</b>		<b>67,322,724.91</b>	<b>462,134,296.00</b>	<b>462,134,296.00</b>	-	14.57
<b>0.00</b>	Intangible Assets		-				
-	<b>CLOSING BALANCE:</b>		-				



**NOTE TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

<i>Details</i>					
<b>NOTE 1</b>	<b>Ref. Note</b>	<b>Amount</b>			<b>Remarks</b>
		<b>N</b>	<b>N</b>		
<b>A- Share of Statutory Allocation from FAAC</b>					
Net Share of Statutory Allocation from FAAC	<b>A</b>	1,414,063,237.07			
Add :Deduction at source for Loan Repayment	<b>B</b>	-			
Share of Exchange Gain Differencial	<b>C</b>	5,526,846.84			
Share of Federal Accounts Allocation- Excess Crude Oil	<b>D</b>	41,376,167.67			
<b>Non-oil Revenue</b>	<b>E</b>	45,507,745.27			
<b>Total FAAC Allocation to LG</b>			<b>1,506,473,996.85</b>		
<b>B. Value Added Tax</b>					
Share of Value Added Tax (VAT)		711,990,924.38	711,990,924.38		
<b>Total Statutory Allocation to LG</b>			<b>2,218,464,921.23</b>		
<b>NOTE 2</b>					
<b>Internally Generated Revenue (Independent Revenue)</b>		<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	
<b>Direct Taxes</b>					
Rafi local government Internal Revenue		-	800,000.00	800,000.00	
<b>Total - Direct Taxes</b>		-	<b>800,000.00</b>	<b>800,000.00</b>	
<b>Licences</b>					
Rafi local government Internal Revenue		961,000.00	660,000.00	- 301,000.00	
<b>Total Licences</b>		<b>961,000.00</b>	<b>660,000.00</b>	<b>- 301,000.00</b>	
<b>Mining Rents</b>					
Rafi local government Internal Revenue		-	-	-	
<b>Total Mining Rents</b>		-	-	-	
<b>Royalties</b>					
Rafi local government Internal Revenue		-	-	-	
<b>Total Royalties</b>		-	-	-	
<b>Fees</b>					
Rafi local government Internal Revenue		-	-	-	
<b>Total Fees</b>		-	-	-	
<b>Fines</b>					
Rafi local government Internal Revenue		-	-	-	
<b>Total Fines</b>		-	-	-	







<b>Sales</b>				
Rafi local government Internal Revenue		-	-	-
<b>Total Sales</b>		-	-	-
<b>Earnings</b>				
Rafi local government Internal Revenue		2,380,510.00	5,000,000.00	2,619,490.00
<b>Total Earnings</b>		<b>2,380,510.00</b>	<b>5,000,000.00</b>	<b>2,619,490.00</b>
<b>Sales/Rent of Government Buildings</b>				
Rafi local government Internal Revenue		-	-	-
<b>Total Sales/Rent of Government Buildings</b>		-	-	-
<b>Sale/Rent on Lands and Others:</b>				
Rafi local government Internal Revenue		-	-	-
<b>Total Sale/Rent on Lands and Others</b>		-	-	-
<b>Rates</b>				
Rafi local government Internal Revenue		1,314,000.00	2,500,000.00	1,186,000.00
<b>Total Rates</b>		<b>1,314,000.00</b>	<b>2,500,000.00</b>	<b>1,186,000.00</b>
<b>Investment Income</b>				
Rafi local government Internal Revenue		-	-	-
<b>Total Investment Income</b>		-	-	-
<b>Interest Earned</b>				
Rafi local government Internal Revenue		-	-	-
<b>Total Interest Earned</b>		-	-	-
<b>10% IGR From State</b>				
Rafi local government Internal Revenue		25,723,459.41	147,447,704.00	121,724,244.59
<b>Total 10% IGR From State</b>		<b>25,723,459.41</b>	<b>147,447,704.00</b>	<b>121,724,244.59</b>
<b>Total - Independent Revenue</b>		<b>30,378,969.41</b>	<b>156,407,704.00</b>	<b>126,028,734.59</b>



<b>NOTE 3</b>					
<b>Other Revenue Sources of L/Govt:</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Domestic Grants		-	-	-	
<b>Total Domestic Grants</b>		-	-	-	
Grant from other LGs		521,653,088.75	521,653,088.75	-	
<b>Total Grant from other LGs</b>		<b>521,653,088.75</b>	<b>521,653,088.75</b>	-	
<b>NOTE 4</b>					
<b>A - Total Personnel Costs ( Including Salaries directly charged to CRF in Note 4B below):</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		5,657,912.39	34,203,109.00	28,545,196.61	
The Council		28,525,663.33	40,395,227.00	11,869,563.67	
Office Of The Secretary		2,916,628.61	4,546,839.00	1,630,210.39	
Personnel Management		61,963,784.22	63,563,492.00	1,599,707.78	
<b>TOTAL Personnel Cost Administrative Sector</b>		<b>99,063,988.55</b>	<b>142,708,667.00</b>	<b>43,644,678.45</b>	
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		42,950,707.61	47,146,480.00	4,195,772.39	
Budget, Planning & Research		-	1,679,184.00	1,679,184.00	
Works And Housing		75,652,153.02	80,009,966.00	4,357,812.98	
Agriculture And Natural Resources		57,761,725.40	112,718,772.00	54,957,046.60	
<b>TOTAL Personnel Cost Economic Sector</b>		<b>176,364,586.03</b>	<b>241,554,402.00</b>	<b>65,189,815.97</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		598,614,420.41	603,790,453.00	5,176,032.59	
Primary Health Cure		386,096,918.61	402,326,813.00	16,229,894.39	
Social Development		56,470,463.75	57,778,285.00	1,307,821.25	
Traditional Council		28,390,007.44	37,364,819.00	8,974,811.56	
<b>Total Personnel Cost Social Sector</b>		<b>1,069,571,810.21</b>	<b>1,101,260,370.00</b>	<b>31,688,559.79</b>	
<b>Total Personnel Cost For All Sectors</b>		<b>1,345,000,384.79</b>	<b>1,485,523,439.00</b>	<b>140,523,054.21</b>	
<b>B- Salaries directly charged to CRF( included in Note 4A above)</b>					
<b>List of Parastatals and Agencies:</b>					
Auditor -General for Local Government		-	-	-	
e.t.c.		-	-	-	
<b>Total</b>		<b>1,345,000,384.79</b>	<b>1,485,523,439.00</b>	<b>140,523,054.21</b>	



<b>NOTE 5</b>					
<b>Employers Contribution to Pension according to Sector</b>					
Administrative Sector		-	-	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Employers Contribution to Pension</b>		-	-	-	
<b>NOTE 6</b>					
<b>Overhead Costs</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		415,654,443.15	128,000,000.00	-	287,654,443.15
The Council		29,942,007.00	20,510,000.00	-	9,432,007.00
Office Of The Secretary		561,540.00	8,000,000.00		7,438,460.00
Personnel Management		5,155,000.00	28,500,000.00		23,345,000.00
<b>Total Overhead Cost Administrative Sector</b>		<b>451,312,990.15</b>	<b>185,010,000.00</b>	<b>-</b>	<b>266,302,990.15</b>
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		25,053,564.76	310,000,000.00		284,946,435.24
Budget, Planning & Research		-	8,000,000.00		8,000,000.00
Works And Housing		37,650,000.00	43,500,000.00		5,850,000.00
Agriculture And Natural Resources		150,000.00	22,000,000.00		21,850,000.00
<b>TOTAL Overhead Cost Economic Sector</b>		<b>62,853,564.76</b>	<b>383,500,000.00</b>		<b>320,646,435.24</b>
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		-	-		-
Primary Health Cure		520,000.00	23,500,000.00		22,980,000.00
Social Development		1,030,000.00	8,500,000.00		7,470,000.00
Traditional Council		-	3,500,000.00		3,500,000.00
<b>Total Overhead Cost Social Sector</b>		<b>1,550,000.00</b>	<b>35,500,000.00</b>		<b>33,950,000.00</b>
<b>Total Overhead Cost For All Sectors</b>		<b>515,716,554.91</b>	<b>604,010,000.00</b>		<b>88,293,445.09</b>
<b>NOTE 7</b>					
<b>Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Monthly Pension		136,064,770.31	141,912,066.00		5,847,295.69
<b>Total Consolidated Revenue Fund Charges</b>		<b>136,064,770.31</b>	<b>141,912,066.00</b>		<b>5,847,295.69</b>



<b>NOTE 8</b>					
<b>Subventions to Parastatals (According to Sectors-List)</b>					
	Actual	Total Budget	Variance		
Administrative Sector	28,800,000.00	28,800,000.00	-		
Economic Sector	-	-	-		
Law and Justice Sector	-	-	-		
Regional Sector	-	-	-		
Social Sector	-	-	-		
<b>Total Subventions to Parastatals</b>	<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>		
<b>NOTE 9</b>					
<b>Other Operating Activities</b>					
	Actual	Total Budget	Variance		
Administrative Sector	539,050,765.54	389,732,488.00	- 149,318,277.54		
Economic Sector	-	-	-		
Law and Justice Sector	-	-	-		
Regional Sector	-	-	-		
Social Sector	-	-	-		
<b>Total Other Operating Activities</b>	<b>539,050,765.54</b>	<b>389,732,488.00</b>	<b>- 149,318,277.54</b>		
<b>NOTE 10</b>					
<b>Other Transfer</b>					
	Actual	Total Budget	Variance		
Administrative Sector	19,200,000.00	19,200,000.00	-		
Economic Sector	-	-	-		
Law and Justice Sector	-	-	-		
Regional Sector	-	-	-		
Social Sector	9,600,000.00	9,600,000.00	-		
<b>sub-total</b>	<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>		
Transfers to other local governments	-	-	-		
<b>Total Other Transfer</b>	<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>		



<b>NOTE 11</b>					
<b>Details of Aid &amp; Grants Received</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
<b>Bilateral</b>		-	-	-	
<b>Multi Lateral</b>		-	-	-	
<b>ETC</b>		-	-	-	
<b>Total Details of Aid &amp; Grants Received</b>		-	-	-	
<b>NOTE 12</b>					
<b>A - Details of Total Capital Expenditures (According to Sectors)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		-	47,873,752.00	47,873,752.00	
Economic Sector		-	224,753,044.00	224,753,044.00	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		67,322,724.91	189,507,500.00	122,184,775.09	
<b>Total Details of Capital Expenditures</b>		<b>67,322,724.91</b>	<b>462,134,296.00</b>	<b>394,811,571.09</b>	
<b>B - Details of Capital Expenditures of Parastatals (Included in 12A above)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		-	-	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Details of Capital Expenditures of Parastatals</b>		-	-	-	
<b>NOTE 13</b>					
<b>CLOSING BOOK BALANCES OF OTHER FUNDS OF THE GOVERNMENT</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the Other Funds Cash Book Balances		-	-		
<b>NOTE 14</b>					
<b>CLOSING CASH BOOK BALANCE OF FEDERAL PAY OFFICES/SUB-TREASURY OFFICES</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the FPO/Sub-Treasuries Cash Book Balances		-	-		
<b>NOTE 15</b>					
<b>CLOSING CASH BOOK BALANCE OF RAFI LOCAL GOVERNMENT</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Rafi Local Government		15,695,824.59	1,954,045.66		
<b>Total Details of Cash Book Balances</b>		<b>15,695,824.59</b>	<b>1,954,045.66</b>		



<b>NOTE 16</b>					
<b>INVESTMENTS</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Investments in Quoted Companies		-	-		
Investments in unQuoted Companies		-	-		
Loans to Government Companies		-	-		
Loans to Other Government		-	-		
<b>Total Investments</b>		-	-		
<b>NOTE 17</b>					
<b>LIST OF OUTSTANDING IMPRESTS</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Imprests</b>		-	-		
<b>NOTE 18</b>					
<b>LIST OF OUTSTANDING ADVANCES</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Advances</b>		-	-		
<b>NOTE 19</b>					
<b>Revolving Loan Account</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-



<b>NOTE 20</b>					
<b>External Loans:FGN/States/ LGC</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 21</b>					
<b>FGN/ States/LGC Bonds &amp; Treasury Bonds.</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 22</b>					
<b>Internal Loan</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>Opening balance at as 1st january, 2021</b>		184,000,000.00	-		
Add: Additional Loan Issued		-	224,000,000.00		
Less: Repaid		96,000,000.00	40,000,000.00		
<b>Loans as at 31st December, 2021</b>		<b>88,000,000.00</b>	<b>184,000,000.00</b>		
<b>NOTE 23</b>					
<b>Development Loan Stock</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-



<b>NOTE 24</b>					
<b>Internal Loans from Other Funds</b>					
List the Loans		<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 25</b>					
<b>Schedule of Deposit</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Rafi Local Government		26,126,068.74	21,480,406.71		
<b>Total Outstanding Deposits</b>		<b>26,126,068.74</b>	<b>21,480,406.71</b>		
<b>Details Of Deposits</b>					
1% Stamp Duty Charges		1,342,691.35	831,267.50		
5% Tax Deduction		13,532,063.08	10,974,943.99		
Cooperatives	-	2,977,405.90	- 2,977,405.90		
5% VAT		14,228,720.21	12,671,601.12		
<b>TOTAL</b>		<b>26,126,068.74</b>	<b>21,480,406.71</b>		
<b>NOTE 26</b>					
<b>Schedule of Overdrawn accounts</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Rafi Local Government		520,851.43	<b>520,851.43</b>		
<b>Total Overdrawn account</b>		<b>520,851.43</b>	<b>520,851.43</b>		
<b>NOTE 27</b>					
<b>CONTINGENT LIABILITES AS AT YEAR END</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>E.G.</b>					<b>List All the Contingent Liabilities</b>
... Pension and Gratuity Due		-	-		
....Outstanding Contractors Liabilities ( According to MDA)		-	-		
.....Pending Litigations ( According to MDA)		-	-		
.....Guarantees ( According to MDA)		-	-		
..... Others		-	-		
<b>Total Contingent Liabilities</b>		-	-		



**SUPPLEMENTARY NOTE**



1	<b>GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)</b>			
		<b>2021</b>	<b>2020</b>	
		<b>MONTH</b>	<b>TOTAL</b>	<b>TOTAL</b>
		JANUARY	164,345,599.30	196,293,899.85
		FEBRUARY	172,525,677.02	181,358,433.70
		MARCH	142,727,099.72	161,977,489.01
		APRIL	160,723,078.81	183,926,554.86
		MAY	177,791,074.26	171,279,343.77
		JUNE	171,841,930.18	154,074,465.93
		JULY	204,565,405.26	187,050,669.78
		AUGUST	204,565,405.26	191,943,124.23
		SEPTEMBER	204,155,392.73	190,450,615.25
		OCTOBER	213,178,488.17	178,200,428.92
		NOVEMBER	202,825,493.79	160,894,067.31
	DECEMBER	199,220,276.73	158,309,189.87	
	<b>TOTAL</b>	<b>2,218,464,921.23</b>	<b>2,115,758,282.48</b>	
	<b>INTERNELLY GENERATED REVENUE 2021</b>			
	<b>DETAILS</b>	<b>AMOUNT</b>		
	Taxes	-		
	Rates	1,314,000.00		
	Lincences	961,000.00		
	Earning	2,380,510.00		
	Rent	-		
	interest	-		
	10% IGR From State	25,723,459.41		
	<b>TOTAL</b>	<b>30,378,969.41</b>		

**1.1 INTRODUCTION**

In compliance with the provision of section 125 (2) of 1999 Constitution of the Federal Republic of Nigeria and Niger State Local Government Law (N.S.L.N. No. 14) of 2001, I have examined the Accounts and Financial Statement of Rafi Local Government for the year ended 31<sup>st</sup> December, 2021 in accordance with the Public Finance (Control Management Act. 1958).

I have therefore certified the accounts as correct subject to various observations raised and contained in this report while the irregularities discovered thereon had been forwarded through Audit Inspection reports to the attached for Accounting officer`s comments and necessary actions

**2.0 FINANCIAL HIGHLIGHTS**

RECEIPTS DESCRIPTION	AMOUNT (?)	PERCENTAGE
Internally Generated Revenue	4,655,510.00	0.17%
10% IGR	25,723,459.41	0.93%
Grant from other local Govt	521,653,088.75	18.83%
Share of Excess Crude oil	5,526,846.84	0.20%
Share of Excess Crude oil	41,376,167.67	1.49%
Non-oil Revenue	45,507,745.27	1.64%
Statutory Allocation	1,414,063,237.07	51.04%
Value Added Tax (VAT)	711,990,924.38	25.70%
<b>TOTAL</b>	<b>? 2,770,496,979.39</b>	<b>100.00%</b>

**2.1 ANALYSIS OF REVENUE AND EXPENDITURE**

**2.1.1 REVENUE**

The sum of ? 2,770,496,979.39 accrued to the Rafi Local Government Council as total receipts for the year ended 31<sup>st</sup> December, 2021

**2.1.1.1 INTERNALLY GENERATED REVENUE**

Rafi Local Government Council Generated the sum of ? 4,655,510.00 and ? 25,723,459.41 As Internally Generated Revenue and 10% IGR from State, also the sum of ? 521,653,088.75 were received as Grant from Other Local Government all together amounted to ? 552,032,058.16 only for the year ended 31<sup>st</sup> December, 2021 which represented 19.93% of the total accrued revenue of ? 2,770,496,979.39. This shows that the council solely depend on statutory allocation from the Federation Account and Grants from other sources for survival despite several advices to improve and explore other source of revenue for the council. In addition, I frown at the situation where the IGR cannot cover the total Recurrent Expenditure. This could result to non-survival of the councils if there is a decline of revenue from the Federation Account.

Management in their response, promised to put in place measures to improve revenue collections.

I advised that the councils should make up extra efforts to generate more in the years ahead.



**2.1.1.2. FEDERAL STATUTORY ALLOCATION**

The sum of ₦ 2,218,464,921.23 which is 80.07% of the total receipts of ₦ ? was disbursed to Rafi Local Government Council for the year under review. This sum comprises the followings:

- i. Share of Exchange Gain Differentials
- ii. Share of Excess Crude
- iii. Non-oil Revenue
- iv. Statutory Allocation
- v. Value Added Tax (VAT)

**2.1.2 EXPENDITURE**

**2.1.2.1 ANALYSIS OF EXPENDITURE**

The total sum of ₦ ? was allocated directly to Rafi Local Government Council and expended as follows:

DETAILS	AMOUNT (₦ )	PERCENTAGE
Personnel cost	1,345,000,384.79	40.79%
Overhead cost	515,716,554.91	18.71%
Consolidated Fund charges	136,064,770.31	4.94%
Operating Activities	539,050,765.54	19.55%
Other Transfers	28,800,000.00	1.04%
Contributions	28,800,000.00	1.04%
Repayment of Loans	96,000,000.00	3.48%
Capital Expenditure	67,322,724.91	2.44%
	<b><u>₦ 2,756,755,200.46</u></b>	<b><u>100.00%</u></b>

**3.0 WEAKNESSES IN THE INTERNAL CONTROL SYSTEM**

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

**3.1 Unsupported payments by third party documentation**

I observed that some of the payment vouchers raised were not having documentary evidences such as delivery notes, Stores Received Vouchers, Stores Issues Vouchers, receipts etc. to justify the payments made. This implies some of the payments were made for goods not delivered or services not rendered.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

I advised the Council to ensure that all payments are supported appropriately.



### 3.1 Unremitted WHT, VAT Deductions and Stamp Duty

During the course of my audit, I observed that Rafi Local Government Council had not remitted ₦ 29,103,474.64 to the appropriate authorities as at 31 December 2021. The outstanding amount comprises ₦ 13,532,063.08 in respect of WHT, ₦ 14,228,720.21 in respect of VAT and ₦ 1,342,691.35 in respect of Stamp duty.

This exposes the Local Government Council to the risk of payment of fines and penalties for late remittance.

I advised the Council to remit the outstanding deductions immediately and in future, the Council should ensure all deductions are made and remitted in accordance with the relevant guidelines.

Management acknowledged and promised to remit the outstanding deductions as soon as funds are available and that in future, they will effect deductions on all contracts and remit the deductions in accordance with the provisions of the law.

### 3.3. Payment Vouchers not checked nor passed by the Internal Audit Unit.

During the course of our audit exercise, it was observed that despite being raised in our previous reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued in some cases which contravenes Chapter 14, section 1-19 of Model Financial Memoranda. The non-compliance was evidenced by the Payment Vouchers which were prepared and paid out without endorsement by the Internal Audit Unit and Officer Controlling the Vote and Checks by the Accounting Officer. This exposes the Council to fraudulent practices. I advised the Council to adhere strictly to the provisions of the Model Financial Memoranda.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memoranda.

I advised management to comply with the provisions of the Model Financial Memorandum when processing payments.

### 3.4. Non-maintenance of Fixed/Moveable Asset register.

A Fixed Assets Register is a management tool to monitor and control use of assets. However, as pointed out in my previous reports, Rafi Local Council did not maintain an up-to-date Fixed Assets Register during the year under review.

The risk of non-maintenance of Fixed Assets Register is that the council may not be able to detect misuse and loss of its assets on time.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

I advised the Council to ensure that an up-to-date Fixed Assets/Movable Assets Register is maintained.



**3.3. Non-maintenance of Loan/Overdraft Register/Ledger.**

We observed that Rafi Local Government Council did not maintain Loans/Overdraft Register/Ledger during the year.

The risk is that the Council may not be able to reconcile loan balances with the lenders leading to overpayments or fines and penalties for under payments.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

We recommend that the Council should immediately open and maintain Loans Register.

**4.0 BUDGETARY CONTROL**

**4.1 REVENUE COMPARISON**

During the year under review, there was a shortfall in the target of Internally Generated Revenue in Rafi Local Government Council in all revenue codes as shown below:

**RAFI LOCAL GOVERNMENT BUDGETED INTERNALLY GENERATED REVENUE COMPARED WITH ACTUAL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**

S/N	CODES	DETAILS	BUDGET ?	ACTUAL ?	SHORTFALL ?
1	12010000	Taxes	800,000.00	-	(800,000.00)
2	12021700	Rates	2,500,000.00	1,314,000.00	(1,186,000.00)
3	12021300	Local Licenses, Fees, and Fine	660,000.00	961,000.00	301,000.00
4	12021500	Earning from Commercial undertakings	5,000,000.00	2,380,510.00	(2,619,490.00)
5	12021600	Rent on Local Government Properties	-	-	-
6	12021100	Interest	-	-	-
<b>TOTAL</b>			<b>8,960,000.00</b>	<b>4,655,510.00</b>	<b>(4,304,490.00)</b>

From the above table, it clearly shows that the Council solely relies on Statutory Allocation from the Federation Account for its survival when comparing the total budgeted amount of ? 8,960,000.00 with actual Internally Generated Revenue of ? 4,655,510.00 leaving a short fall of ? 4,304,490.00 during the year under review.

This implies that the Council could not fully implement its planned programs during the financial year or the budget was not realistic.

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



- i. Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- ii. Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- iii. Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- iv. Control over issuance of revenue receipts
- v. Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.
- vi. The Council should ensure that realistic budgets are prepared.

## **4.2 RECURRENT EXPENDITURE**

### **4.2.1 PERSONNEL COST**

As regards to the personnel cost, it was observed that, the sum of ₦ 1,293,576,252.68 and ₦ 1,345,000,384.79 was spent as personnel cost in 2020 and 2021 respectively with an increase of ₦ 51,424,132.11 over the previous year. The increase represents 3.82% of personnel cost for the year under review.

### **4.2.2 CAPITAL EXPENDITURE**

During the year under review, it was observed that the sum of ₦ 67,322,724.91 was spent on Capital project by Rafi Local Government Council. This was made by the Council to boost the developmental activities in the rural areas in which various projects were executed and some were still in progress. Though approved capital expenditure estimate was ₦ 462,134,296.00, only the sum of ₦ 67,322,724.91 representing 14.57% was expended leading to a variance of ₦ 394,811,571.09.

I advised the Council to ensure that estimates should be based on realistic and cognizance of environmental factors, and the cash flows should be adequately monitored in order to reduce unnecessary expenses on overhead and give priority to project execution.

## **5.0 ANALYSIS OF ASSETS AND LIABILITIES**

### **5.1 ASSETS**

#### **5.1.1 CASH AND ITS EQUIVALENTS**

The closing cash and its equivalents amounted to the sum of ₦ 15,695,824.59 for Rafi Local Government as at 31<sup>st</sup> December, 2021.

### **5.2. LIABILITIES**

#### **5.2.1. DEPOSITS**

Deposits comprise unremitted statutory deductions and bank overdrafts as explained below.

##### **5.2.1.1 UNREMITTED DEDUCTIONS**

The balance on the unremitted deductions account was ₦ 26,126,068.74 as at 31<sup>st</sup> December, 2021. The unremitted deductions include deductions from payments made on behalf of Government Agencies and various other bodies by the Local Government which ought to be promptly remitted to the appropriate authorities.



**5.2.1.2. BANK OVERDRAFTS**

The total sum of ₦ 520,851.43 stood as bank overdraft owed to bank by Rafi Local Governments during the year under review. We recommend that appropriate action be taken towards the clearance of outstanding Bank overdraft as it will continue to attract further interest if it remains unclear.

**6.0 OUTSTANDING ISSUES FROM AUDIT INSPECTION REPORT**

The following is the outstanding issue from the Inspections Report for the period under review.

**AGX/F.O.21/TA/RAF/VOL.1**

**Dated – 07/02/2022**

- Payment without Approval = ₦ 5,397,000.00
- Payment made without details of Expenditure = ₦ 597,000.00

Management promised in their response that follow up and resolve the issue.

I advised management to present the approvals and details of expenditure for verification and in future the Council should ensure that all documentations are attached to payment vouchers.

**6.1 OUTSTANDING ISSUES FROM THE REPORT ON CAPITAL EXPENDITURE**

Following the remaining outstanding issue from the Report on Capital Expenditure.

**AGX/D.118/VOL.9/1**

**DIRECT LABOUR WORK**

Suspicious payment made for Direct Labour Projects without Labour Card, Job Order, Job Cost Book attached to the payment voucher

1. Bore hole Construction Gidan Madaki, 100% work completed = ₦ 3,270,374.25
2. Erosion/Flood Control and Culvert Construction at Pandogari, Tegna, Garun Gabas and Kagara 100% work completed = ₦ 12,000,053.73
3. Inflated Projects Erosion/Flood Control and Culvert Construction at Pandogari, Tegna, Garun Gabas and Kagara = ₦ 39,500,000.00

Management in their response promised to resolve the issue raised.

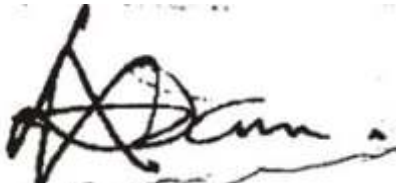
We recommend that the management of Rafi Local Government should ensure the issues raised above are adequately addressed.



**7.0 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





NIGER STATE GOVERNMENT OF NIGERIA  
RIJAU LOCAL GOVERNMENT COUNCIL

**AUDITED ACCOUNTS**  
FOR THE YEAR ENDED 31ST DECEMBER, 2021

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



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**Office of Director Finance & Supply**  
**RIJAU LOCAL GOVERNMENT COUNCIL**  
**RIJAU- NIGER STATE**

**Our Ref:** RJLG/FIN/20/VOL.1

**Your Ref:** \_\_\_\_\_

**Date:** 25-01-2022

**STATEMENT OF FINANCIAL RESPONSIBILITY STATEMENT NO. 1**

These Financial statement have been prepared by the treasurer of Rijau Local Government Councils in accordance with the provision of the finance (Control and Management) Act. 1958 as amended.

The financial statements comply with generally accepted accounting practices.

The Treasury is responsible for the establishing and maintaining System of internal controls designed to provide reasonable assurance that the transactions seconded are within statutory authority and properly record 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.

**Alh. Bello Sule Shamaki**  
*Treasurer*  
Date 31<sup>st</sup> December, 2021.

We accept responsibility for these financial statements, the information they contain and their compliance with the finance control and management act 1958 as amended. In our opinion, these financial statements fairly reflect the financial positions for month ended.

**Alh. Bello Sule Shamaki**  
*Treasurer*  
Date 31<sup>st</sup> December, 2021

**Alh. Bello Banko Galadima**  
*Chairman*  
Date 31<sup>st</sup> December, 2021



NIGER STATE

# NIGER STATE GOVERNMENT

## RIJAU LOCAL GOVERNMENT COUNCIL ACCOUNTING POLICIES (IPSAS CASH)

**ISSUED BY**

**OFFICE OF THE DIRECTOR FINANCE**

**RIJAU LOCAL GOVERNMENT COUNCIL**

**2021**



## List of Abbreviations/Acronyms

Abbreviation/Term	Description
CBN	Central Bank of Nigeria
COA	Chart of Account
FAAC	Federation Accounts Allocation Committee
FGN	Federal Government of Nigeria
FRC	Financial Reporting Council
GAAP	Generally Accepted Accounting Principles
GPFS	General Purpose Financial Statement
IPSAS	International Public Sector Accounting Standards
LFN	Law of the Federal Republic of Nigeria
LGC	Local Government Council
NCOA	National Chart of Account
GBE	Government Business Enterprises
FRCON	Financial Reporting Council of Nigeria
PPE	Properties, Plants and Equipment



**Introduction**

In line with the adoption of the International Public Sector Accounting Standards (IPSAS) in Nigeria, a Standardised Chart of Account (COA) alongside a set of General Purpose Financial Statements (GPFS) have been designed and introduced by FAAC for adoption by all tiers of Government in Nigeria.

The standardised COA and the GPFS is hereby adopted by Rijau Local Government Council to comply with FAAC directive to harmonise public sector accounts reporting in Nigeria.

In order to ensure an effective and efficient utilisation of the COA and GPFS, the Accounting Policies have been developed as a set of guidelines to direct the Processes and Procedures relating to financial reporting in Rijau Local Government Council.

These policies shall form part of the universally agreed framework for financial reporting in Rijau Local Government Council.

**IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when Cash (including Cash Equivalents) is received or paid by the Local Government. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of Cash raised during the period, the purposes for which Cash was used and the Cash balances at the reporting date. The measurement focus in the GPFS balances are Cash and changes during the period. Therefore, Bank Reconciliation Statement shall form integral part of periodic Reports in Rijau Local Government Council.

Notes to the GPFS provide additional information about liabilities, including payables and borrowings, and non-cash assets that include receivables, investments and property, plant and equipment.

This Accounting Policy addresses the following fundamental accounting issues:

1. Definition of Accounting Terminologies
2. Recognition of Accounting Items
3. Measurement of Accounting Items
4. Treatment of Accounting items

The Accounting Policy is subject to periodic reviews and updates as shall be deemed necessary by the Director Finance, Rijau Local Government Council.





S/N	<b>Accounting Policies:</b>	2	<b>General Purpose Financial Statements (GPFS)</b>
1	<p><b>Accounting Terminologies / Definitions</b></p> <ol style="list-style-type: none"> <li>I. <b>Accounting policies</b> are the specific principles, bases, conventions, rules and practices adopted by RijauLocal Government Council in preparing and presenting Financial Statements.</li> <li>II. <b>Cash:</b> Cash comprises cash in hand, demand deposits in financial institutions and cash equivalents.</li> <li>III. <b>Cash equivalents</b> are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.</li> <li>IV. <b>Cash basis</b> means a basis of accounting that recognizes transactions and other events only when cash is received or paid.</li> <li>V. <b>Cash flows</b> are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.</li> <li>VI. <b>Cash receipts</b> are cash inflows.</li> <li>VII. <b>Cash payments</b> are cash outflows.</li> <li>VIII. <b>Cash Controlled by Rijau Local Government Council:</b> Cash is deemed to be controlled by RijauLocal Government Council when the government can freely use the available cash for the achievement of its objectives or enjoy benefit from the cash, and can also exclude or regulate the access of others to that benefit. Cash collected by, or appropriated or granted to the government which the government can freely use to fund its operating objectives, such as acquiring of capital assets or repaying its debt is controlled by the government.</li> <li>IX. <b>Notes to the GPFS</b> shall include narrative descriptions or more detailed schedules or analyses of amounts shown on the face of the GPFS, as well as additional information</li> </ol>		<p>The GPFS comprise of Statement of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by RijauLocal Government Council and Accounting Policies and Notes to the Financial Statements. In Rijau Local Government Council, the GPFS Accounting Policy include the following:</p> <ol style="list-style-type: none"> <li>I. Statement 1 - Cash Flow Statements: Statement of Cash Receipts and Payments which:             <ul style="list-style-type: none"> <li>▪ recognizes all Cash Receipts, Cash Payments and Cash Balances controlled by Rijau Local Government Council; and</li> <li>▪ separately identifies payments made by third parties on behalf of Rijau Local Government Council.</li> </ul> </li> <li>II. Statement 2 - Statement of Assets and Liabilities: Statement of Financial Position (also known as Balance Sheet);</li> <li>III. Statement 3 - Statement of Consolidated Revenue Fund: Statement of Recurrent Financial Performance (also known as Profit &amp; Loss Account);</li> <li>IV. Statement 4- Statement of Capital Development Fund: Statement of Capital Financial Performance (also known as Capital Expenditure);</li> <li>V. Notes to the Accounts: Additional disclosures to explain the GPFS; and</li> <li>VI. Accounting Policies and Explanatory Notes.</li> </ol>



3	<p><b>Basis of Preparation and Legal Provisions</b></p> <p>The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, GPFS are in compliance with the provisions of other financial regulations of Rijau Local Government Council.</p>	7	<p><b>LGC for Consolidation</b></p> <ul style="list-style-type: none"> <li>The Consolidation of the GPFS are based on the Cash transactions of Rijau Local Government Council except Government Business Enterprises (GBEs).</li> </ul>
4	<p><b>Fundamental Accounting Concepts</b></p> <p>The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in Rijau Local Government Council</p> <ul style="list-style-type: none"> <li>? Cash Basis of Accounting;</li> <li>? Understability;</li> <li>? Materiality,</li> <li>? Relevance;</li> <li>? Going Concern Concept;</li> <li>? Consistency Concept</li> <li>? Prudence</li> <li>? Completeness, etc.</li> </ul>	8	<p><b>Comparative Information</b></p> <ul style="list-style-type: none"> <li>The General Purpose GPFS shall disclose all numerical information relating to previous period (at least one year).</li> </ul>
5	<p><b>Accounting Period</b></p> <p>The accounting year (fiscal year) is from 1<sup>st</sup> January to 31<sup>st</sup> December. Each accounting year is divided into 12 calendar months (periods) and shall be set up as such in the accounting system.</p>	9	<p><b>Budget Figures</b></p> <ul style="list-style-type: none"> <li>These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation Law of Niger State.</li> </ul>
6	<p><b>Reporting Currency</b></p> <p>The General Purpose GPFS are prepared in Nigerian Naira.</p>	10	<p><b>Receipts</b></p> <ul style="list-style-type: none"> <li>These are Cash inflows within the Financial Year. They comprise of receipts from Statutory Allocations (FAAC monthly disbursement), Taxes, External Assistance (from Bilateral and Multilateral Agencies), Other Aid and Grants, Other Borrowings, Capital Receipts (Sale of Government Assets, etc), Receipts from Trading activities and Other Cash Receipts.</li> <li>These items shall be disclosed at the face of the Statement of Cash Receipts and Payment for the year in accordance with the standardised GPFS. Notes shall be provided as per standardised Notes to GPFS.</li> </ul>





11	<p><b>External Assistance</b></p> <ul style="list-style-type: none"> <li>? Receipts from Loans are Funds received from external sources to be paid back at an agreed period of time. They are categorised either as Bilateral or Multilateral.</li> <li>? External Loans receipts shall be disclosed separately under Statement of Cash Receipts and Payment for the year.</li> <li>? The Local Governments did not receive external assistance during the two year.</li> </ul>	<p>15 <b>Payments</b></p> <ul style="list-style-type: none"> <li>▪ These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorised either by Function and/or by Sector in the Statement of Cash Receipts and Payment.</li> <li>▪ Payments for purchase of items of capital nature( e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.</li> </ul>
12	<p><b>Other Borrowings / Grants&amp; Aid Received</b></p> <ul style="list-style-type: none"> <li>▪ These shall be categorised as either Short or Long term Loans. Short-Term Loans are those repayable within one calendar year (12 months), while Long - Term Loans and Debts shall fall due beyond one calendar year (above 12 months). Loans shall be disclosed separately and Grants shall also be separately disclosed under Statement of Cash Receipts and Payment for the year.</li> </ul>	<p>16 <b>Loans Granted:</b></p> <ul style="list-style-type: none"> <li>▪ Payments to other Government and Agencies in form of Loans during the year shall be shown separately in the Statement of Receipts and Payments. Amount disclosed shall be actual amount paid during the year.</li> <li>▪ The Local Governments did not give any loan during the two year.</li> </ul>
13	<p><b>Interest Received</b></p> <ul style="list-style-type: none"> <li>? Interest actually received during the financial year shall be treated as a receipt</li> </ul>	<p>17 <b>Loan Repayments</b></p> <p>Cash receipts from loans granted to other agencies and government shall be classified under loan repayments in the Statement of Receipts and Payments . Amount disclosed shall be actual amount received during the year.</p>
14	<p><b>Government Business Activities</b></p> <p>Cash Receipts from Trading Activities shall be received net (after deducting direct expenses) unless otherwise provided for by law or policy in force. Total receipts from all trading activities shall be disclosed in the Statement of Cash Receipts and Payments under 'Trading Activities' item.</p> <p>Where gross revenue is received, corresponding payments shall be charged under a corresponding payment item head ' Government Business Activities' in the Statement of Receipts and Payments.</p>	<p>18 <b>Interest on Loans:</b></p> <ul style="list-style-type: none"> <li>▪ Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest payment in the Statement of Cash Receipts and Payments</li> </ul>



19	<p><b>Foreign Currency Transactions:</b></p> <ul style="list-style-type: none"> <li>▪ Foreign Currency Transactions throughout the year shall be converted into Nigerian Naira at the ruling (Central Bank of Nigeria –CBN) rate of exchange at the dates of the transactions. Foreign currency balances, as at the year end, shall be translated at the exchange rates prevailing on that date.</li> <li>▪ At the end of the financial year, additional amounts (in cash or at bank) arising out of Foreign Exchange Gains/Losses shall be recognised in the Statement of Cash Receipts and Payments either as Receipts / Payments respectively.</li> <li>▪ Hence the Rijau Local Government Council did not have foreign currency transactions during the two year.</li> </ul>
20	<p><b>Prepayments</b></p> <ul style="list-style-type: none"> <li>▪ Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.</li> <li>▪ The Local Governments did not make prepayment to contractors during the two year.</li> </ul>
21	<p><b>Cash Balances</b></p> <p>This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.</p>



**AUDIT CERTIFICATE**

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**

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 State Local Government Joint Account Allocation Committee are indicated in the Supplementary Note 1 to the Accounts. In my opinion, the Supplementary Note 1 to accounts presents fairly, in all material respects, the revenue from Federation Account received by Rijau Local Government during the year ended December 31st, 2020.

In my opinion, the Financial Statements which are in agreement with the books of accounts and record shows a true and fair view of the financial position of the Rijau Local Government for the year ended 31st December, 2020 and the transactions for the year ended at that date.

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



**STATEMENT NO. 1  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ANNUAL BUDGET 2021 N	COA	NOTES	ACTUAL YEAR 2021		PREVIOUS YEAR 2020	
			N	N	N	N
			<b>CashFlows from Operating Activities:</b>			
			<u>Receipts:</u>			
1,760,341,518.00		1	1,413,534,850.72		2,012,875,921.91	
552,602,933.00		1	703,598,854.06		-	
<b>2,312,944,451.00</b>			<b>2,117,133,704.78</b>		<b>2,012,875,921.91</b>	
444,141.00		2	-		190,000.00	
4,600,000.00		2	1,194,000.00		956,450.00	
-		2	-		-	
-		2	-		-	
-		2	-		-	
-		2	-		-	
-		2	-		-	
4,650,000.00		2	2,654,344.00		3,076,716.54	
4,200,000.00		2	747,760.00		918,000.00	
-		2	-		-	
800,000.00		2	180,000.00		190,000.00	
-		2	-		-	
-		2	459,500.00		-	
147,447,704.00		2	25,723,459.41		22,002,508.32	
<b>162,141,845.00</b>			<b>30,959,063.41</b>		<b>27,333,674.86</b>	
			<b>Other Revenue Sources of L/Government</b>			
-		3	-		21,747,549.18	
-		3	-		-	
<b>2,475,086,296.00</b>			<b>2,148,092,768.19</b>		<b>2,061,957,145.95</b>	
			<u>Payments:</u>			
1,153,206,570.00		4	1,033,969,419.57		970,736,169.91	
-		5	-		-	
481,800,400.00		6	163,058,342.88		121,676,898.03	
119,668,795.00		7	113,586,711.99		88,004,398.67	
28,800,000.00		8	28,800,000.00		102,000,000.00	
308,051,236.00		9	435,451,200.02		282,477,303.34	
234,680,439.41		10	234,680,439.41		458,407,295.33	
<b>2,326,207,440.41</b>			<b>2,009,546,113.87</b>		<b>2,023,302,065.28</b>	
<b>148,878,855.59</b>			<b>138,546,654.32</b>		<b>38,655,080.67</b>	





	<b>CashFlows from Investment Activities:</b>				
53,000,000.00	Capital Expenditure:Administrative Sector:	12	29,960,000.00	137,750,000.00	
333,517,233.00	Capital Expenditure: Economic Sector:	12	-	39,150,000.00	
-	Capital Expenditure: Law and Justice:	12	-	-	
-	Capital Expenditure:Regional Development	12	-	-	
344,304,585.00	capital expenditure: Social Service Sector:	12	19,200,000.00	74,450,000.00	
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-	
<b>730,821,818.00</b>	<b>Net Cash Flow from Investment Activities:</b>		<b>49,160,000.00</b>	<b>251,350,000.00</b>	
	<b>CashFlows from Financing Activities:</b>				
-	Proceeds from Aid and Grants	11	-	-	
-	Proceeds from External Loan :	20	-	-	
-	Proceeds from Internal Loans: FGN/Treasury Bonds :	21	-	-	
-	Proceeds from Internal Loan	22	-	224,000,000.00	
-	Proceeds from Development of Nat Resources	23	-	-	
-	Proceeds of Loans from Other Funds	24	-	-	
-	Repayment of External Loans ( Including Servicing)	20	-	-	
-	Repayment of FGN/Treasury Bonds :	21	-	-	
96,000,000.00	Repayment of Internal Loan	22	96,000,000.00	40,000,000.00	
-	Repayment of Loans from Development of Nat Resources	23	-	-	
	Repayment of Loans from Other Funds	24	-	-	
<b>96,000,000.00</b>	<b>Net Cash Flow from Financing Activities:</b>		<b>96,000,000.00</b>	<b>184,000,000.00</b>	
	<b>Movement in Other Cash Equivalent Accounts</b>				
-	(Increase)/ Decrease in Investments		-	-	
-	Net (Increase)/Decrease in Other Cash Equivalents:		-	-	
-	<b>Total Cashflow from other Cash equivalent Accounts</b>		-	-	
-	Net Cash for the year		- 6,613,345.68	- 28,594,919.33	
-	Cash & Its Equivalent as at 1st January, 2021		7,164,005.92	35,758,925.25	
-	Cash & Its Equivalent as at 31st December, 2021		<b>550,660.24</b>	<b>7,164,005.92</b>	

**STATEMENT NO. 2**  
**STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	NOTES	CURRENT YEAR 2021	PREVIOUS YEAR 2020
		N	N
<b>ASSETS:-</b>			
<b>Liquid Assets:-</b>			
Cash Held by AGF:			
-CRF Bank Balance(CBN/ CRF Bank):		-	-
-Pension Account (CBN/ Bank):		-	-
-Other Bank of the Treasury		-	-
-Cash Balances of Trust & Other Funds of the FGN/ States/LGC:		-	-
-Cash Balances with Federal Pay Offices/ Sub-Treasury:		-	-
Cash Held by Agaie Local Government	15	550,660.24	7,164,005.92
<b>TOTAL LIQUID ASSETS</b>		<b>550,660.24</b>	<b>7,164,005.92</b>
<b>Investments and Other Cash Assets:</b>			
Federal/ State/ Local Government Investments	16	-	-
Imprests:-	17	-	-
Advances:-	18	-	-
Revolving Loans Granted:-	19	-	-
Intangible Assets		-	-
<b>TOTAL INVESTMENTS AND OTHER CASH ASSETS</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>550,660.24</b>	<b>7,164,005.92</b>
<b>LIABILITIES OVER ASSETS</b>		<b>101,185,677.59</b>	<b>164,595,754.31</b>
<b>TOTAL</b>		<b>101,736,337.83</b>	<b>171,759,760.23</b>
<b>LIABILITIES:-</b>			
<b>PUBLIC FUNDS</b>			
Consolidated Revenue Fund:		550,660.24	21,630,913.41
Capital Development Fund:		-	-
Trust & Other Public Funds:		-	-
Police Reward Fund		-	-
<b>TOTAL PUBLIC FUNDS</b>		<b>550,660.24</b>	<b>21,630,913.41</b>
<b>EXTERNAL AND INTERNAL LOANS</b>			
External Loans:FGN/States/ LGC	20	-	-
FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-
internal Loans	22	88,000,000.00	184,000,000.00
Development Loan Stock	23	-	-
Loan From other Funds	24	-	-
Internal Loans from Other Funds		-	-
<b>TOTAL EXTERNAL AND INTERNAL LOANS</b>		<b>88,000,000.00</b>	<b>184,000,000.00</b>
<b>OTHER LIABILITIES</b>			
Deposits:-	25	13,185,677.59	9,390,673.64
Overdrawn accounts	26	-	-
<b>TOTAL LIABILITIES</b>		<b>101,736,337.83</b>	<b>171,759,760.23</b>



NIGER STATE

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021

ACTUAL PREVIOUS YEAR(2020)		NOTES	ACTUAL YEAR 2021 N	FINAL BUDGET 2021 N	INITIAL/ORIGINAL BUDGET 2021 N	SUPPLEMENTARY BUDGET 2021 N	VARIANCE ON FINAL BUDGET %
35,758,925.25	Opening Balance:		7,164,005.92				
	<b>ADD: REVENUE</b>						
2,012,875,921.91	Statutory Allocations:FAAC	1	1,413,534,850.72	1,760,341,518.00	1,760,341,518.00	-	80.30
-	Value Added Tax Allocation	1	703,598,854.06	552,602,933.00	552,602,933.00	-	-
<b>2,012,875,921.91</b>	<b>Sub-Total - Statutory Allocation</b>		<b>2,117,133,704.78</b>	<b>2,312,944,451.00</b>	<b>2,312,944,451.00</b>	-	-
190,000.00	Direct Taxes	2	-	444,141.00	444,141.00	-	-
956,450.00	Licences	2	1,194,000.00	4,600,000.00	4,600,000.00	-	25.96
-	Mining Rents:	2	-	-	-	-	-
-	Royalties	2	-	-	-	-	-
-	Fees:	2	-	-	-	-	-
-	Fines	2	-	-	-	-	-
-	Sales	2	-	-	-	-	-
3,076,716.54	Earnings :	2	2,654,344.00	4,650,000.00	4,650,000.00	-	57.08
918,000.00	Sales/Rent of Government Buildings:	2	747,760.00	4,200,000.00	4,200,000.00	-	-
-	Sale/Rent on Lands and Others:	2	-	-	-	-	-
190,000.00	RATES	2	180,000.00	800,000.00	800,000.00	-	22.50
-	Investment Income	2	-	-	-	-	-
-	Interest Earned	2	459,500.00	-	-	-	-
22,002,508.32	10% IGR From State	2	25,723,459.41	147,447,704.00	147,447,704.00	-	-
<b>27,333,674.86</b>	<b>Sub-Total - Independent Revenue</b>		<b>30,959,063.41</b>	<b>161,697,704.00</b>	<b>161,697,704.00</b>	-	19.15
-	<b>Other Revenue Sources of L/Government</b>		-	-	-	-	-
21,747,549.18	Domestic Grants	3	-	-	21,747,549.18	-	-
-	Grants From other LGs	3	-	-	-	-	-
<b>2,097,716,071.20</b>	<b>TOTAL REVENUE:</b>		<b>2,155,256,774.11</b>	<b>2,474,642,155.00</b>	<b>2,474,642,155.00</b>	-	-
	<b>LESS:EXPENDITURE</b>						
970,736,169.91	Personnel Costs ( Including Salaries on CRF Charges):	4	1,033,969,419.57	1,153,206,570.00	1,153,206,570.00	-	89.66
-	Federal/ States/ LGC Govt Contribution to Pension:	5	-	-	-	-	-
121,676,898.03	Overhead Charges:	6	163,058,342.88	481,800,400.00	481,800,400.00	-	33.84
88,004,398.67	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)	7	113,586,711.99	119,668,795.00	119,668,795.00	-	94.92
102,000,000.00	Subvention to Parastatals:	8	28,800,000.00	28,800,000.00	28,800,000.00	-	100.00
282,477,303.34	Other Operating Activities	9	435,451,200.02	308,051,236.00	308,051,236.00	-	141.36
458,407,295.33	Other Transfers	10	234,680,439.41	234,680,439.41	234,680,439.41	-	100.00
<b>2,023,302,065.28</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,009,546,113.87</b>	<b>2,326,207,440.41</b>	<b>2,326,207,440.41</b>	-	86.39
	<b>OTHER RECURRENT PAYMENTS/EXPENDITURE:</b>						
-	Repayments:External Loans:FGN/States/ LGC	19	-	-	-	-	-
-	Repayments:FGN/ States/LGC Bonds & Treasury Bonds.	20	-	-	-	-	-
-	Repayments :Nigerian Treasury Bills (NTB)	21	-	-	-	-	-
40,000,000.00	Repayments:Internal Loans	22	96,000,000.00	96,000,000.00	96,000,000.00	-	-
-	Repayments: Internal Development Loans Stock	23	-	-	-	-	-
-	Repayments:Other Internal Loans( Promissory Notes)	24	-	-	-	-	-
<b>2,063,302,065.28</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,105,546,113.87</b>	<b>2,422,207,440.41</b>	<b>2,422,207,440.41</b>	-	-
<b>34,514,005.92</b>	<b>OPERATING BALANCE:</b>		<b>49,710,660.24</b>	<b>52,434,714.59</b>	<b>52,434,714.59</b>	-	-
	<b>APPROPRIATIONS/TRANSFERS:</b>						
27,350,000.00	Transfer to Capital Development Fund:		49,160,000.00	730,821,818.00	730,821,818.00	-	6.73
<b>7,164,005.92</b>	<b>Closing Balance:</b>		<b>550,660.24</b>				



NIGER STATE



**STATEMENT NO. 4  
STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ACTUAL PREVIOUS YEAR(2020)		NOTES	TOTAL CAPITAL EXPENDITURE 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	PERFORMANCE ON TOTAL
N			N		N		%
-	<b>Opening Balance:</b>		-				
	<b>ADD: REVENUE</b>						
27,350,000.00	Transfer from Consolidated Revenue Fund:		49,160,000.00	730,821,818.00	730,821,818.00	-	6.73
-	Aid and Grants	11	-	-	-	-	-
-	External Loans:FGN/States/ LGC	20	-	-	-	-	-
-	FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-	-	-	-
224,000,000.00	Internal Loan	22	-	-	-	-	#DIV/0!
-	Development Loan Stock	23	-	-	-	-	-
-	Loan From Other Funds	24	-	-	-	-	-
<b>251,350,000.00</b>	<b>TOTAL REVENUE AVAILABLE:</b>		<b>49,160,000.00</b>	<b>730,821,818.00</b>	730,821,818.00	-	6.73
	<b>LESS: CAPITAL EXPENDITURE</b>						
137,750,000.00	Capital Expenditure:Administrative Sector:	12	29,960,000.00	53,000,000.00	53,000,000.00	-	56.53
39,150,000.00	Capital Expenditure: Economic Sector:	12	-	333,517,233.00	333,517,233.00	-	-
-	Capital Expenditure: Law and Justice:	12	-	-	-	-	-
-	Capital Expenditure:Regional Development	12	-	-	-	-	-
74,450,000.00	Capital Expenditure: Social Service Sector:	12	19,200,000.00	344,304,585.00	344,304,585.00	-	5.58
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-	-	-	-
<b>251,350,000.00</b>	<b>TOTAL CAPITAL EXPENDITURE:</b>		<b>49,160,000.00</b>	<b>730,821,818.00</b>	<b>730,821,818.00</b>	-	6.73
-	Intangible Assets		-				
-	<b>CLOSING BALANCE:</b>		-				



**NOTE TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

<i>Details</i>					
<b>NOTE 1</b>	<b>Ref. Note</b>	<b>Amount</b>			<b>Remarks</b>
		<b>N</b>	<b>N</b>		
<b>A- Share of Statutory Allocation from FAAC</b>					
<i>Net Share of Statutory Allocation from FAAC</i>	<b>A</b>	1,326,601,230.31			
<i>Add :Deduction at source for Loan Repayment</i>	<b>B</b>	-			
<i>Share of Exchange Gain Differencial</i>	<b>C</b>	5,199,273.39			
<i>Share of Federal Accounts Allocation- Excess Crude Oil</i>	<b>D</b>	38,923,822.97			
<b>Non-oil Revenue</b>	<b>E</b>	42,810,524.05			
<b>Total FAAC Allocation to LG</b>			<b>1,413,534,850.72</b>		
<b>B. Value Added Tax</b>					
Share of Value Added Tax (VAT)		703,598,854.06	703,598,854.06		
<b>Total Statutory Allocation to LG</b>			<b>2,117,133,704.78</b>		

**NOTE 2**

<b>Internally Generated Revenue (Independent Revenue)</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
<b>Direct Taxes</b>			
Rijau local government Internal Revenue	-	444,141.00	444,141.00
<b>Total - Direct Taxes</b>	<b>-</b>	<b>444,141.00</b>	<b>444,141.00</b>
<b>Licences</b>			
Rijau local government Internal Revenue	1,194,000.00	4,600,000.00	3,406,000.00
<b>Total Licences</b>	<b>1,194,000.00</b>	<b>4,600,000.00</b>	<b>3,406,000.00</b>
<b>Mining Rents</b>			
Rijau local government Internal Revenue	-	-	-
<b>Total Mining Rents</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Royalties</b>			
Rijau local government Internal Revenue	-	-	-
<b>Total Royalties</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fees</b>			
Rijau local government Internal Revenue	-	-	-
<b>Total Fees</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fines</b>			
Rijau local government Internal Revenue	-	-	-
<b>Total Fines</b>	<b>-</b>	<b>-</b>	<b>-</b>



NIGER STATE



<b>Sales</b>					
Rijau local government Internal Revenue		-	-	-	
<b>Total Sales</b>		-	-	-	
<b>Earnings</b>					
Rijau local government Internal Revenue		2,654,344.00	4,650,000.00	1,995,656.00	
<b>Total Earnings</b>		<b>2,654,344.00</b>	<b>4,650,000.00</b>	<b>1,995,656.00</b>	
<b>Sales/Rent of Government Buildings</b>					
Rijau local government Internal Revenue		747,760.00	4,200,000.00	3,452,240.00	
<b>Total Sales/Rent of Government Buildings</b>		<b>747,760.00</b>	<b>4,200,000.00</b>	<b>3,452,240.00</b>	
<b>Sale/Rent on Lands and Others:</b>					
Rijau local government Internal Revenue		-	-	-	
<b>Total Sale/Rent on Lands and Others</b>		-	-	-	
<b>Rates</b>					
Rijau local government Internal Revenue		180,000.00	800,000.00	620,000.00	
<b>Total Rates</b>		<b>180,000.00</b>	<b>800,000.00</b>	<b>620,000.00</b>	
<b>Investment Income</b>					
Rijau local government Internal Revenue		-	-	-	
<b>Total Investment Income</b>		-	-	-	
<b>Interest Earned</b>					
Rijau local government Internal Revenue		459,500.00	-	459,500.00	
<b>Total Interest Earned</b>		<b>459,500.00</b>	-	<b>459,500.00</b>	
<b>10% IGR From State</b>					
Rijau local government Internal Revenue		25,723,459.41	147,447,704.00	121,724,244.59	
<b>Total 10% IGR From State</b>		<b>25,723,459.41</b>	<b>147,447,704.00</b>	<b>121,724,244.59</b>	
<b>Total - Independent Revenue</b>		<b>30,959,063.41</b>	<b>162,141,845.00</b>	<b>131,182,781.59</b>	



<b>NOTE 3</b>					
<b>Other Revenue Sources of L/Govt:</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Domestic Grants		-	-	-	
<b>Total Domestic Grants</b>		-	-	-	
Grant from other LGs		-	-	-	
<b>Total Grant from other LGs</b>		-	-	-	
<b>NOTE 4</b>					
<b>A - Total Personnel Costs ( Including Salaries directly charged to CRF in Note 4B below):</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		80,269,629.33	28,649,262.00	- 51,620,367.33	
The Council		32,403,872.67	45,482,059.00	13,078,186.33	
Office Of The Secretary		3,181,720.75	5,427,075.00	2,245,354.25	
Personnel Management		26,213,184.70	41,912,406.00	15,699,221.30	
<b>TOTAL Personnel Cost Administrative Sector</b>		<b>142,068,407.45</b>	<b>121,470,802.00</b>	<b>- 20,597,605.45</b>	
					CRF Charges in Note 3
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		47,505,361.13	60,012,406.00	12,507,044.87	
Budget, Planning & Research		-	3,023,327.00	3,023,327.00	
Works And Housing		43,117,706.47	52,759,950.00	9,642,243.53	
Agriculture And Natural Resources		44,661,200.29	37,870,013.00	- 6,791,187.29	
<b>TOTAL Personnel Cost Economic Sector</b>		<b>135,284,267.89</b>	<b>153,665,696.00</b>	<b>18,381,428.11</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		387,324,402.31	466,117,741.00	78,793,338.69	
Primary Health Cure		347,528,666.86	388,319,925.00	40,791,258.14	
Social Development		-	-	-	
Traditional Council		21,763,675.06	23,632,406.00	1,868,730.94	
<b>Total Personnel Cost Social Sector</b>		<b>756,616,744.23</b>	<b>878,070,072.00</b>	<b>121,453,327.77</b>	
<b>Total Personnel Cost For All Sectors</b>		<b>1,033,969,419.57</b>	<b>1,153,206,570.00</b>	<b>119,237,150.43</b>	
<b>B- Salaries directly charged to CRF( included in Note 4A above)</b>					
<b>List of Parastatals and Agencies:</b>					
Auditor -General for Local Government		-	-	-	
e.t.c.		-	-	-	
<b>Total</b>		<b>1,033,969,419.57</b>	<b>1,153,206,570.00</b>	<b>119,237,150.43</b>	



<b>NOTE 5</b>				
<b>Employers Contribution to Pension according to Sector</b>		-	-	-
Administrative Sector		-	-	-
Economic Sector		-	-	-
Law and Justice Sector		-	-	-
Regional Sector		-	-	-
Social Sector		-	-	-
<b>Total Employers Contribution to Pension</b>		-	-	-
<b>NOTE 6</b>				
<b>Overhead Costs</b>				
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Office Of The Chairman		131,453,963.62	180,960,000.00	49,506,036.38
The Council		24,681,846.13	44,500,000.00	19,818,153.87
Office Of The Secretary		1,282,297.78	10,700,000.00	9,417,702.22
Personnel Management		829,000.00	24,700,000.00	23,871,000.00
<b>Total Overhead Cost Administrative Sector</b>		<b>158,247,107.53</b>	<b>260,860,000.00</b>	<b>102,612,892.47</b>
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Finance And Supply		2,876,235.35	109,160,000.00	106,283,764.65
Budget, Planning & Research		-	10,400,000.00	10,400,000.00
Works And Housing		632,000.00	22,300,000.00	21,668,000.00
Agriculture And Natural Resources		150,000.00	23,180,000.00	23,030,000.00
<b>TOTAL Overhead Cost Economic Sector</b>		<b>3,658,235.35</b>	<b>165,040,000.00</b>	<b>161,381,764.65</b>
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Adult Education		388,000.00	400,400.00	12,400.00
Primary Health Cure		325,000.00	34,900,000.00	34,575,000.00
Social Development		-	10,600,000.00	10,600,000.00
Traditional Council		440,000.00	10,000,000.00	9,560,000.00
<b>Total Overhead Cost Social Sector</b>		<b>1,153,000.00</b>	<b>55,900,400.00</b>	<b>54,747,400.00</b>
<b>Total Overhead Cost For All Sectors</b>		<b>163,058,342.88</b>	<b>481,800,400.00</b>	<b>318,742,057.12</b>
<b>NOTE 7</b>				
<b>Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Monthly Pension		113,586,711.99	119,668,795.00	6,082,083.01
<b>Total Consolidated Revenue Fund Charges</b>		<b>113,586,711.99</b>	<b>119,668,795.00</b>	<b>6,082,083.01</b>



<b>NOTE 8</b>					
<b>Subventions to Parastatals (According to Sectors-List)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		28,800,000.00	28,800,000.00	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Subventions to Parastatals</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	
<b>NOTE 9</b>					
<b>Other Operating Activities</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		435,451,200.02	308,051,236.00	- 127,399,964.02	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Other Operating Activities</b>		<b>435,451,200.02</b>	<b>308,051,236.00</b>	<b>- 127,399,964.02</b>	
<b>NOTE 10</b>					
<b>Other Transfer</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		19,200,000.00	19,200,000.00	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		9,600,000.00	9,600,000.00	-	
<b>sub-total</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	
Transfers to other local governments		205,880,439.41	205,880,439.41	-	
<b>Total Other Transfer</b>		<b>234,680,439.41</b>	<b>234,680,439.41</b>	<b>-</b>	
<b>NOTE 11</b>					
<b>Details of Aid &amp; Grants Received</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
<b>Bilateral</b>		-	-	-	
<b>Multi Lateral</b>		-	-	-	
<b>ETC</b>		-	-	-	
<b>Total Details of Aid &amp; Grants Received</b>		<b>-</b>	<b>-</b>	<b>-</b>	



<b>NOTE 12</b>					
<b>A - Details of Total Capital Expenditures (According to Sectors)</b>					
	Actual	Total Budget	Variance		
Administrative Sector	29,960,000.00	53,000,000.00	23,040,000.00		
Economic Sector	-	333,517,233.00	333,517,233.00		
Law and Justice Sector	-	-	-		
Regional Sector	-	-	-		
Social Sector	19,200,000.00	344,304,585.00	325,104,585.00		
<b>Total Details of Capital Expenditures</b>	<b>49,160,000.00</b>	<b>730,821,818.00</b>	<b>681,661,818.00</b>		
<b>NOTE 13</b>					
<b>CLOSING BOOK BALANCES OF OTHER FUNDS OF THE GOVERNMENT</b>					
	Amount 2021	Amount 2020			
List all the Other Funds Cash Book Balances	-	-			
<b>NOTE 14</b>					
<b>CLOSING CASH BOOK BALANCE OF FEDERAL PAY OFFICES/SUB-TREASURY OFFICES</b>					
	Amount 2021	Amount 2020			
List all the FPO/Sub-Treasuries Cash Book Balances	-	-			
<b>NOTE 15</b>					
<b>CLOSING CASH BOOK BALANCE OF RIJAU LOCAL GOVERNMENT</b>					
	Amount 2021	Amount 2020			
Rijau Local Government	550,660.24	7,164,005.92			
<b>Total Details of Cash Book Balances</b>	<b>550,660.24</b>	<b>7,164,005.92</b>			



<b>NOTE 16</b>					
<b>INVESTMENTS</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Investments in Quoted Companies		-	-		
Investments in unQuoted Companies		-	-		
Loans to Government Companies		-	-		
Loans to Other Government		-	-		
<b>Total Investments</b>		-	-		
<b>NOTE 17</b>					
<b>LIST OF OUTSTANDING IMPRESTS</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Imprests</b>		-	-		
<b>NOTE 18</b>					
<b>LIST OF OUTSTANDING ADVANCES</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Advances</b>		-	-		
<b>NOTE 19</b>					
<b>Revolving Loan Account</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-





<b>NOTE 20</b>					
<b>External Loans:FGN/States/ LGC</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 21</b>					
<b>FGN/ States/LGC Bonds &amp; Treasury Bonds.</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 22</b>					
Internal Loan		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>Opening balance as at 1st January, 2021</b>		184,000,000.00	-		
Add: Additional Loan Issued		-	224,000,000.00		
Less: Repaid		96,000,000.00	40,000,000.00		
<b>Loans as at 31st December, 2021</b>		<b>88,000,000.00</b>	<b>184,000,000.00</b>		
<b>NOTE 23</b>					
<b>Development Loan Stock</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-



<b>NOTE 24</b>					
<b>Internal Loans from Other Funds</b>					
List the Loans		<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 25</b>					
<b>Schedule of Deposit</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Rijau Local Government		13,185,677.59	9,390,673.64		
<b>Total Outstanding Deposits</b>		<b>13,185,677.59</b>	<b>9,390,673.64</b>		
<b>Details Of Deposits</b>					
PAYE		1,306.83	1,306.83		
NULGE Dues		63,578.78	63,578.78		
Withholding Tax		6,417,471.29	5,019,969.31		
Pension Allowance		281,824.21	281,824.21		
VAT		6,417,471.29	4,019,969.32		
7.5% Pension Contribution		4,025.19	4,025.19		
1% Stamp Duty Charges		-	-		
<b>TOTAL</b>		<b>13,185,677.59</b>	<b>9,390,673.64</b>		
<b>NOTE 26</b>					
<b>Schedule of Overdrawn accounts</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Rijau Local Government		-	-		
<b>Total Overdrawn account</b>		<b>-</b>	<b>-</b>		
<b>NOTE 27</b>					
<b>CONTINGENT LIABILITES AS AT YEAR END</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>E.G.</b>					<b>List All the Contigent Liabilities</b>
... Pension and Gratuity Due		-	-		
...Outstanding Contractors Liabilities ( According to MDA)		-	-		
.....Pending Litigations ( According to MDA)		-	-		
.....Guarantees ( According to MDA)		-	-		
..... Others		-	-		
<b>Total Contigent Liabilities</b>		<b>-</b>	<b>-</b>		



**1.1 INTRODUCTION**

In compliance with the provision of section 125 (2) of 1999 Constitution of the Federal Republic of Nigeria and Niger State Local Government Law (N.S.L.N. No. 14) of 2001, I have examined the Accounts and Financial Statement of Rijau Local Government for the year ended 31<sup>st</sup> December, 2021 in accordance with the Public Finance (Control Management Act. 1958).

I have therefore certified the accounts as correct subject to various observations raised and contained in this report while the irregularities discovered thereon had been forwarded through Audit Inspection reports to the attached for Accounting officer`s comments and necessary actions.

**2.0 FINANCIAL HIGHLIGHTS**

RECEIPTS DESCRIPTION	AMOUNT (?)	PERCENTAGE
Internally Generated Revenue	5,235,604.00	0.24%
10% IGR	25,723,459.41	1.20%
Share of Exchange Gain Differential	5,199,273.39	0.24%
Share of Excess Crude	38,923,822.97	1.81%
Non-oil Revenue	42,810,524.05	1.99%
Statutory Allocation	1,326,601,230.31	61.76%
Value Added Tax (VAT )	<u>703,598,854.06</u>	<u>32.76%</u>
	<b><u>2,148,092,768.19</u></b>	<b><u>100.00%</u></b>

**2.1 ANALYSIS OF REVENUE AND EXPENDITURE****2.1.1 REVENUE**

The sum of ? 2,148,092,768.19 accrued to the Rijau Local Government Council as total receipts for the year ended 31<sup>st</sup> December, 2021

**2.1.1.1 INTERNALLY GENERATED REVENUE**

Rijau Local Government Council Generated the sum of ? 5,235,604.00 and ? 25,723,459.41 As Internally Generated Revenue and 10% IGR from State, all together amounted to ? 30,959,063.41 only for the year ended 31<sup>st</sup> December, 2021 which represented 1.44% of the total accrued revenue of ? 2,148,092,768.19. This shows that the council solely depend on statutory allocation from the Federation Account and Grants from other sources for survival despite several advices to improve and explore other source of revenue for the council. In addition, I frown at the situation where the IGR cannot cover the total Recurrent Expenditure. This could result to non-survival of the councils if there is a decline of revenue from the Federation Account.

The Council promised to look for other ways of improving collections of its internally generated revenue.

I advised that the councils should make up extra efforts to generate more in the years ahead.

**2.1.1.2 FEDERAL STATUTORY ALLOCATION**

The sum of ₦ 2,117,133,704.78 which is 98.56% of the total receipts of ₦ 2,148,092,768.19 was disbursed to Rijau Local Government Council for the year under review. This sum comprises the followings:

- i. Share of Exchange Gain Differentials
- ii. Share of Excess Crude
- iii. Non-oil Revenue
- iv. Statutory Allocation
- v. Value Added Tax (VAT)

**2.1.2 EXPENDITURE**

**2.1.2.1 ANALYSIS OF EXPENDITURE**

The total sum of ₦ 2,154,706,113.87 was allocated directly to Rijau Local Government Council and expended as follows:

DETAILS	AMOUNT (₦ )	PERCENTAGE
Personnel cost	1,033,969,419.57	47.98%
Overhead cost	163,058,342.88	7.57%
Consolidated Fund charges	113,586,711.99	5.27%
Operating Activities	435,451,200.02	20.21%
Other Transfers	234,680,439.41	10.89%
Contributions	28,800,000.00	1.34%
Repayment of Loans	96,000,000.00	4.46%
Capital Expenditure	49,160,000.00	2.28%
	<b><u>2,154,706,113.87</u></b>	<b><u>100.00%</u></b>

**3.0 WEAKNESSES IN THE INTERNAL CONTROL SYSTEM**

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

**3.1 Unsupported payments by third party documentation**

I observed that some of the payment vouchers raised were not having documentary evidences such as delivery notes, Stores Received Vouchers, Stores Issues Vouchers, receipts etc. to justify the payments made. This implies some of the payments were made for goods not delivered or services not rendered.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

I advised the Council to ensure that all payments are supported appropriately.



### 3.2. Unremitted WHT, VAT Deductions and Stamp duty

During the course of my audit, I observed that Rijau Local Government Council had not remitted ₦ 12,834,942.58 to the appropriate authorities as at 31 December 2021. The outstanding amount comprises ₦ 6,417,471.29 in respect of WHT and ₦ 6,417,471.29 in respect of VAT.

This exposes the Local Government Council to the risk of payment of fines and penalties for late remittance.

I advised the Council to remit the outstanding deductions immediately and in future, the Council should ensure all deductions are made and remitted in accordance with the relevant guidelines.

Management acknowledged and promised to remit the outstanding deductions as soon as funds are available and that in future, they will effect deductions on all contracts and remit the deductions in accordance with the provisions of the law.

### 3.3. Payment Vouchers not checked nor passed by the Internal Audit Unit.

During the course of our audit exercise, it was observed that despite being raised in our previous reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued in some cases which contravenes Chapter 14, section 1-19 of Model Financial Memoranda. The non-compliance was evidenced by the Payment Vouchers which were prepared and paid out without endorsement by the Internal Audit Unit and Officer Controlling the Vote and Checks by the Accounting Officer. This exposes the Council to fraudulent practices. I advised the Council to adhere strictly to the provisions of the Model Financial Memoranda.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memoranda.

I advised management to comply with the provisions of the Model Financial Memorandum when processing payments.

### 3.4. Non-maintenance of Fixed/Moveable Asset register.

A Fixed Assets Register is a management tool to monitor and control use of assets. However, as pointed out in my previous reports, Rijau Local Council did not maintain an up-to-date Fixed Assets Register during the year under review.

The risk of non-maintenance of Fixed Assets Register is that the council may not be able to detect misuse and loss of its assets on time.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

I advised the Council to ensure that an up-to-date Fixed Assets/Movable Assets Register is maintained.



**3.2. Non-maintenance of Loan/Overdraft Register/Ledger.**

We observed that Rijau Local Government Council did not maintain Loans/Overdraft Register/Ledger during the year.

The risk is that the Council may not be able to reconcile loan balances with the lenders leading to overpayments or fines and penalties for under payments.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

We recommend that the Council should immediately open and maintain Loans Register.

**4.0 BUDGETARY CONTROL**

**4.1 REVENUE COMPARISON**

During the year under review, there was a shortfall in the target of Internally Generated Revenue in Rijau Local Government Council in all revenue codes as shown below:

**RIJAU LOCAL GOVERNMENT BUDGETED INTERNALLY GENERATED REVENUE COMPARED WITH ACTUAL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**

S/N	CODES	DETAILS	BUDGET ?	ACTUAL ?	SHORTFALL ?
1	12010000	Taxes	444,141.00	-	(444,141.00)
2	12021700	Rates	800,000.00	180,000.00	(620,000.00)
3	12021300	Local Licenses, Fees, and Fine	4,600,000.00	1,194,000.00	(3,406,000.00)
4	12021500	Earning from Commercial undertakings	4,650,000.00	2,654,344.00	(1,995,656.00)
5	12021600	Rent on Local Government Properties	4,200,000.00	747,760.00	(5,447,896.00)
6	12021100	Interest	-	459,500.00	459,500.00
<b>TOTAL</b>			<b>14,694,141.00</b>	<b>5,235,604.00</b>	<b>(9,458,537.00)</b>

From the above table, it clearly shows that the Council solely relies on Statutory Allocation from the Federation Account for its survival when comparing the total budgeted amount of ? 14,694,141.00 with actual Internally Generated Revenue of ? 5,235,604.00 leaving a short fall of ? 9,458,537.00 during the year under review.

This implies that the Council could not fully implement its planned programs during the financial year or the budget was not realistic.

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



- i. Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- ii. Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- iii. Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- iv. Control over issuance of revenue receipts
- v. Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.
- vi. The Council should ensure that realistic budgets are prepared.

## 4.2 RECURRENT EXPENDITURE

### 4.2.1 PERSONNEL COST

As regards to the personnel cost, it was observed that, the sum of ₦ 970,636,169.91 and ₦ 1,033,969,419.57 was spent as personnel cost in 2020 and 2021 respectively with an increase of ₦ 63,333,249.66 over the previous year. The increase represents 6.13% of personnel cost for the year under review.

### 4.2.2 CAPITAL EXPENDITURE

During the year under review, it was observed that the sum of ₦ 49,160,000.00 was spent on Capital project by Rijau Local Government Council. This was made by the Council to boost the developmental activities in the rural areas in which various projects were executed and some were still in progress. Though approved capital expenditure estimate was ₦ 730,821,818.00, only the sum of ₦ 49,160,000.00 representing 6.73% was expended leading to a variance of ₦ 681,661,818.00.

I advised the Council to ensure that estimates should be based on realistic and cognizance of environmental factors, and the cash flows should be adequately monitored in order to reduce unnecessary expenses on overhead and give priority to project execution.

## 5.0 ANALYSIS OF ASSETS AND LIABILITIES

### 5.1 ASSETS

#### 5.1.1 CASH AND ITS EQUIVALENTS

The closing cash and its equivalents amounted to the sum of ₦ 550,660.24k for Rijau Local Government as at 31<sup>st</sup> December, 2021.

### 5.2. LIABILITIES

#### 5.2.1. DEPOSITS

Deposits comprise unremitted statutory deductions and bank overdrafts as explained below.

##### 5.2.1.1 UNREMITTED DEDUCTIONS

The balance on the unremitted deductions account was ₦ 13,185,677.59 as at 31<sup>st</sup> December, 2021. The unremitted deductions include deductions from payments made on behalf of Government Agencies and various other bodies by the Local Government which ought to be promptly remitted to the appropriate authorities.



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**5.2.1.2. BANK OVERDRAFTS**

The Council did not have any bank overdrafts at the end of the financial year under review. We recommend that appropriate action be taken towards the clearance of outstanding Bank overdraft as it will continue to attract further interest if it remains unclear.

**6.0 OUTSTANDING ISSUE FROM THE AUDIT INSPECTION REPORT**

The following are Outstanding Inspections Reports for the period under review.

<b>AGX/F.O.21/TA/RIJ/VOL.1</b>	<b>Dated – 23/2/2022</b>
• Payment without council chairman Approval	= ? 563,700.00
• Payment without vouchers	= ? 1,088,353.40

Management in their response promised to follow up the issue

We recommend that the management of Rijau Local Government should ensure the issues raised above are adequately addressed.

**7.0 OUTSTANDING ISSUE FROM THE REPORT ON CAPITAL EXPENDITURE.**

The following is an outstanding issue from the Report on Project Inspection.

**AGX/D.106/VOL.9/1**

Suspicious payment made on Direct repairs of items without Labour Card,  
Job Order, Job Cost Book attached to the payment voucher;

1. Repairs of Borehole Rijau 100% Work Completed = ? 100,000.00
2. Repairs of Fire Service Vehicle Rijau 100% Work Completed = ? 45,000.00

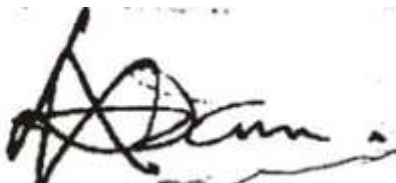
Management in their response promised to follow up the issue.

We recommend that the management of Rijau Local Government should ensure the issues raised above are adequately addressed.

**7.0 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*



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NIGER STATE GOVERNMENT OF NIGERIA  
SHIRORO LOCAL GOVERNMENT COUNCIL

**AUDITED ACCOUNTS**  
FOR THE YEAR ENDED 31ST DECEMBER, 2021

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



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Office of Director Finance & Supply  
**SHIRORO LOCAL GOVERNMENT COUNCIL**  
KUTA - NIGER STATE

Our Ref: \_\_\_\_\_

Your Ref: \_\_\_\_\_

Date: 31/12/2021

**SHIRORO LOCAL GOVERNMENT COUNCIL, KUTA STATEMENT OF FINANCIAL RESPONSIBILITY STATEMENT NO. 1**

The financial statements have been prepared by the Treasurer of Shiroro Local Government Councils in accordance with the provision of the finance (Councils and Management) Act. 1958 as amended. The Financial Statements comply with generally accepted accounting practices.

The treasury is responsible for the establishing and maintaining a system on internal controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and properly recorded the use of all public financial resources by the Local Government Council. To the best of my knowledge, the system of internal control has operated adequately throughout the reporting period.

Sign: \_\_\_\_\_  
DATE: \_\_\_\_\_  
OFFICE OF THE TREASURER

Treasurer: HARUNA MUSIYU-AGANTIA Date: 31/12/2021

We accepted responsibility of these financial statements, the information they contain and their compliance with the finance (Control and Management) Act. 1958 as Amended.

In our operation, these financial statements fairly reflect the financial position of Shiroro Local Government as at 31<sup>st</sup> Dec., 2021 and its operations for the year ended on that date.

Treasurer: \_\_\_\_\_  
DATE: \_\_\_\_\_

Date: 31/12/21

Chairman: \_\_\_\_\_

Date: 31/12/21



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NIGER STATE GOVERNMENT

SHIRORO LOCAL GOVERNMENT COUNCIL

ACCOUNTING POLICIES

(IPSAS CASH)

**ISSUED BY**

**OFFICE OF THE DIRECTOR FINANCE**

**SHIRORO LOCAL GOVERNMENT COUNCIL**

**2021**



## List of Abbreviations/Acronyms

Abbreviation/Term	Description
CBN	Central Bank of Nigeria
COA	Chart of Account
FAAC	Federation Accounts Allocation Committee
FGN	Federal Government of Nigeria
FRC	Financial Reporting Council
GAAP	Generally Accepted Accounting Principles
GPFS	General Purpose Financial Statement
IPSAS	International Public Sector Accounting Standards
LFN	Law of the Federal Republic of Nigeria
LGC	Local Government Council
NCOA	National Chart of Account
GBE	Government Business Enterprises
FRCON	Financial Reporting Council of Nigeria
PPE	Properties, Plants and Equipment



**Introduction**

In line with the adoption of the International Public Sector Accounting Standards (IPSAS) in Nigeria, a Standardised Chart of Account (COA) alongside a set of General Purpose Financial Statements (GPFS) have been designed and introduced by FAAC for adoption by all tiers of Government in Nigeria.

The standardised COA and the GPFS is hereby adopted by Shiroro Local Government Council to comply with FAAC directive to harmonise public sector accounts reporting in Nigeria.

In order to ensure an effective and efficient utilisation of the COA and GPFS, the Accounting Policies have been developed as a set of guidelines to direct the Processes and Procedures relating to financial reporting in Shiroro Local Government Council.

These policies shall form part of the universally agreed framework for financial reporting in Shiroro Local Government Council.

**IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when Cash (including Cash Equivalents) is received or paid by the Local Government. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of Cash raised during the period, the purposes for which Cash was used and the Cash balances at the reporting date. The measurement focus in the GPFS balances are Cash and changes during the period. Therefore, Bank Reconciliation Statement shall form integral part of periodic Reports in Shiroro Local Government Council.

Notes to the GPFS provide additional information about liabilities, including payables and borrowings, and non-cash assets that include receivables, investments and property, plant and equipment.

This Accounting Policy addresses the following fundamental accounting issues:

1. Definition of Accounting Terminologies
2. Recognition of Accounting Items
3. Measurement of Accounting Items
4. Treatment of Accounting items

The Accounting Policy is subject to periodic reviews and updates as shall be deemed necessary by the Director Finance, Shiroro Local Government Council.





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S/N	Accounting Policies:	2
1	<p><b>Accounting Terminologies / Definitions</b></p> <p>I. <b>Accounting policies</b> are the specific principles, bases, conventions, rules and practices adopted by Shiroro Local Government Council in preparing and presenting Financial Statements.</p> <p>II. <b>Cash:</b> Cash comprises cash in hand, demand deposits in financial institutions and cash equivalents.</p> <p>III. <b>Cash equivalents</b> are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.</p> <p>IV. <b>Cash basis</b> means a basis of accounting that recognizes transactions and other events only when cash is received or paid.</p> <p>V. <b>Cash flows</b> are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.</p> <p>VI. <b>Cash receipts</b> are cash inflows.</p> <p>VII. <b>Cash payments</b> are cash outflows.</p> <p>VIII. <b>Cash Controlled by Shiroro Local Government Council:</b> Cash is deemed to be controlled by Shiroro Local Government Council when the government can freely use the available cash for the achievement of its objectives or enjoy benefit from the cash, and can also exclude or regulate the access of others to that benefit. Cash collected by, or appropriated or granted to the government which the government can freely use to fund its operating objectives, such as acquiring of capital assets or repaying its debt is controlled by the government.</p> <p>IX. <b>Notes to the GPFs</b> shall include narrative descriptions or more detailed schedules or analyses of amounts shown on the face of the GPFs, as well as additional information</p>	<p><b>General Purpose Financial Statements (GPFS)</b></p> <p>The GPFS comprise of Statement of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by Shiroro Local Government Council and Accounting Policies and Notes to the Financial Statements. In Shiroro Local Government Council, the GPFS Accounting Policy include the following:</p> <p>I. Statement 1 - Cash Flow Statements: Statement of Cash Receipts and Payments which:</p> <ul style="list-style-type: none"> <li>▪ recognizes all Cash Receipts, Cash Payments and Cash Balances controlled by Shiroro Local Government Council; and</li> <li>▪ separately identifies payments made by third parties on behalf of Shiroro Local Government Council.</li> </ul> <p>II. Statement 2 - Statement of Assets and Liabilities: Statement of Financial Position (also known as Balance Sheet);</p> <p>III. Statement 3 - Statement of Consolidated Revenue Fund: Statement of Recurrent Financial Performance (also known as Profit &amp; Loss Account);</p> <p>IV. Statement 4- Statement of Capital Development Fund: Statement of Capital Financial Performance (also known as Capital Expenditure);</p> <p>V. Notes to the Accounts: Additional disclosures to explain the GPFS; and</p> <p>VI. Accounting Policies and Explanatory Notes.</p>





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<p><b>3 Basis of Preparation and Legal Provisions</b></p> <p>The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, GPFS are in compliance with the provisions of other financial regulations of Shiroro Local Government Council.</p>	<p><b>6 Reporting Currency</b></p> <p>The General Purpose GPFS are prepared in Nigerian Naira.</p>
<p><b>4 Fundamental Accounting Concepts</b></p> <p>The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in Shiroro Local Government Council</p> <ul style="list-style-type: none"> <li>? Cash Basis of Accounting;</li> <li>? Understandability;</li> <li>? Materiality,</li> <li>? Relevance;</li> <li>? Going Concern Concept;</li> <li>? Consistency Concept</li> <li>? Prudence</li> <li>? Completeness, etc.</li> </ul>	<p><b>7 LGC for Consolidation</b></p> <ul style="list-style-type: none"> <li>▪ The Consolidation of the GPFS are based on the Cash transactions of Shiroro Local Government Council except Government Business Enterprises (GBEs).</li> </ul>
<p><b>5 Accounting Period</b></p> <p>The accounting year (fiscal year) is from 1<sup>st</sup> January to 31<sup>st</sup> December. Each accounting year is divided into 12 calendar months (periods) and shall be set up as such in the accounting system.</p>	<p><b>8 Comparative Information</b></p> <ul style="list-style-type: none"> <li>▪ The General Purpose GPFS shall disclose all numerical information relating to previous period (at least one year).</li> </ul>
	<p><b>9 Budget Figures</b></p> <ul style="list-style-type: none"> <li>▪ These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation Law of Niger State.</li> </ul>
	<p><b>10 Receipts</b></p> <ul style="list-style-type: none"> <li>? These are Cash inflows within the Financial Year. They comprise of receipts from Statutory Allocations (FAAC monthly disbursement), Taxes, External Assistance (from Bilateral and Multilateral Agencies), Other Aid and Grants, Other Borrowings, Capital Receipts (Sale of Government Assets, etc), Receipts from Trading activities and Other Cash Receipts.</li> <li>? These items shall be disclosed at the face of the Statement of Cash Receipts and Payment for the year in accordance with the standardised GPFS. Notes shall be provided as per standardised Notes to GPFS.</li> </ul>



11	<p><b>External Assistance</b></p> <ul style="list-style-type: none"> <li>? Receipts from Loans are Funds received from external sources to be paid back at an agreed period of time. They are categorised either as Bilateral or Multilateral.</li> <li>? External Loans receipts shall be disclosed separately under Statement of Cash Receipts and Payment for the year.</li> <li>? The Local Governments did not receive external assistance during the two year.</li> </ul>	15	<p><b>Payments</b></p> <ul style="list-style-type: none"> <li>▪ These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorised either by Function and/or by Sector in the Statement of Cash Receipts and Payment.</li> <li>▪ Payments for purchase of items of capital nature(e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.</li> </ul>
12	<p><b>Other Borrowings / Grants&amp; Aid Received</b></p> <ul style="list-style-type: none"> <li>▪ These shall be categorised as either Short or Long term Loans. Short-Term Loans are those repayable within one calendar year (12 months), while Long - Term Loans and Debts shall fall due beyond one calendar year (above 12 months). Loans shall be disclosed separately and Grants shall also be separately disclosed under Statement of Cash Receipts and Payment for the year.</li> </ul>	16	<p><b>Loans Granted:</b></p> <ul style="list-style-type: none"> <li>▪ Payments to other Government and Agencies in form of Loans during the year shall be shown separately in the Statement of Receipts and Payments. Amount disclosed shall be actual amount paid during the year.</li> <li>▪ The Local Governments did not give any loan during the two year.</li> </ul>
13	<p><b>Interest Received</b></p> <ul style="list-style-type: none"> <li>? Interest actually received during the financial year shall be treated as a receipt</li> </ul>	17	<p><b>Loan Repayments</b></p> <p>Cash receipts from loans granted to other agencies and government shall be classified under loan repayments in the Statement of Receipts and Payments . Amount disclosed shall be actual amount received during the year.</p>
14	<p><b>Government Business Activities</b></p> <p>Cash Receipts from Trading Activities shall be received net (after deducting direct expenses) unless otherwise provided for by law or policy in force. Total receipts from all trading activities shall be disclosed in the Statement of Cash Receipts and Payments under 'Trading Activities' item.</p> <p>Where gross revenue is received, corresponding payments shall be charged under a corresponding payment item head ' Government Business Activities' in the Statement of Receipts and Payments.</p>	18	<p><b>Interest on Loans:</b></p> <ul style="list-style-type: none"> <li>▪ Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest payment in the Statement of Cash Receipts and Payments</li> </ul>



19	<p><b>Foreign Currency Transactions:</b></p> <ul style="list-style-type: none"> <li>▪ Foreign Currency Transactions throughout the year shall be converted into Nigerian Naira at the ruling (Central Bank of Nigeria –CBN) rate of exchange at the dates of the transactions. Foreign currency balances, as at the year end, shall be translated at the exchange rates prevailing on that date.</li> <li>▪ At the end of the financial year, additional amounts (in cash or at bank) arising out of Foreign Exchange Gains/Losses shall be recognised in the Statement of Cash Receipts and Payments either as Receipts / Payments respectively.</li> <li>▪ Hence the Shiroro Local Government Council did not have foreign currency transactions during the two year.</li> </ul>
20	<p><b>Prepayments</b></p> <ul style="list-style-type: none"> <li>▪ Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.</li> <li>▪ The Local Governments did not make prepayment to contractors during the two year.</li> </ul>
21	<p><b>Cash Balances</b></p> <p>This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.</p>

**COUNCIL OFFICIALS**

- COUNCIL MEMBERS DESIGNATION:**

Honourable Alhaji Sulaiman Chukuba  
Mr. Jame Kefars

Executive Chairman  
Secretary

- HEAD OF DEPARTMENTS:**

<b>NAMES:</b>	<b>DEPARTMENTS</b>	<b>DESIGNATION</b>
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.



NIGER STATE

**AUDIT CERTIFICATE**

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, 2020 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 State Local Government Joint Account Allocation Committee are indicated in the Supplementary Note 1 to the Accounts. In my opinion, the Supplementary Note 1 to accounts presents fairly, in all material respects, the revenue from Federation Account received by Shiroro Local Government during the year ended December 31st, 2020. In my opinion, the Financial Statements which are in agreement with the books of accounts and record shows a true and fair view of the financial position of the Shiroro Local Government for the year ended 31st December, 2020 and the transactions for the year ended at that date.



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

**STATEMENT NO. 1**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ANNUAL BUDGET 2021 N		COA	NOTES	ACTUAL YEAR 2021	PREVIOUS YEAR 2020
				N	N
	<b>CashFlows from Operating Activities:</b>				
	<u>Receipts:</u>				
2,073,304,479.00	Statutory Allocations:FAAC		1	1,682,235,988.18	2,353,902,140.92
619,761,731.00	Value Added Tax Allocation		1	788,363,620.73	-
<b>2,693,066,210.00</b>	<b>Sub-total - Statutory Allocation</b>			<b>2,470,599,608.91</b>	<b>2,353,902,140.92</b>
1,500,000.00	Direct Taxes		2	-	-
3,120,000.00	Licences		2	5,858,000.00	7,222,510.00
-	Mining Rents:		2	-	-
-	Royalties		2	-	-
-	Fees:		2	-	-
-	Fines		2	-	-
-	Sales		2	-	-
12,000,000.00	Earnings :		2	2,563,700.00	2,229,450.00
8,500,000.00	Sales/Rent of Government Buildings:		2	-	-
-	Sale/Rent on Lands and Others:		2	-	-
5,000,000.00	Rates		2	10,623,500.00	100,988,550.00
-	Investment Income		2	-	-
5,000,000.00	Interest Earned		2	-	-
147,447,704.00	10% IGR From State		2	25,723,459.41	22,002,508.32
<b>182,567,704.00</b>	<b>Sub-total - Independent Revenue</b>			<b>44,768,659.41</b>	<b>132,443,018.32</b>
	<b>Other Revenue Sources of L/Government</b>				
-	Domrstic Grants		3	-	<b>21,747,549.18</b>
400,000,000.00	Grants From other LGs		3	500,350,290.44	291,302,923.14
<b>2,875,633,914.00</b>	<b>Total Receipts</b>			<b>3,015,718,558.76</b>	<b>2,799,395,631.56</b>
	<u>Payments:</u>				
2,294,447,251.00	Personnel Costs ( Including Salaries on CRF Charges):		4	1,776,880,680.25	2,187,773,654.99
-	Federa/ States/ LGC Govt Contribution to Pension:		5	-	-
287,800,000.00	Overhead Charges:		6	195,888,024.14	166,346,675.81
290,941,979.00	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)		7	278,043,004.20	214,219,712.13
28,800,000.00	Subvention to Parastatals:		8	28,800,000.00	102,000,000.00
242,959,795.00	Other Operating Activities		9	527,460,084.00	79,116,960.00
28,800,000.00	Other Transfers		10	28,800,000.00	68,080,000.00
<b>3,173,749,025.00</b>	<b>Total Payments</b>			<b>2,835,871,792.59</b>	<b>2,817,537,002.93</b>
<b>-298,115,111.00</b>	<b>Net Cash Flow from Operating Activities</b>			<b>179,846,766.17</b>	<b>-18,141,371.37</b>



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	<b>CashFlows from Investment Activities:</b>				
179,366,715.00	Capital Expenditure:Administrative Sector:		12	67,712,134.32	59,500,000.00
219,000,000.00	Capital Expenditure: Economic Sector:		12	-	41,000,000.00
-	Capital Expenditure: Law and Justice:		12	-	-
-	Capital Expenditure:Regional Development		12	-	-
241,000,000.00	capital expenditure: Social Service Sector:		12	11,200,000.00	110,874,000.00
-	Capital Expenditure: Funded from Aid and Grants:		11	-	-
<b>639,366,715.00</b>	<b>Net Cash Flow from Investment Activities:</b>			<b>78,912,134.32</b>	<b>211,374,000.00</b>
	<b>CashFlows from Financing Activities:</b>				
-	Proceeds from Aid and Grants		11	-	-
-	Proceeds from ExternaL Loan :		20	-	-
-	Proceeds from Internal Loans: FGN/Treasury Bonds :		21	-	-
-	Proceeds from Internal Loan		22	-	174,000,000.00
-	Proceeds from Development of Nat Resources		23	-	-
-	Proceeds of Loans from Other Funds		24	-	-
-	Repayment of External Loans ( Including Servicing)		20	-	-
-	Repayment of FGN/Treasury Bonds :		21	-	-
96,000,000.00	Repayment of Internal Loan		22	104,000,000.00	- 32,000,000.00
-	Repayment of Loans from Development of Nat Resources		23	-	-
	Repayment of Loans from Other Funds		24	-	-
<b>96,000,000.00</b>	<b>Net Cash Flow from Financing Activities:</b>			<b>104,000,000.00</b>	<b>142,000,000.00</b>
	<b>Movement in Other Cash Equivalent Accounts</b>				
-	(Increase)/ Decrease in Investments			-	-
-	Net (Increase)/Decrease in Other Cash Equivalents:			-	-
-	<b>Total Cashflow from other Cash equivalent Accounts</b>			-	-
	Net Cash for the year			- 3,065,368.15	- 87,515,371.37
-	Cash & Its Equivalent as at 1st January, 2021			4,924,455.58	92,439,826.95
-	Cash & Its Equivalent as at 31st December, 2021			<b>1,859,087.43</b>	<b>4,924,455.58</b>



**STATEMENT NO. 2**  
**STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	NOTES	CURRENT YEAR 2021	PREVIOUS YEAR 2020
		N	N
<b><u>ASSETS:-</u></b>			
<b>Liquid Assets:-</b>			
Cash Held by AGF:			
-CRF Bank Balance(CBN/ CRF Bank):		-	-
-Pension Account (CBN/ Bank):		-	-
-Other Bank of the Treasury		-	-
-Cash Balances of Trust & Other Funds of the FGN/ States/LGC:		-	-
-Cash Balances with Federal Pay Offices/ Sub-Treasury:		-	-
Cash Held by Agaie Local Government	15	1,859,087.43	4,924,455.58
<b>TOTAL LIQUID ASSETS</b>		<b>1,859,087.43</b>	<b>4,924,455.58</b>
<b>Investments and Other Cash Assets:</b>			
Federal/ State/ Local Government Investments	16	-	-
Imprests:-	17	-	-
Advances:-	18	-	-
Revolving Loans Granted:-	19	-	-
Intangible Assets		-	-
<b>TOTAL INVESTMENTS AND OTHER CASH ASSETS</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>1,859,087.43</b>	<b>4,924,455.58</b>
<b>LIABILITIES OVER ASSETS</b>		<b>58,709,749.75</b>	<b>75,320,120.78</b>
<b>TOTAL</b>		<b>60,568,837.18</b>	<b>80,244,576.36</b>
<b><u>LIABILITIES:-</u></b>			
<b>PUBLIC FUNDS</b>			
Consolidated Revenue Fund:		1,859,087.43	82,590,915.79
Capital Development Fund:		-	-
Trust & Other Public Funds:		-	-
Police Reward Fund		-	-
<b>TOTAL PUBLIC FUNDS</b>		<b>1,859,087.43</b>	<b>82,590,915.79</b>
<b>EXTERNAL AND INTERNAL LOANS</b>			
External Loans:FGN/States/ LGC	20	-	-
FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-
internal Loans	22	38,000,000.00	142,000,000.00
Development Loan Stock	23	-	-
Loan From other Funds	24	-	-
Internal Loans from Other Funds		-	-
<b>TOTAL EXTERNAL AND INTERNAL LOANS</b>		<b>38,000,000.00</b>	<b>142,000,000.00</b>
<b>OTHER LIABILITIES</b>			
Deposits:-	25	20,621,007.35	20,746,749.75
Overdrawn accounts	26	88,742.40	88,742.40
<b>TOTAL LIABILITIES</b>		<b>60,568,837.18</b>	<b>80,244,576.36</b>



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## STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021

ACTUAL PREVIOUS YEAR(2020)		NOTES	ACTUAL YEAR 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	VARIANCE ON FINAL BUDGET
			N	N	N	N	%
92,439,826.95	Opening Balance:		4,924,455.58				
	<b>ADD: REVENUE</b>						
2,353,902,140.92	Statutory Allocations:FAAC	1	1,682,235,988.18	2,073,304,479.00	2,073,304,479.00	-	81.14
-	Value Added Tax Allocation	1	788,363,620.73	619,761,731.00	619,761,731.00	-	-
<b>2,446,341,967.87</b>	<b>Sub-Total - Statutory Allocation</b>		<b>2,470,599,608.91</b>	<b>2,693,066,210.00</b>	<b>2,693,066,210.00</b>	-	-
0.00	Direct Taxes	2	-	1,500,000.00	1,500,000.00	-	-
7,222,510.00	Licences	2	5,858,000.00	3,120,000.00	3,120,000.00	-	187.76
-	Mining Rents:	2	-	-	-	-	-
-	Royalties	2	-	-	-	-	-
-	Fees:	2	-	-	-	-	-
-	Fines	2	-	-	-	-	-
-	Sales	2	-	-	-	-	-
2,229,450.00	Earnings :	2	2,563,700.00	12,000,000.00	12,000,000.00	-	21.36
-	Sales/Rent of Government Buildings:	2	-	8,500,000.00	8,500,000.00	-	-
-	Sale/Rent on Lands and Others:	2	-	-	-	-	-
100,988,550.00	RATES	2	10,623,500.00	5,000,000.00	5,000,000.00	-	212.47
-	Investment Income	2	-	-	-	-	-
-	Interest Earned	2	-	5,000,000.00	5,000,000.00	-	-
22,002,508.32	10% IGR From State	2	25,723,459.41	147,447,704.00	147,447,704.00	-	-
<b>132,443,018.32</b>	<b>Sub-Total - Independent Revenue</b>		<b>44,768,659.41</b>	<b>181,067,704.00</b>	<b>181,067,704.00</b>	-	24.72
	<b>Other Revenue Sources of L/Government</b>						
21,747,549.18	Domestic Grants	3	-	-	21,747,549.18		
291,302,923.14	Grants From other LGs	3	500,350,290.44	400,000,000.00	400,000,000.00	-	-
						-	-
<b>2,891,835,458.51</b>	<b>TOTAL REVENUE:</b>		<b>3,020,643,014.34</b>	<b>3,374,484,204.44</b>	<b>3,374,484,204.44</b>	-	-
	<b>LESS:EXPENDITURE</b>						
2,187,773,654.99	Personnel Costs ( Including Salaries on CRF Charges):	4	1,776,880,680.25	2,294,447,251.00	2,294,447,251.00	-	77.44
-	Federal/ States/ LGC Govt Contribution to Pension:	5	-	-	-	-	-
166,346,675.81	Overhead Charges:	6	195,888,024.14	287,800,000.00	287,800,000.00	-	68.06
214,219,712.13	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)	7	278,043,004.20	290,941,979.00	290,941,979.00	-	95.57
102,000,000.00	Subvention to Parastatals:	8	28,800,000.00	28,800,000.00	28,800,000.00	-	100.00
79,116,960.00	Other Operating Activities	9	527,460,084.00	242,959,795.00	242,959,795.00	-	217.10
68,080,000.00	Other Transfers	10	28,800,000.00	28,800,000.00	28,800,000.00	-	100.00
<b>2,817,537,002.93</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,835,871,792.59</b>	<b>3,173,749,025.00</b>	<b>3,173,749,025.00</b>	-	89.35
	<b>OTHER RECURRENT PAYMENTS/EXPENDITURE:</b>						
-	Repayments:External Loans:FGN/States/ LGC	19	-	-	-	-	-
-	Repayments:FGN/ States/LGC Bonds & Treasury Bonds.	20	-	-	-	-	-
-	Repayments :Nigerian Treasury Bills (NTB)	21	-	-	-	-	-
32,000,000.00	Repayments:Internal Loans	22	104,000,000.00	96,000,000.00	96,000,000.00	-	-
-	Repayments: Internal Development Loans Stock	23	-	-	-	-	-
-	Repayments:Other Internal Loans( Promissory Notes)	24	-	-	-	-	-
<b>2,849,537,002.93</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,939,871,792.59</b>	<b>3,269,749,025.00</b>	<b>3,269,749,025.00</b>	-	-
<b>42,298,455.58</b>	<b>OPERATING BALANCE:</b>		<b>80,771,221.75</b>	<b>104,735,179.44</b>	<b>104,735,179.44</b>	-	-
	<b>APPROPRIATIONS/TRANSFERS:</b>						
37,374,000.00	Transfer to Capital Development Fund:		78,912,134.32	639,366,715.00	639,366,715.00	-	12.34
<b>4,924,455.58</b>	<b>Closing Balance:</b>		<b>1,859,087.43</b>				



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**STATEMENT NO. 4**  
**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ACTUAL PREVIOUS YEAR(2020)		NOTES	TOTAL CAPITAL EXPENDITURE 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	PERFORMANCE ON TOTAL
N			N		N		%
-	<b>Opening Balance:</b>		-				
	<b><u>ADD: REVENUE</u></b>						
37,374,000.00	Transfer from Consolidated Revenue Fund:		78,912,134.32	639,366,715.00	639,366,715.00	-	12.34
-	Aid and Grants	11	-	-	-	-	-
-	External Loans:FGN/States/ LGC	20	-	-	-	-	-
-	FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-	-	-	-
174,000,000.00	Internal Loan	22	-	-	-	-	#DIV/0!
-	Development Loan Stock	23	-	-	-	-	-
-	Loan From Other Funds	24	-	-	-	-	-
<b>211,374,000.00</b>	<b>TOTAL REVENUE AVAILABLE:</b>		<b>78,912,134.32</b>	<b>639,366,715.00</b>	639,366,715.00	-	12.34
	<b><u>LESS: CAPITAL EXPENDITURE</u></b>						
59,500,000.00	Capital Expenditure:Administrative Sector:	12	67,712,134.32	179,366,715.00	179,366,715.00	-	37.75
41,000,000.00	Capital Expenditure: Economic Sector:	12	-	219,000,000.00	219,000,000.00	-	-
-	Capital Expenditure: Law and Justice:	12	-	-	-	-	-
-	Capital Expenditure:Regional Development	12	-	-	-	-	-
110,874,000.00	Capital Expenditure: Social Service Sector:	12	11,200,000.00	241,000,000.00	241,000,000.00	-	4.65
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-	-	-	-
<b>211,374,000.00</b>	<b>TOTAL CAPITAL EXPENDITURE:</b>		<b>78,912,134.32</b>	<b>639,366,715.00</b>	<b>639,366,715.00</b>	-	12.34
<b>0.00</b>	Intangible Assets		-				
-	<b>CLOSING BALANCE:</b>		-				



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## NOTE TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021

Details					
<b>NOTE 1</b>	<b>Ref. Note</b>	<b>Amount</b>	<b>Amount</b>		<b>Remarks</b>
<b>A- Share of Statutory Allocation from FAAC</b>		<b>N</b>	<b>N</b>		
Net Share of Statutory Allocation from FAAC	<b>A</b>	1,579,467,129.10			
Add :Deduction at source for Loan Repayment	<b>B</b>	-			
Share of Exchange Gain Differencial	<b>C</b>	6,146,337.76			
Share of Federal Accounts Allocation- Excess Crude Oil	<b>D</b>	46,013,922.52			
<b>Non-oil Revenue</b>	<b>E</b>	50,608,598.80			
<b>Total FAAC Allocation to LG</b>			<b>1,682,235,988.18</b>		
<b>B. Value Added Tax</b>					
Share of Value Added Tax (VAT)		788,363,620.73	788,363,620.73		
<b>Total Statutory Allocation to LG</b>			<b>2,470,599,608.91</b>		
<b>NOTE 2</b>					
<b>Internally Generated Revenue (Independent Revenue)</b>		<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	
<b>Direct Taxes</b>					
Shiroro local government Internal Revenue		-	1,500,000.00	1,500,000.00	
<b>Total - Direct Taxes</b>		-	<b>1,500,000.00</b>	<b>1,500,000.00</b>	
<b>Licences</b>					
Shiroro local government Internal Revenue		5,858,000.00	3,120,000.00	- 2,738,000.00	
<b>Total Licences</b>		<b>5,858,000.00</b>	<b>3,120,000.00</b>	<b>- 2,738,000.00</b>	
<b>Mining Rents</b>					
Shiroro local government Internal Revenue		-	-	-	
<b>Total Mining Rents</b>		-	-	-	
<b>Royalties</b>					
Shiroro local government Internal Revenue		-	-	-	
<b>Total Royalties</b>		-	-	-	
<b>Fees</b>					
Shiroro local government Internal Revenue		-	-	-	
<b>Total Fees</b>		-	-	-	
<b>Fines</b>					
Shiroro local government Internal Revenue		-	-	-	
<b>Total Fines</b>		-	-	-	





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<b>Sales</b>					
Shiroro local government Internal Revenue		-	-	-	
<b>Total Sales</b>		-	-	-	
<b>Earnings</b>					
Shiroro local government Internal Revenue		2,563,700.00	12,000,000.00	9,436,300.00	
<b>Total Earnings</b>		<b>2,563,700.00</b>	<b>12,000,000.00</b>	<b>9,436,300.00</b>	
<b>Sales/Rent of Government Buildings</b>					
Shiroro local government Internal Revenue		-	8,500,000.00	8,500,000.00	
<b>Total Sales/Rent of Government Buildings</b>		-	<b>8,500,000.00</b>	<b>8,500,000.00</b>	
<b>Sale/Rent on Lands and Others:</b>					
Shiroro local government Internal Revenue		-	-	-	
<b>Total Sale/Rent on Lands and Others</b>		-	-	-	
<b>Rates</b>					
Shiroro local government Internal Revenue		10,623,500.00	5,000,000.00	5,623,500.00	
<b>Total Rates</b>		<b>10,623,500.00</b>	<b>5,000,000.00</b>	<b>5,623,500.00</b>	
<b>Investment Income</b>					
Shiroro local government Internal Revenue		-	-	-	
<b>Total Investment Income</b>		-	-	-	
<b>Interest Earned</b>					
Shiroro local government Internal Revenue		-	5,000,000.00	5,000,000.00	
<b>Total Interest Earned</b>		-	<b>5,000,000.00</b>	<b>5,000,000.00</b>	
<b>10% IGR From State</b>					
Shiroro local government Internal Revenue		25,723,459.41	147,447,704.00	121,724,244.59	
<b>Total 10% IGR From State</b>		<b>25,723,459.41</b>	<b>147,447,704.00</b>	<b>121,724,244.59</b>	
<b>Total - Independent Revenue</b>		<b>44,768,659.41</b>	<b>182,567,704.00</b>	<b>137,799,044.59</b>	

<b>NOTE 3</b>					
<b>Other Revenue Sources of L/Govt:</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Domestic Grants		-	-	-	
<b>Total Domestic Grants</b>		-	-	-	
Grant from other LGs		500,350,290.44	400,000,000.00	- 100,350,290.44	
<b>Total Grant from other LGS</b>		<b>500,350,290.44</b>	<b>400,000,000.00</b>	<b>- 100,350,290.44</b>	
<b>NOTE 4</b>					
<b>A - Total Personnel Costs ( Including Salaries directly charged to CRF in Note 4B below):</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		1,649,262.90	36,440,379.00	34,791,116.10	
The Council		35,129,041.09	58,654,320.00	23,525,278.91	
Office Of The Secretary		2,304,897.82	2,910,312.00	605,414.18	
Personnel Management		198,078,101.75	200,524,692.00	2,446,590.25	
<b>TOTAL Personnel Cost Administrative Sector</b>		<b>237,161,303.56</b>	<b>298,529,703.00</b>	<b>61,368,399.44</b>	
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		73,026,812.58	74,603,779.00	1,576,966.42	
Budget, Planning & Research		-	28,235,450.00	28,235,450.00	
Works And Housing		79,364,291.26	85,155,409.00	5,791,117.74	
Agriculture And Natural Resources		179,067,944.90	188,316,312.00	9,248,367.10	
<b>TOTAL Personnel Cost Economic Sector</b>		<b>331,459,048.74</b>	<b>376,310,950.00</b>	<b>44,851,901.26</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		794,547,820.79	900,573,240.00	106,025,419.21	
Primary Health Cure		374,481,996.64	563,714,166.00	189,232,169.36	
Social Development		17,026,812.58	117,637,049.00	100,610,236.42	
Traditional Council		22,203,697.94	37,682,143.00	15,478,445.06	
<b>Total Personnel Cost Social Sector</b>		<b>1,208,260,327.95</b>	<b>1,619,606,598.00</b>	<b>411,346,270.05</b>	
<b>Total Personnel Cost For All Sectors</b>		<b>1,776,880,680.25</b>	<b>2,294,447,251.00</b>	<b>517,566,570.75</b>	
<b>B- Salaries directly charged to CRF( included in Note 4A above)</b>					
<b>List of Parastatals and Agencies:</b>		-	-	-	
Auditor -General for Local Government		-	-	-	
e.t.c.		-	-	-	
<b>Total</b>		<b>1,776,880,680.25</b>	<b>2,294,447,251.00</b>	<b>517,566,570.75</b>	



<b>NOTE 5</b>					
<b>Employers Contribution to Pension according to Sector</b>					
Administrative Sector		-	-	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Employers Contribution to Pension</b>		-	-	-	
<b>NOTE 6</b>					
<b>Overhead Costs</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		82,383,000.00	65,000,000.00	-	17,383,000.00
The Council		42,075,000.00	19,000,000.00	-	23,075,000.00
Office Of The Secretary		3,770,500.00	4,500,000.00		729,500.00
Personnel Management		14,768,000.00	23,000,000.00		8,232,000.00
<b>Total Overhead Cost Administrative Sector</b>		<b>142,996,500.00</b>	<b>111,500,000.00</b>	-	<b>31,496,500.00</b>
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		19,800,524.14	67,300,000.00		47,499,475.86
Budget, Planning & Research		1,560,000.00	8,500,000.00		6,940,000.00
Works And Housing		27,927,000.00	8,500,000.00	-	19,427,000.00
Agriculture And Natural Resources		480,000.00	66,000,000.00		65,520,000.00
<b>TOTAL Overhead Cost Economic Sector</b>		<b>49,767,524.14</b>	<b>150,300,000.00</b>		<b>100,532,475.86</b>
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		-	-		-
Primary Health Cure		1,525,000.00	7,500,000.00		5,975,000.00
Social Development		1,599,000.00	15,500,000.00		13,901,000.00
Traditional Council		-	3,000,000.00		3,000,000.00
<b>Total Overhead Cost Social Sector</b>		<b>3,124,000.00</b>	<b>26,000,000.00</b>		<b>22,876,000.00</b>
<b>Total Overhead Cost For All Sectors</b>		<b>195,888,024.14</b>	<b>287,800,000.00</b>		<b>91,911,975.86</b>
<b>NOTE 7</b>					
<b>Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Monthly Pension		278,043,004.20	290,941,979.00		12,898,974.80
<b>Total Consolidated Revenue Fund Charges</b>		<b>278,043,004.20</b>	<b>290,941,979.00</b>		<b>12,898,974.80</b>



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<b>NOTE 8</b>				
<b>Subventions to Parastatals (According to Sectors-List)</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector	28,800,000.00	28,800,000.00	-	
Economic Sector	-	-	-	
Law and Justice Sector	-	-	-	
Regional Sector	-	-	-	
Social Sector	-	-	-	
<b>Total Subventions to Parastatals</b>	<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	
<b>NOTE 9</b>				
<b>Other Operating Activities</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector	527,460,084.00	242,959,795.00	-	284,500,289.00
Economic Sector	-	-	-	
Law and Justice Sector	-	-	-	
Regional Sector	-	-	-	
Social Sector	-	-	-	
<b>Total Other Operating Activities</b>	<b>527,460,084.00</b>	<b>242,959,795.00</b>	<b>-</b>	<b>284,500,289.00</b>
<b>NOTE 10</b>				
<b>Other Transfer</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector	19,200,000.00	19,200,000.00	-	
Economic Sector	-	-	-	
Law and Justice Sector	-	-	-	
Regional Sector	-	-	-	
Social Sector	9,600,000.00	9,600,000.00	-	
<b>sub-total</b>	<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	
Transfers to other local governments	-	-	-	
<b>Total Other Transfer</b>	<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	
<b>NOTE 11</b>				
<b>Details of Aid &amp; Grants Received</b>	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
<b>Bilateral</b>	-	-	-	
<b>Multi Lateral</b>	-	-	-	
<b>ETC</b>	-	-	-	
<b>Total Details of Aid &amp; Grants Received</b>	<b>-</b>	<b>-</b>	<b>-</b>	



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<b>NOTE 12</b>					
<b>A - Details of Total Capital Expenditures (According to Sectors)</b>					
	Actual	Total Budget	Variance		
Administrative Sector	67,712,134.32	179,366,715.00	111,654,580.68		
Economic Sector	-	219,000,000.00	219,000,000.00		
Law and Justice Sector	-	-	-		
Regional Sector	-	-	-		
Social Sector	11,200,000.00	241,000,000.00	229,800,000.00		
<b>Total Details of Capital Expenditures</b>	<b>78,912,134.32</b>	<b>639,366,715.00</b>	<b>560,454,580.68</b>		
<b>NOTE 13</b>					
<b>CLOSING BOOK BALANCES OF OTHER FUNDS OF THE GOVERNMENT</b>					
	Amount 2021	Amount 2020			
List all the Other Funds Cash Book Balances	-	-			
<b>NOTE 14</b>					
<b>CLOSING CASH BOOK BALANCE OF FEDERAL PAY OFFICES/SUB-TREASURY OFFICES</b>					
	Amount 2021	Amount 2020			
List all the FPO/Sub-Treasuries Cash Book Balances	-	-			
<b>NOTE 15</b>					
<b>CLOSING CASH BOOK BALANCE OF SHIRORO LOCAL GOVERNMENT</b>					
	Amount 2021	Amount 2020			
Shiroro Local Government	1,859,087.43	4,924,455.58			
<b>Total Details of Cash Book Balances</b>	<b>1,859,087.43</b>	<b>4,924,455.58</b>			





<b>NOTE 16</b>					
<b>INVESTMENTS</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Investments in Quoted Companies		-	-		
Investments in unQuoted Companies		-	-		
Loans to Government Companies		-	-		
Loans to Other Government		-	-		
<b>Total Investments</b>		-	-		
<b>NOTE 17</b>					
<b>LIST OF OUTSTANDING IMPRESTS</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Imprests</b>		-	-		
<b>NOTE 18</b>					
<b>LIST OF OUTSTANDING ADVANCES</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Advances</b>		-	-		
<b>NOTE 19</b>					
<b>Revolving Loan Account</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-



<b>NOTE 20</b>					
<b>External Loans:FGN/States/ LGC</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 21</b>					
<b>FGN/ States/LGC Bonds &amp; Treasury Bonds.</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 22</b>					
<b>Internal Loan</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>Opening balance as at 1st january, 2021</b>		142,000,000.00	-		
Add: Additional Loan Issued		-	174,000,000.00		
Less: Repaid		104,000,000.00	32,000,000.00		
<b>Loans as at 31st December, 2021</b>		<b>38,000,000.00</b>	<b>142,000,000.00</b>		
<b>NOTE 23</b>					
<b>Development Loan Stock</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-



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<b>NOTE 24</b>					
<b>Internal Loans from Other Funds</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 25</b>					
<b>Schedule of Deposit</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Shiroro Local Government		20,621,007.35	20,746,749.75		
<b>Total Outstanding Deposits</b>		<b>20,621,007.35</b>	<b>20,746,749.75</b>		
<b>Details Of Deposits</b>					
Union Dues (MHWU)		43,200.00	43,200.00		
5% VAT		10,007,673.51	9,661,941.10		
5% Tax Deduction		10,007,673.50	9,661,941.10		
Motorcycle Loan		114,711.00	114,711.00		
1% Stamp Duty Charges		447,749.34	1,139,214.15		
<b>TOTAL</b>		<b>20,621,007.35</b>	<b>20,746,749.75</b>		
<b>NOTE 26</b>					
<b>Schedule of Overdrawn accounts</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Shiroro Local Government		88,742.40	88,742.40		
<b>Total Overdrawn account</b>		<b>88,742.40</b>	<b>88,742.40</b>		
<b>NOTE 27</b>					
<b>CONTINGENT LIABILITES AS AT YEAR END</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>E.G.</b>					<b>List All the Contigent Liabilities</b>
... Pension and Gratuity Due		-	-		
....Outstanding Contractors Liabilities ( According to MDA)		-	-		
.....Pending Litigations ( According to MDA)		-	-		
.....Guarantees ( According to MDA)		-	-		
..... Others		-	-		
<b>Total Contigent Liabilities</b>		-	-		

**SUPPLEMENTARY NOTE**

1 GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)			
		2021	2020
	MONTH	TOTAL	TOTAL
	JANUARY	183,274,382.59	218,112,185.51
	FEBRUARY	191,619,026.18	201,567,702.52
	MARCH	160,067,295.98	180,022,727.35
	APRIL	179,197,431.68	204,377,606.26
	MAY	198,117,593.89	190,403,862.05
	JUNE	191,515,178.57	171,189,628.30
	JULY	227,960,371.31	207,860,172.10
	AUGUST	227,960,371.31	213,315,122.54
	SEPTEMBER	227,372,731.04	212,302,845.03
	OCTOBER	236,931,420.99	198,709,185.56
	NOVEMBER	225,382,299.01	179,389,609.25
	DECEMBER	221,201,506.36	176,651,494.45
	<b>TOTAL</b>	<b>2,470,599,608.91</b>	<b>2,353,902,140.92</b>
<b>INTERNALLY GENERATED REVENUE 2021</b>			
	<b>DETAILS</b>	<b>AMOUNT</b>	
	Taxes	-	
	Rates	10,623,500.00	
	Lincences	5,858,000.00	
	Earning	2,563,700.00	
	Rent	-	
	interest	-	
	10% IGR From State	25,723,459.41	
	<b>TOTAL</b>	<b>44,768,659.41</b>	



**1.1 INTRODUCTION**

In compliance with the provision of section 125 (2) of 1999 Constitution of the Federal Republic of Nigeria and Niger State Local Government Law (N.S.L.N. No. 14) of 2001, I have examined the Accounts and Financial Statement of Shiroro Local Government for the year ended 31<sup>st</sup> December, 2021 in accordance with the Public Finance (Control Management Act. 1958).

I have therefore certified the accounts as correct subject to various observations raised and contained in this report while the irregularities discovered thereon had been forwarded through Audit Inspection reports to the attached for Accounting officer`s comments and necessary actions.

**2.0 FINANCIAL HIGHLIGHTS**

RECEIPTS DESCRIPTION	AMOUNT (?)	PERCENTAGE
Internally Generated Revenue	19,045,200.00	0.63%
10% IGR	25,723,459.41	0.53%
Grant from Other LGs	500,350,290.44	16.59%
Share of Exchange Gain Differentials	6,146,337.76	0.20%
Share of Excess Crude	46,013,922.52	1.53%
Non-oil Revenue	50,608,598.80	1.68%
Statutory Allocation	1,579,467,129.10	52.37%
Value Added Tax (VAT)	<u>788,363,620.73</u>	<u>26.14%</u>
	<b><u>? 3,015,718,558.76</u></b>	<b><u>100.00%</u></b>

**2.1 ANALYSIS OF REVENUE AND EXPENDITURE****2.1.1 REVENUE**

The sum of ? 3,015,718,588.76 accrued to the Shiroro Local Government Council as total receipts for the year ended 31<sup>st</sup> December, 2021

**2.1.1.1 INTERNALLY GENERATED REVENUE**

Shiroro Local Government council Generated the sum of ? 19,045,200.00 and ? 25,723,459.41 As Internally Generated Revenue and 10% IGR from State, also the sum of ? 500,350,290.44 were received as Grant from other Local Government all together amounted to ? 545,118,949.85 only for the year ended 31<sup>st</sup> December, 2021 which represented 18.08% of the total accrued revenue of ? 3,014,718,558.76 This shows that the council solely depend on statutory allocation from the Federation Account and Grants from other sources for survival despite several advice to improve and explore other source of revenue for the council. In addition, I frown at the situation where the IGR cannot cover the total Recurrent Expenditure. This could result to non-survival of the councils if there is a decline of revenue from the Federation Account.

The Council promised to look for other ways of improving collections of its internally generated revenue.

I advised that the councils should make up extra efforts to generate more in the years ahead.



**2.1.1.2 FEDERAL STATUTORY ALLOCATION**

The sum of ₦ 2,470,599,608.91 which is 81.92% of the total receipts of ₦ 3,015,718,558.76 was disbursed to Shiroro Local Government Council for the year under review. This sum comprises the followings:

- i. Share of Exchange Gain Differentials
- ii. Share of Excess Crude
- iii. Non-oil Revenue
- iv. Statutory Allocation
- v. Value Added Tax (VAT)

**2.1.2 EXPENDITURE****2.1.2.1 ANALYSIS OF EXPENDITURE**

The total sum of ₦ 3,018,783,926.91 was allocated directly to Shiroro Local Government Council and expended as follows:

DETAILS		AMOUNT (₦)	PERCENTAGE
i.	Personnel cost	1,776,880,680.25	58.86%
ii.	Overhead cost	195,888,024.14	6.49%
iii.	Consolidated Fund charges	278,043,004.20	9.21%
iv.	Operating Activities	527,460,084.00	17.47%
v.	Other Transfers	28,800,000.00	0.95%
vi.	Contributions	28,800,000.00	0.95%
vii.	Repayment of Loans	104,000,000.00	3.45%
viii.	Capital Expenditure	78,912,134.32	2.62%
		<b><u>3,018,783,926.91</u></b>	<b><u>100.00%</u></b>

**3.0 WEAKNESSES IN THE INTERNAL CONTROL SYSTEM**

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

**3.1. Unsupported payments by third party documentation**

I observed that some of the payment vouchers raised were not having documentary evidences such as delivery notes, Stores Received Vouchers, Stores Issues Vouchers, receipts etc. to justify the payments made. This implies some of the payments were made for goods not delivered or services not rendered.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

I advised the Council to ensure that all payments are supported appropriately.



### 3.1. Unremitted WHT, VAT Deductions and Stamp Duty

During the course of my audit, I observed that Shiroro Local Government Council had not remitted ₦ 20,463,096.34 to the appropriate authorities as at 31 December 2021. The outstanding amount comprises ₦ 10,007,673.50 in respect of WHT, ₦ 10,007,673.50 in respect of VAT and ₦ 447,749.34 in respect of Stamp duty.

This exposes the Local Government Council to the risk of payment of fines and penalties for late remittance.

I advised the Council to remit the outstanding deductions immediately and in future, the Council should ensure all deductions are made and remitted in accordance with the relevant guidelines.

Management acknowledged and promised to remit the outstanding deductions as soon as funds are available and that in future, they will effect deductions on all contracts and remit the deductions in accordance with the provisions of the law.

### 3.2. Payment Vouchers not checked nor passed by the Internal Audit Unit.

During the course of our audit exercise, it was observed that despite being raised in our previous reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued in some cases which contravenes Chapter 14, section 1-19 of Model Financial Memoranda. The non-compliance was evidenced by the Payment Vouchers which were prepared and paid out without endorsement by the Internal Audit Unit and Officer Controlling the Vote and Checks by the Accounting Officer. This exposes the Council to fraudulent practices. I advised the Council to adhere strictly to the provisions of the Model Financial Memoranda.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memoranda.

I advised management to comply with the provisions of the Model Financial Memorandum when processing payments.

### 3.3. Non-maintenance of Fixed/Moveable Asset register.

A Fixed Assets Register is a management tool to monitor and control use of assets. However, as pointed out in my previous reports, Shiroro Local Council did not maintain an up-to-date Fixed Assets Register during the year under review.

The risk of non-maintenance of Fixed Assets Register is that the council may not be able to detect misuse and loss of its assets on time.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

I advised the Council to ensure that an up-to-date Fixed Assets/Movable Assets Register is maintained.



**3.1. Non-maintenance of Loan/Overdraft Register/Ledger.**

We observed that Shiroro Local Government Council did not maintain Loans/Overdraft Register/Ledger during the year.

The risk is that the Council may not be able to reconcile loan balances with the lenders leading to overpayments or fines and penalties for under payments.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

We recommend that the Council should immediately open and maintain Loans Register.

**4.0 BUDGETARY CONTROL****4.1 REVENUE COMPARISON**

During the year under review, there was a shortfall in the target of Internally Generated Revenue in Shiroro Local Government Council in all revenue codes as shown below:

**SHIRORO LOCAL GOVERNMENT BUDGETED INTERNALLY GENERATED REVENUE COMPARED WITH ACTUAL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**

S/N	CODES	DETAILS	BUDGET ?	ACTUAL ?	SHORTFALL ?
1	12010000	Taxes	1,500,000.00	-	(1,500,000.00)
2	12021700	Rates	5,000,000.00	10,623,500.00	5,623,500.00
3	12021300	Local Licenses, Fees, and Fine	3,120,000.00	5,858,000.00	2,738,000.00
4	12021500	Earning from Commercial undertakings	12,000,000.00	2,563,700.00	(9,436,300.00)
5	12021600	Rent on Local Government Properties	8,500,000.00	-	(8,500,000.00)
6	12021100	Interest	5,000,000.00	-	(5,000,000.00)
<b>TOTAL</b>			<b>35,120,000.00</b>	<b>19,045,200.00</b>	<b>(16,074,800.00)</b>

From the above table, it clearly shows that the Council solely relies on Statutory Allocation from the Federation Account for its survival. Although, when comparing the total budgeted amount of ? 35,120,000.00 with actual Internally Generated Revenue of ? 19,045,200.00 the council recorded short full of ? 16,074,800.00 during the year under review.

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





- i. Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- ii. Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- iii. Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- iv. Control over issuance of revenue receipts
- v. Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.
- vi. The Council should ensure that realistic budgets are prepared.

## **4.2 RECURRENT EXPENDITURE**

### **4.2.1 PERSONNEL COST**

As regards to the personnel cost, it was observed that, the sum of ₦ 2,187,773,654.99 and ₦ 1,776,880,680.25 was spent as personnel cost in 2020 and 2021 respectively with a decrease of ₦ 410,892,974.74 over the previous year. The decrease represents 18.78% of personnel cost. This is as a result of the Local Government Council inability to pay 100% Salaries during the year under review.

### **4.2.2 CAPITAL EXPENDITURE**

During the year under review, it was observed that the sum of ₦ 78,912,134.32 was spent on Capital project by Shiroro Local Government Council. This was made by the Council to boost the developmental activities in the rural areas in which various projects were executed and some were still in progress. Though approved capital expenditure estimate was ₦ 639,366,715.00, only the sum of ₦ 78,912,134.32 representing 15.22% was expended leading to a variance of ₦ 560,454,580.68.

I advised the Council to ensure that estimates should be based on realistic and cognizance of environmental factors, and the cash flows should be adequately monitored in order to reduce unnecessary expenses on overhead and give priority to project execution.

## **5.0 ANALYSIS OF ASSETS AND LIABILITIES**

### **5.1 ASSETS**

#### **5.1.1 CASH AND ITS EQUIVALENTS**

The closing cash and its equivalents amounted to the sum of ₦ 1,859,087.43k for Shiroro Local Government as at 31<sup>st</sup> December, 2021.

### **5.2. LIABILITIES**

#### **5.2.1. DEPOSITS**

Deposits comprise unremitted statutory deductions and bank overdrafts as explained below.

##### **5.2.1.1 UNREMITTED DEDUCTIONS**

The balance on the unremitted deductions account was ₦ 20,621,007.35 as at 31<sup>st</sup> December, 2021. The unremitted deductions include deductions from payments made on behalf of Government Agencies and various other bodies by the Local Government which ought to be promptly remitted to the appropriate authorities.



**5.2.1.2. BANK OVERDRAFTS**

The total sum of ₦ 88,742.40 stood as bank overdraft owed to bank by Shiroro Local Government during the year under review.

**6.0 OUTSTANDING ISSUES FROM THE AUDIT INSPECTION REPORT**

The following is the outstanding Inspections Reports for the period under review.

<b>AGX/F.0.21/TA/SHR/VOL.1</b>	<b>20/12/ 2022</b>
• Outstanding payment vouchers	= ₦ 24,000.00
• Fraudulent payment made to Barrister Ahmed Mohammed (Nasamu Chamber) for services that has not been carried out =	₦ 3,000,000.00
• Illegal payment of Allowance to Hon. Aliyu and others	= ₦ 2,000,000.00
• Purchases suspected not to have been done	= ₦ 500,000.00

Management acknowledged and promised to attend to the issues.

We recommend that the management of Shiroro Local Government should ensure the issues raised above are adequately addressed.

**6.1 OUTSTANDING ISSUE FROM THE REPORT ON CAPITAL EXPENDITURE**

The following is the outstanding issue from the Report on Project Inspections for the period under review.

**AGX/D.110/VOL.9/1**

- i. Suspicious payment made on filling of road, repairs of Culvert without Memo, Bill of Quantities, Contract Agreement, Progress Report and Valuation Certificate attached to the payment voucher = ₦ 19,000,000.00

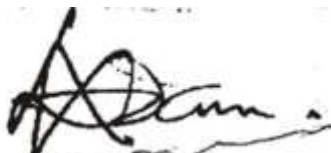
Management acknowledged and promised to follow up with the issues raised.

We recommend that the management of Shiroro Local Government should ensure the issues raised above are adequately addressed.

**7.0 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, 2021

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



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# SULEJA LOCAL GOVERNMENT COUNCIL NIGER STATE

LOCAL GOVERNMENT SECRETARIATE,  
SULEJA, NIGER STATE, NIGERIA

Our Ref: \_\_\_\_\_ Your Ref: \_\_\_\_\_ Date: \_\_\_\_\_

## STATEMENT OF FINANCIAL RESPONSIBILITY STATEMENT NO. 1

This Financial Statement is prepared by the Director, Finance and Supply in accordance with the financial act. 1958 as amended and Financial Statements also comply with the general accepted Accounting practices and Financial Memorandum. (F.M).

The finance department is responsible for the establishing and maintaining a system of internal control, designed to prove reasonable assurance that the transactions recorded are within statutory authority and property recorded the use financial resources by Suleja Local Government Council.


To the best of my knowledge this system of internal control has operated adequately throughout the reporting period

Sign:   
Director Finance

Date: 31/01/2022

We accept responsibilities for these financial statements, the information they contained and their compliance to the finance (Control and Management) Act. 1958 as amended

In our opinion, these financial statements fairly reflect the financial position of Suleja Local Government as at 31<sup>st</sup> December, 2021. And its operations for the year ended on the date.

  
Director Finance  
Date: 31/01/2022

  
Chairman  
Date: 31/1/2020



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**NIGER STATE GOVERNMENT**

**SULEJA LOCAL GOVERNMENT COUNCIL**

**ACCOUNTING POLICIES**

**(IPSAS CASH)**

**ISSUED BY**

**OFFICE OF THE DIRECTOR FINANCE**

**SULEJA LOCAL GOVERNMENT COUNCIL**

**2021**



## List of Abbreviations/Acronyms

Abbreviation/Term	Description
CBN	Central Bank of Nigeria
COA	Chart of Account
FAAC	Federation Accounts Allocation Committee
FGN	Federal Government of Nigeria
FRC	Financial Reporting Council
GAAP	Generally Accepted Accounting Principles
GPFS	General Purpose Financial Statement
IPSAS	International Public Sector Accounting Standards
LFN	Law of the Federal Republic of Nigeria
LGC	Local Government Council
NCOA	National Chart of Account
GBE	Government Business Enterprises
FRCON	Financial Reporting Council of Nigeria
PPE	Properties, Plants and Equipment



**Introduction**

In line with the adoption of the International Public Sector Accounting Standards (IPSAS) in Nigeria, a Standardised Chart of Account (COA) alongside a set of General Purpose Financial Statements (GPFS) have been designed and introduced by FAAC for adoption by all tiers of Government in Nigeria.

The standardised COA and the GPFS is hereby adopted by Suleja Local Government Council to comply with FAAC directive to harmonise public sector accounts reporting in Nigeria.

In order to ensure an effective and efficient utilisation of the COA and GPFS, the Accounting Policies have been developed as a set of guidelines to direct the Processes and Procedures relating to financial reporting in Suleja Local Government Council.

These policies shall form part of the universally agreed framework for financial reporting in Suleja Local Government Council.

**IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when Cash (including Cash Equivalents) is received or paid by the Local Government. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of Cash raised during the period, the purposes for which Cash was used and the Cash balances at the reporting date. The measurement focus in the GPFS balances are Cash and changes during the period. Therefore, Bank Reconciliation Statement shall form integral part of periodic Reports in Suleja Local Government Council.

Notes to the GPFS provide additional information about liabilities, including payables and borrowings, and non-cash assets that include receivables, investments and property, plant and equipment.

This Accounting Policy addresses the following fundamental accounting issues:

1. Definition of Accounting Terminologies
2. Recognition of Accounting Items
3. Measurement of Accounting Items
4. Treatment of Accounting items

The Accounting Policy is subject to periodic reviews and updates as shall be deemed necessary by the Director Finance, Suleja Local Government Council.







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S/N	Accounting Policies:
1	<p><b>Accounting Terminologies / Definitions</b></p> <ol style="list-style-type: none"> <li>I. <b>Accounting policies</b> are the specific principles, bases, conventions, rules and practices adopted by Suleja Local Government Council in preparing and presenting Financial Statements.</li> <li>II. <b>Cash:</b> Cash comprises cash in hand, demand deposits in financial institutions and cash equivalents.</li> <li>III. <b>Cash equivalents</b> are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.</li> <li>IV. <b>Cash basis</b> means a basis of accounting that recognizes transactions and other events only when cash is received or paid.</li> <li>V. <b>Cash flows</b> are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.</li> <li>VI. <b>Cash receipts</b> are cash inflows.</li> <li>VII. <b>Cash payments</b> are cash outflows.</li> <li>VIII. <b>Cash Controlled by Suleja Local Government Council:</b> Cash is deemed to be controlled by Suleja Local Government Council when the government can freely use the available cash for the achievement of its objectives or enjoy benefit from the cash, and can also exclude or regulate the access of others to that benefit. Cash collected by, or appropriated or granted to the government which the government can freely use to fund its operating objectives, such as acquiring of capital assets or repaying its debt is controlled by the government.</li> <li>IX. <b>Notes to the GPFS</b> shall include narrative descriptions or more detailed schedules or analyses of amounts shown on the face of the GPFS, as well as additional information</li> </ol>

2	<p><b>General Purpose Financial Statements (GPFS)</b></p> <p>The GPFS comprise of Statement of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by Suleja Local Government Council and Accounting Policies and Notes to the Financial Statements. In Suleja Local Government Council, the GPFS Accounting Policy include the following:</p> <ol style="list-style-type: none"> <li>I. Statement 1 - Cash Flow Statements: Statement of Cash Receipts and Payments which:             <ul style="list-style-type: none"> <li>▪ recognizes all Cash Receipts, Cash Payments and Cash Balances controlled by Suleja Local Government Council; and</li> <li>▪ separately identifies payments made by third parties on behalf of Suleja Local Government Council.</li> </ul> </li> <li>II. Statement 2 - Statement of Assets and Liabilities: Statement of Financial Position (also known as Balance Sheet);</li> <li>III. Statement 3 - Statement of Consolidated Revenue Fund: Statement of Recurrent Financial Performance (also known as Profit &amp; Loss Account);</li> <li>IV. Statement 4- Statement of Capital Development Fund: Statement of Capital Financial Performance (also known as Capital Expenditure);</li> <li>V. Notes to the Accounts: Additional disclosures to explain the GPFS; and</li> <li>VI. Accounting Policies and Explanatory Notes.</li> </ol>
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<p><b>3 Basis of Preparation and Legal Provisions</b></p> <p>The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL ) and the Financial Reporting Council of Nigeria . In addition, GPFS are in compliance with the provisions of other financial regulations of Suleja Local Government Council.</p>	<p><b>6 Reporting Currency</b></p> <p>The General Purpose GPFS are prepared in Nigerian Naira.</p>
<p><b>4 Fundamental Accounting Concepts</b></p> <p>The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in Suleja Local Government Council</p> <ul style="list-style-type: none"> <li>? Cash Basis of Accounting;</li> <li>? Understability;</li> <li>? Materiality,</li> <li>? Relevance;</li> <li>? Going Concern Concept;</li> <li>? Consistency Concept</li> <li>? Prudence</li> <li>? Completeness, etc.</li> </ul>	<p><b>7 LGC for Consolidation</b></p> <ul style="list-style-type: none"> <li>▪ The Consolidation of the GPFS are based on the Cash transactions of Suleja Local Government Council except Government Business Enterprises (GBEs).</li> </ul>
<p><b>5 Accounting Period</b></p> <p>The accounting year (fiscal year) is from 1<sup>st</sup> January to 31<sup>st</sup> December. Each accounting year is divided into 12 calendar months (periods) and shall be set up as such in the accounting system.</p>	<p><b>8 Comparative Information</b></p> <ul style="list-style-type: none"> <li>▪ The General Purpose GPFS shall disclose all numerical information relating to previous period (at least one year).</li> </ul>
	<p><b>9 Budget Figures</b></p> <ul style="list-style-type: none"> <li>▪ These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation Law of Niger State.</li> </ul>
	<p><b>10 Receipts</b></p> <ul style="list-style-type: none"> <li>? These are Cash inflows within the Financial Year. They comprise of receipts from Statutory Allocations (FAAC monthly disbursement) , Taxes, External Assistance (from Bilateral and Multilateral Agencies), Other Aid and Grants, Other Borrowings, Capital Receipts (Sale of Government Assets , etc), Receipts from Trading activities and Other Cash Receipts.</li> <li>? These items shall be disclosed at the face of the Statement of Cash Receipts and Payment for the year in accordance with the standardised GPFS . Notes shall be provided as per standardised Notes to GPFS.</li> </ul>



<p><b>11 External Assistance</b></p> <ul style="list-style-type: none"> <li>? Receipts from Loans are Funds received from external sources to be paid back at an agreed period of time. They are categorised either as Bilateral or Multilateral.</li> <li>? External Loans receipts shall be disclosed separately under Statement of Cash Receipts and Payment for the year.</li> <li>? The Local Governments did not receive external assistance during the two year.</li> </ul>	<p><b>15 Payments</b></p> <ul style="list-style-type: none"> <li>▪ These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorised either by Function and/or by Sector in the Statement of Cash Receipts and Payment.</li> <li>▪ Payments for purchase of items of capital nature(e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.</li> </ul>
<p><b>12 Other Borrowings / Grants &amp; Aid Received</b></p> <ul style="list-style-type: none"> <li>▪ These shall be categorised as either Short or Long term Loans. Short-Term Loans are those repayable within one calendar year (12 months), while Long-Term Loans and Debts shall fall due beyond one calendar year (above 12 months). Loans shall be disclosed separately and Grants shall also be separately disclosed under Statement of Cash Receipts and Payment for the year.</li> </ul>	<p><b>16 Loans Granted:</b></p> <ul style="list-style-type: none"> <li>▪ Payments to other Government and Agencies in form of Loans during the year shall be shown separately in the Statement of Receipts and Payments. Amount disclosed shall be actual amount paid during the year.</li> <li>▪ The Local Governments did not give any loan during the two year.</li> </ul>
<p><b>13 Interest Received</b></p> <ul style="list-style-type: none"> <li>? Interest actually received during the financial year shall be treated as a receipt</li> </ul>	<p><b>17 Loan Repayments</b></p> <p>Cash receipts from loans granted to other agencies and government shall be classified under loan repayments in the Statement of Receipts and Payments. Amount disclosed shall be actual amount received during the year.</p>
<p><b>14 Government Business Activities</b></p> <p>Cash Receipts from Trading Activities shall be received net (after deducting direct expenses) unless otherwise provided for by law or policy in force. Total receipts from all trading activities shall be disclosed in the Statement of Cash Receipts and Payments under 'Trading Activities' item.</p> <p>Where gross revenue is received, corresponding payments shall be charged under a corresponding payment item head 'Government Business Activities' in the Statement of Receipts and Payments.</p>	<p><b>18 Interest on Loans:</b></p> <ul style="list-style-type: none"> <li>▪ Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest payment in the Statement of Cash Receipts and Payments</li> </ul>



19	<p><b>Foreign Currency Transactions:</b></p> <ul style="list-style-type: none"> <li>▪ Foreign Currency Transactions throughout the year shall be converted into Nigerian Naira at the ruling (Central Bank of Nigeria –CBN) rate of exchange at the dates of the transactions. Foreign currency balances, as at the year end, shall be translated at the exchange rates prevailing on that date.</li> <li>▪ At the end of the financial year, additional amounts (in cash or at bank) arising out of Foreign Exchange Gains/Losses shall be recognised in the Statement of Cash Receipts and Payments either as Receipts / Payments respectively.</li> <li>▪ Hence the Suleja Local Government Council did not have foreign currency transactions during the two year.</li> </ul>
20	<p><b>Prepayments</b></p> <ul style="list-style-type: none"> <li>▪ Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.</li> <li>▪ The Local Governments did not make prepayment to contractors during the two year.</li> </ul>
21	<p><b>Cash Balances</b></p> <p>This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.</p>

**COUNCIL OFFICIALS**

• **COUNCIL MEMBERS DESIGNATION:**

Honourable Abdullahi Shuaibu Maje	Executive Chairman
Honourable Abdullahi Shuaibu Maje	Secretary

• **HEAD OF DEPARTMENTS:**

<b>NAMES:</b>	<b>DEPARTMENTS</b>	<b>DESIGNATION</b>
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,



**AUDIT CERTIFICATE**

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, 2020 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 State Local Government Joint Account Allocation Committee are indicated in the Supplementary Note 1 to the Accounts. In my opinion, the Supplementary Note 1 to accounts presents fairly, in all material respects, the revenue from Federation Account received by Suleja Local Government during the year ended December 31st, 2020. In my opinion, the Financial Statements which are in agreement with the books of accounts and record shows a true and fair view of the financial position of the Suleja Local Government for the year ended 31st December, 2020 and the transactions for the year ended at that date.



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





	<b>CashFlows from Investment Activities:</b>				
124,000,000.00	Capital Expenditure:Administrative Sector:		12	26,820,000.00	120,086,497.45
145,000,000.00	Capital Expenditure: Economic Sector:		12	30,700,000.00	88,207,747.00
-	Capital Expenditure: Law and Justice:		12	-	-
-	Capital Expenditure:Regional Development		12	-	-
395,076,417.00	capital expenditure: Social Service Sector:		12	68,404,972.59	98,327,035.55
-	Capital Expenditure: Funded from Aid and Grants:		11	-	-
<b>664,076,417.00</b>	<b>Net Cash Flow from Investment Activities:</b>			<b>125,924,972.59</b>	<b>306,621,280.00</b>
	<b>CashFlows from Financing Activities:</b>				
-	Proceeds from Aid and Grants		11	-	-
-	Proceeds from ExternaL Loan :		20	-	-
-	Proceeds from Internal Loans: FGN/Treasury Bonds :		21	-	-
90,000,000.00	Proceeds from InternaL Loan		22	90,000,000.00	224,000,000.00
-	Proceeds from Development of Nat Resources		23	-	-
-	Proceeds of Loans from Other Funds		24	-	-
-	Repayment of External Loans ( Including Servicing)		20	-	-
-	Repayment of FGN/Treasury Bonds :		21	-	-
136,127,260.32	Repayment of Internal Loan		22	136,127,260.32	- 32,000,000.00
-	Repayment of Loans from Development of Nat Resources		23	-	-
-	Repayment of Loans from Other Funds		24	-	-
<b>-46,127,260.32</b>	<b>Net Cash Flow from Financing Activities:</b>			<b>-46,127,260.32</b>	<b>192,000,000.00</b>
	<b>Movement in Other Cash Equivalent Accounts</b>				
-	(Increase)/ Decrease in Investments			-	-
-	Net (Increase)/Decrease in Other Cash Equivalents:			-	-
-	<b>Total Cashflow from other Cash equivalent Accounts</b>			<b>-</b>	<b>-</b>
	Net Cash for the year			- 48,997,823.86	- 5,874,941.62
-	Cash & Its Equivalent as at 1st January, 2021			50,946,818.34	56,821,759.96
-	Cash & Its Equivalent as at 31st December, 2021			<b>1,948,994.48</b>	<b>50,946,818.34</b>





**STATEMENT NO. 2**  
**STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	NOTES	CURRENT YEAR 2021 N	PREVIOUS YEAR 2020 N
<b><u>ASSETS:-</u></b>			
<b><u>Liquid Assets:-</u></b>			
Cash Held by AGF:			
-CRF Bank Balance(CBN/ CRF Bank):		-	-
-Pension Account (CBN/ Bank):		-	-
-Other Bank of the Treasury		-	-
-Cash Balances of Trust & Other Funds of the FGN/ States/LGC:		-	-
-Cash Balances with Federal Pay Offices/ Sub-Treasury:		-	-
Cash Held by Agaie Local Government	15	1,948,994.48	50,946,818.34
<b>TOTAL LIQUID ASSETS</b>		<b>1,948,994.48</b>	<b>50,946,818.34</b>
<b><u>Investments and Other Cash Assets:</u></b>			
Federal/ State/ Local Government Investments	16	-	-
Imprests:-	17	-	-
Advances:-	18	-	-
Revolving Loans Granted:-	19	-	-
Intangible Assets		-	-
<b>TOTAL INVESTMENTS AND OTHER CASH ASSETS</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>1,948,994.48</b>	<b>50,946,818.34</b>
<b>LIABILITIES OVER ASSETS</b>		<b>151,623,127.43</b>	<b>191,875,446.13</b>
<b>TOTAL</b>		<b>153,572,121.91</b>	<b>242,822,264.47</b>
<b><u>LIABILITIES:-</u></b>			
<b><u>PUBLIC FUNDS</u></b>			
Consolidated Revenue Fund:		1,948,994.48	45,071,876.72
Capital Development Fund:		-	-
Trust & Other Public Funds:		-	-
Police Reward Fund		-	-
<b>TOTAL PUBLIC FUNDS</b>		<b>1,948,994.48</b>	<b>45,071,876.72</b>
<b><u>EXTERNAL AND INTERNAL LOANS</u></b>			
External Loans:FGN/States/ LGC	20	-	-
FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-
internal Loans	22	145,872,739.68	192,000,000.00
Development Loan Stock	23	-	-
Loan From other Funds	24	-	-
Internal Loans from Other Funds		-	-
<b>TOTAL EXTERNAL AND INTERNAL LOANS</b>		<b>145,872,739.68</b>	<b>192,000,000.00</b>
<b><u>OTHER LIABILITIES</u></b>			
Deposits:-	25	5,750,387.75	5,750,387.75
Overdrawn accounts	26	-	-
<b>TOTAL LIABILITIES</b>		<b>153,572,121.91</b>	<b>242,822,264.47</b>



NIGER STATE

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021

ACTUAL PREVIOUS YEAR(2020)		NOTES	ACTUAL YEAR 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	VARIANCE ON FINAL BUDGET
			N	N	N	N	%
56,821,759.96	Opening Balance:		50,946,818.34				
	<b>ADD: REVENUE</b>						
1,846,356,346.34	Statutory Allocations:FAAC	1	1,213,701,195.75	1,537,002,066.00	1,537,002,066.00	-	78.97
-	Value Added Tax Allocation	1	761,476,432.68	598,459,115.00	598,459,115.00	-	-
<b>1,903,178,106.30</b>	<b>Sub-Total - Statutory Allocation</b>		<b>1,975,177,628.43</b>	<b>2,135,461,181.00</b>	<b>2,135,461,181.00</b>	-	-
-	Direct Taxes	2	-	700,000.00	700,000.00	-	-
74,444,950.00	Licences	2	88,157,291.00	77,930,000.00	77,930,000.00	-	113.12
-	Mining Rents:	2	-	-	-	-	-
-	Royalties	2	-	-	-	-	-
-	Fees:	2	-	-	-	-	-
-	Fines	2	-	-	-	-	-
-	Sales	2	-	-	-	-	-
65,447,461.00	Earnings :	2	76,326,185.00	126,600,000.00	126,600,000.00	-	60.29
13,566,500.00	Sales/Rent of Government Buildings:	2	19,288,406.90	17,000,000.00	17,000,000.00	-	-
-	Sale/Rent on Lands and Others:	2	-	-	-	-	-
8,948,500.00	RATES	2	13,620,809.02	17,000,000.00	17,000,000.00	-	80.12
-	Investment Income	2	-	-	-	-	-
-	Interest Earned	2	-	700,000.00	700,000.00	-	-
22,002,508.32	10% IGR From State	2	25,723,459.41	147,447,704.00	147,447,704.00	-	-
<b>184,409,919.32</b>	<b>Sub-Total - Independent Revenue</b>		<b>223,116,151.33</b>	<b>386,677,704.00</b>	<b>386,677,704.00</b>	-	57.70
	<b>Other Revenue Sources of L/Government</b>						
21,747,549.18	Domestic Grants	3	-	-	21,747,549.18	-	-
235,317,030.30	Grants From other LGs	3	-	-	-	-	-
<b>2,344,652,605.10</b>	<b>TOTAL REVENUE:</b>		<b>2,249,240,598.10</b>	<b>2,522,138,885.00</b>	<b>2,522,138,885.00</b>	-	-
	<b>LESS:EXPENDITURE</b>						
1,063,868,930.93	Personnel Costs ( Including Salaries on CRF Charges):	4	892,184,672.11	1,321,941,674.00	1,321,941,674.00	-	67.49
-	Federal/ States/ LGC Govt Contribution to Pension:	5	-	-	-	-	-
208,336,570.81	Overhead Charges:	6	365,169,154.00	432,500,000.00	432,500,000.00	-	84.43
122,649,722.11	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)	7	168,315,389.08	170,824,529.00	170,824,529.00	-	98.53
102,000,000.00	Subvention to Parastatals:	8	28,800,000.00	28,800,000.00	28,800,000.00	-	100.00
614,149,282.91	Other Operating Activities	9	103,670,208.15	120,915,552.00	120,915,552.00	-	85.74
68,080,000.00	Other Transfers	10	517,099,947.37	517,099,947.37	517,099,947.37	-	100.00
<b>2,179,084,506.76</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,075,239,370.71</b>	<b>2,592,081,702.37</b>	<b>2,592,081,702.37</b>	-	80.06
	<b>OTHER RECURRENT PAYMENTS/EXPENDITURE:</b>						
-	Repayments:External Loans:FGN/States/ LGC	19	-	-	-	-	-
-	Repayments:FGN/ States/LGC Bonds & Treasury Bonds.	20	-	-	-	-	-
-	Repayments :Nigerian Treasury Bills (NTB)	21	-	-	-	-	-
32,000,000.00	Repayments:Internal Loans	22	136,127,260.32	136,127,260.32	136,127,260.32	-	-
-	Repayments: Internal Development Loans Stock	23	-	-	-	-	-
-	Repayments:Other Internal Loans( Promissory Notes)	24	-	-	-	-	-
<b>2,211,084,506.76</b>	<b>TOTAL EXPENDITURE:</b>		<b>2,211,366,631.03</b>	<b>2,728,208,962.69</b>	<b>2,728,208,962.69</b>	-	-
<b>133,568,098.34</b>	<b>OPERATING BALANCE:</b>		<b>37,873,967.07</b>	<b>- 206,070,077.69</b>	<b>- 206,070,077.69</b>	-	-
	<b>APPROPRIATIONS/TRANSFERS:</b>						
82,621,280.00	Transfer to Capital Development Fund:		35,924,972.59	664,076,417.00	664,076,417.00	-	5.41
<b>50,946,818.34</b>	<b>Closing Balance:</b>		<b>1,948,994.48</b>				



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**STATEMENT NO. 4**  
**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ACTUAL PREVIOUS YEAR(2020)		NOTES	TOTAL CAPITAL EXPENDITURE 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	PERFORMANCE ON TOTAL
N			N		N		%
-	<b>Opening Balance:</b>		-				
	<b><u>ADD: REVENUE</u></b>						
82,621,280.00	Transfer from Consolidated Revenue Fund:		35,924,972.59	574,076,417.00	574,076,417.00	-	6.26
-	Aid and Grants	11	-	-	-	-	-
-	External Loans:FGN/States/ LGC	20	-	-	-	-	-
-	FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-	-	-	-
224,000,000.00	Internal Loan	22	90,000,000.00	90,000,000.00	90,000,000.00	-	100.00
-	Development Loan Stock	23	-	-	-	-	-
-	Loan From Other Funds	24	-	-	-	-	-
<b>306,621,280.00</b>	<b>TOTAL REVENUE AVAILABLE:</b>		<b>125,924,972.59</b>	<b>664,076,417.00</b>	<b>664,076,417.00</b>	-	<b>18.96</b>
	<b><u>LESS: CAPITAL EXPENDITURE</u></b>						
120,086,497.45	Capital Expenditure:Administrative Sector:	12	26,820,000.00	124,000,000.00	124,000,000.00	-	21.63
88,207,747.00	Capital Expenditure: Economic Sector:	12	30,700,000.00	145,000,000.00	145,000,000.00	-	21.17
-	Capital Expenditure: Law and Justice:	12	-	-	-	-	-
-	Capital Expenditure:Regional Development	12	-	-	-	-	-
98,327,035.55	Capital Expenditure: Social Service Sector:	12	68,404,972.59	395,076,417.00	395,076,417.00	-	17.31
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-	-	-	-
<b>306,621,280.00</b>	<b>TOTAL CAPITAL EXPENDITURE:</b>		<b>125,924,972.59</b>	<b>664,076,417.00</b>	<b>664,076,417.00</b>	-	<b>18.96</b>
-	Intangible Assets		-				
-	<b>CLOSING BALANCE:</b>		-				



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**NOTE TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

<i>Details</i>					
<b>NOTE 1</b>	<b>Ref. Note</b>	<b>Amount</b>	<b>Amount</b>		<b>Remarks</b>
<b>A- Share of Statutory Allocation from FAAC</b>		<b>N</b>	<b>N</b>		
<i>Net Share of Statutory Allocation from FAAC</i>	<b>A</b>	1,138,551,748.50			
Add :Deduction at source for Loan Repayment	<b>B</b>	-			
<i>Share of Exchange Gain Differencial</i>	<b>C</b>	4,484,971.17			
Share of Federal Accounts Allocation- Excess Crude Oil	<b>D</b>	33,651,137.00			
<b>Non-oil Revenue</b>	<b>E</b>	37,013,339.08			
<b>Total FAAC Allocation to LG</b>			<b>1,213,701,195.75</b>		
<b>B. Value Added Tax</b>					
Share of Value Added Tax (VAT)		761,476,432.68	761,476,432.68		
<b>Total Statutory Allocation to LG</b>			<b>1,975,177,628.43</b>		
<b>NOTE 2</b>					
<b>Internally Generated Revenue (Independent Revenue)</b>		<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	
<b>Direct Taxes</b>					
Suleja local government Internal Revenue		-	700,000.00	700,000.00	
<b>Total - Direct Taxes</b>		-	<b>700,000.00</b>	<b>700,000.00</b>	
<b>Licences</b>					
Suleja local government Internal Revenue		88,157,291.00	77,930,000.00	- 10,227,291.00	
<b>Total Licences</b>		<b>88,157,291.00</b>	<b>77,930,000.00</b>	<b>- 10,227,291.00</b>	
<b>Mining Rents</b>					
Suleja local government Internal Revenue		-	-	-	
<b>Total Mining Rents</b>		-	-	-	
<b>Royalties</b>					
Suleja local government Internal Revenue		-	-	-	
<b>Total Royalties</b>		-	-	-	
<b>Fees</b>					
Suleja local government Internal Revenue		-	-	-	
<b>Total Fees</b>		-	-	-	
<b>Fines</b>					
Suleja local government Internal Revenue		-	-	-	
<b>Total Fines</b>		-	-	-	



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<b>Sales</b>					
Suleja local government Internal Revenue		-	-	-	
<b>Total Sales</b>		-	-	-	
<b>Earnings</b>					
Suleja local government Internal Revenue		76,326,185.00	126,600,000.00	50,273,815.00	
<b>Total Earnings</b>		<b>76,326,185.00</b>	<b>126,600,000.00</b>	<b>50,273,815.00</b>	
<b>Sales/Rent of Government Buildings</b>					
Suleja local government Internal Revenue		19,288,406.90	17,000,000.00	-	2,288,406.90
<b>Total Sales/Rent of Government Buildings</b>		<b>19,288,406.90</b>	<b>17,000,000.00</b>	<b>-</b>	<b>2,288,406.90</b>
<b>Sale/Rent on Lands and Others:</b>					
Suleja local government Internal Revenue		-	-	-	
<b>Total Sale/Rent on Lands and Others</b>		-	-	-	
<b>Rates</b>					
Suleja local government Internal Revenue		13,620,809.02	17,000,000.00	3,379,190.98	
<b>Total Rates</b>		<b>13,620,809.02</b>	<b>17,000,000.00</b>	<b>3,379,190.98</b>	
<b>Investment Income</b>					
Suleja local government Internal Revenue		-	-	-	
<b>Total Investment Income</b>		-	-	-	
<b>Interest Earned</b>					
Suleja local government Internal Revenue		-	700,000.00	700,000.00	
<b>Total Interest Earned</b>		-	<b>700,000.00</b>	<b>700,000.00</b>	
<b>10% IGR From State</b>					
Suleja local government Internal Revenue		25,723,459.41	147,447,704.00	121,724,244.59	
<b>Total 10% IGR From State</b>		<b>25,723,459.41</b>	<b>147,447,704.00</b>	<b>121,724,244.59</b>	
<b>Total - Independent Revenue</b>		<b>223,116,151.33</b>	<b>387,377,704.00</b>	<b>164,261,552.67</b>	



<b>NOTE 3</b>					
<b>Other Revenue Sources of L/Govt:</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Domestic Grants		-	-	-	
<b>Total Domestic Grants</b>		-	-	-	
Grant from other LGs		-	-	-	
<b>Total Grant from other LGs</b>		-	-	-	
<b>NOTE 4</b>					
<b>A - Total Personnel Costs ( Including Salaries directly charged to CRF in Note 4B below):</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		4,713,765.46	21,161,565.00	16,447,799.54	
The Council		25,468,269.60	46,668,390.00	21,200,120.40	
Office Of The Secretary		2,546,838.88	3,546,839.00	1,000,000.12	
Personnel Management		48,924,560.81	53,043,373.00	4,118,812.19	
<b>TOTAL Personnel Cost Administrative Sector</b>		<b>81,653,434.75</b>	<b>124,420,167.00</b>	<b>42,766,732.25</b>	
					CRF Charges in Note 3
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		53,639,740.68	68,911,341.00	15,271,600.32	
Budget, Planning & Research		2,398,996.15	5,817,225.00	3,418,228.85	
Works And Housing		24,287,386.57	35,894,601.00	11,607,214.43	
Agriculture And Natural Resources		23,642,634.40	36,266,086.00	12,623,451.60	
<b>TOTAL Personnel Cost Economic Sector</b>		<b>103,968,757.80</b>	<b>146,889,253.00</b>	<b>42,920,495.20</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		646,060,560.41	726,934,600.00	80,874,039.59	
Primary Health Cure		24,045,677.95	240,835,790.00	216,790,112.05	
Social Development		-	47,763,714.00	47,763,714.00	
Traditional Council		36,456,241.20	35,098,150.00	1,358,091.20	
<b>Total Personnel Cost Social Sector</b>		<b>706,562,479.56</b>	<b>1,050,632,254.00</b>	<b>344,069,774.44</b>	
<b>Total Personnel Cost For All Sectors</b>		<b>892,184,672.11</b>	<b>1,321,941,674.00</b>	<b>14,612,910.07</b>	
<b>B- Salaries directly charged to CRF( included in Note 4A above)</b>					
<b>List of Parastatals and Agencies:</b>					
Judges of Supreme Court of Nigeria		-	-	-	
Judges of Court of Appeal		-	-	-	
other Judges of Court in Nigeria		-	-	-	
Auditor -General for Federation		-	-	-	
Auditor -General for State		-	-	-	
Auditor -General for Local Government		-	-	-	
INEC Chairman and Commissioners		-	-	-	
e.t.c.		-	-	-	
<b>Total</b>		<b>892,184,672.11</b>	<b>1,321,941,674.00</b>	<b>14,612,910.07</b>	



<b>NOTE 5</b>					
<b>Employers Contribution to Pension according to Sector</b>					
Administrative Sector		-	-	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Employers Contribution to Pension</b>		-	-	-	
<b>NOTE 6</b>					
<b>Overhead Costs</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		174,424,084.00	166,000,000.00	- 8,424,084.00	
The Council		65,484,570.00	50,000,000.00	- 15,484,570.00	
Office Of The Secretary		4,838,000.00	7,000,000.00	2,162,000.00	
Personnel Management		34,725,000.00	27,000,000.00	- 7,725,000.00	
<b>Total Overhead Cost Administrative Sector</b>		<b>279,471,654.00</b>	<b>250,000,000.00</b>	<b>- 29,471,654.00</b>	
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		46,548,000.00	98,000,000.00	51,452,000.00	
Budget, Planning & Research		3,927,000.00	8,000,000.00	4,073,000.00	
Works And Housing		19,262,500.00	22,000,000.00	2,737,500.00	
Agriculture And Natural Resources		5,902,000.00	14,000,000.00	8,098,000.00	
<b>TOTAL Overhead Cost Economic Sector</b>		<b>75,639,500.00</b>	<b>142,000,000.00</b>	<b>66,360,500.00</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		6,270,000.00	7,000,000.00	730,000.00	
Primary Health Cure		2,820,000.00	18,000,000.00	15,180,000.00	
Social Development		-	10,500,000.00	10,500,000.00	
Traditional Council		968,000.00	5,000,000.00	4,032,000.00	
<b>Total Overhead Cost Social Sector</b>		<b>10,058,000.00</b>	<b>40,500,000.00</b>	<b>30,442,000.00</b>	
<b>Total Overhead Cost For All Sectors</b>		<b>365,169,154.00</b>	<b>432,500,000.00</b>	<b>67,330,846.00</b>	



<b>NOTE 7</b>					
<b>Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Monthly Pension		168,315,389.08	170,824,529.00	2,509,139.92	
<b>Total Consolidated Revenue Fund Charges</b>		<b>168,315,389.08</b>	<b>170,824,529.00</b>	<b>2,509,139.92</b>	
<b>NOTE 8</b>					
<b>Subventions to Parastatals (According to Sectors-List)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		28,800,000.00	28,800,000.00	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Subventions to Parastatals</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	
<b>NOTE 9</b>					
<b>Other Operating Activities</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		103,670,208.15	120,915,552.00	17,245,343.85	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Other Operating Activities</b>		<b>103,670,208.15</b>	<b>120,915,552.00</b>	<b>17,245,343.85</b>	
<b>NOTE 10</b>					
<b>Other Transfer</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		19,200,000.00	19,200,000.00	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		170,850,000.00	170,850,000.00	-	
<b>sub-total</b>		<b>190,050,000.00</b>	<b>190,050,000.00</b>	<b>-</b>	
Transfers to other local governments		327,049,947.37	327,049,947.37	-	
<b>Total Other Transfer</b>		<b>517,099,947.37</b>	<b>517,099,947.37</b>	<b>-</b>	





<b>NOTE 11</b>					
<b>Details of Aid &amp; Grants Received</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
<b>Bilateral</b>		-	-	-	
<b>Multi Lateral</b>		-	-	-	
<b>ETC</b>		-	-	-	
<b>Total Details of Aid &amp; Grants Received</b>		-	-	-	
<b>NOTE 12</b>					
<b>A - Details of Total Capital Expenditures (According to Sectors)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		26,820,000.00	124,000,000.00	97,180,000.00	
Economic Sector		30,700,000.00	145,000,000.00	114,300,000.00	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		68,404,972.59	395,076,417.00	326,671,444.41	
<b>Total Details of Capital Expenditures</b>		<b>125,924,972.59</b>	<b>664,076,417.00</b>	<b>538,151,444.41</b>	
<b>B - Details of Capital Expenditures of Parastatals (Included in 12A above)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		-	-	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Details of Capital Expenditures of Parastatals</b>		-	-	-	
<b>NOTE 13</b>					
<b>CLOSING BOOK BALANCES OF OTHER FUNDS OF THE GOVERNMENT</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the Other Funds Cash Book Balances		-	-		
<b>NOTE 14</b>					
<b>CLOSING CASH BOOK BALANCE OF FEDERAL PAY OFFICES/SUB-TREASURY OFFICES</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the FPO/Sub-Treasuries Cash Book Balances		-	-		



<b>NOTE 15</b>					
<b>CLOSING CASH BOOK BALANCE OF SULEJA LOCAL GOVERNMENT</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Suleja Local Government		1,948,994.48	50,946,818.34		
<b>Total Details of Cash Book Balances</b>		<b>1,948,994.48</b>	<b>50,946,818.34</b>		
<b>NOTE 16</b>					
<b>INVESTMENTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Investments in Quoted Companies		-	-		
Investments in unQuoted Companies		-	-		
Loans to Government Companies		-	-		
Loans to Other Government		-	-		
<b>Total Investments</b>		<b>-</b>	<b>-</b>		
<b>NOTE 17</b>					
<b>LIST OF OUTSTANDING IMPRESTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Imprests</b>		<b>-</b>	<b>-</b>		
<b>NOTE 18</b>					
<b>LIST OF OUTSTANDING ADVANCES</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Advances</b>		<b>-</b>	<b>-</b>		
<b>NOTE 19</b>					
<b>Revolving Loan Account</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



<b>NOTE 20</b>					
<b>External Loans:FGN/States/ LGC</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 21</b>					
<b>FGN/ States/LGC Bonds &amp; Treasury Bonds.</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 22</b>					
<b>Internal Loan</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>Opening balance at as 1st january, 2021</b>		192,000,000.00	-		
Add: Additional Loan Issued		90,000,000.00	224,000,000.00		
Less: Repaid		136,127,260.32	32,000,000.00		
<b>Loans as at 31st December, 2021</b>		<b>145,872,739.68</b>	<b>192,000,000.00</b>		
<b>NOTE 23</b>					
<b>Development Loan Stock</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-



<b>NOTE 24</b>					
<b>Internal Loans from Other Funds</b>					
List the Loans		<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 25</b>					
<b>Schedule of Deposit</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Suleja Local Government		5,750,387.75	5,750,387.75		
<b>Total Outstanding Deposits</b>		<b>5,750,387.75</b>	<b>5,750,387.75</b>		
<b>Details Of Deposits</b>					
PAYEE		69,347.11	69,347.11		
5% INCOME TAX		588,387.52	588,387.52		
5% VAT		4,364,339.95	4,364,339.95		
RETENTION FEES		728,313.17	728,313.17		
<b>TOTAL</b>		<b>5,750,387.75</b>	<b>5,750,387.75</b>		
<b>NOTE 26</b>					
<b>Schedule of Overdrawn accounts</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
Suleja Local Government		-	-		
<b>Total Overdrawn account</b>		<b>-</b>	<b>-</b>		
<b>NOTE 27</b>					
<b>CONTINGENT LIABILITES AS AT YEAR END</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>E.G.</b>				<b>List All the Contigent Liabilities</b>	
... Pension and Gratuity Due		-	-		
....Outstanding Contractors Liabilities ( According to MDA)		-	-		
.....Pending Litigations ( According to MDA)		-	-		
.....Guarantees ( According to MDA)		-	-		
..... Others		-	-		
<b>Total Contigent Liabilities</b>		<b>-</b>	<b>-</b>		



1	<b>GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)</b>		
		<b>2021</b>	<b>2020</b>
	<b>MONTH</b>	<b>TOTAL</b>	<b>TOTAL</b>
	JANUARY	147,606,483.87	169,860,642.07
	FEBRUARY	154,303,511.36	156,738,096.79
	MARCH	127,423,004.87	140,512,384.23
	APRIL	145,634,586.59	160,242,204.30
	MAY	159,185,717.00	147,580,091.92
	JUNE	154,693,723.36	134,531,509.42
	JULY	178,928,997.61	163,507,889.33
	AUGUST	178,928,997.61	167,790,800.62
	SEPTEMBER	180,909,027.24	167,018,387.54
	OCTOBER	188,379,063.58	156,283,427.53
	NOVEMBER	179,623,870.01	141,001,653.39
	DECEMBER	179,560,645.33	141,289,259.20
<b>TOTAL</b>	<b>1,975,177,628.43</b>	<b>1,846,356,346.34</b>	
	<b>INTERNELLY GENERATED REVENUE 2021</b>		
	<b>DETAILS</b>	<b>AMOUNT</b>	
	Taxes	-	
	Rates	13,620,809.02	
	Lincences	88,157,291.00	
	Earning	76,326,185.00	
	Rent	19,288,406.90	
	interest	-	
	10% IGR From State	25,723,459.41	
	<b>TOTAL</b>	<b>223,116,151.33</b>	

## 1.1 INTRODUCTION

In compliance with the provision of section 125 (2) of 1999 Constitution of the Federal Republic of Nigeria and Niger State Local Government Law (N.S.L.N. No. 14) of 2001, I have examined the Accounts and Financial Statement of Suleja Local Government for the year ended 31<sup>st</sup> December, 2021 in accordance with the Public Finance (Control Management Act. 1958).

I have therefore certified the accounts as correct subject to various observations raised and contained in this report while the irregularities discovered thereon had been forwarded through Audit Inspection reports to the attached for Accounting officer`s comments and necessary actions

## 2.0 FINANCIAL HIGHLIGHTS

RECEIPTS DESCRIPTION	AMOUNT (?)	PERCENTAGE
Internally Generated Revenue	197,392,691.92	8.63%
10% IGR	25,723,459.41	1.12%
VAT	761,476,432.68	33.28%
Exchange Gain Differentials	4,484,971.17	0.19%
Excess Crude Oil	33,651,137.00	1.47%
Non-Oil Revenue	37,013,339.08	1.62%
Statutory Allocation	1,138,551,748.50	49.76%
Project Finance Loan	90,000,000.00	3.93%
	<b><u>2,288,293,779.76</u></b>	<b><u>100.00%</u></b>

## 2.1 ANALYSIS OF REVENUE AND EXPENDITURE

### 2.1.1 REVENUE

The sum of ? 2,288,293,779.76 accrued to the Suleja Local Government Council as total receipts for the year ended 31<sup>st</sup> December, 2021

#### 2.1.1.1 INTERNALLY GENERATED REVENUE

Suleja Local Government Council Generated the sum of ? 197,392,691.92 and ? 25,723,459.41 As Internally Generated Revenue and 10% IGR from State this amounted to ? 223,116,151.33 only for the year ended 31<sup>st</sup> December, 2021 which represented 9.75% of the total accrued revenue of ? 2,288,293,779.76. This shows that the council solely depend on statutory allocation from the Federation Account and Grants from other sources for survival despite several advice to improve and explore other source of revenue for the council. In addition, I frown at the situation where the IGR cannot cover the total Recurrent Expenditure. This could result to non-survival of the councils if there is a decline of revenue from the Federation Account.

The Council promised to look for other ways of improving collections of its internally generated revenue.

I advised that the councils should make up extra efforts to generate more in the years ahead.



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**2.1.1.2 FEDERAL STATUTORY ALLOCATION**

The sum of ₦ 1,138,551,748.50 which is 49.76% of the total receipts of ₦ 2,288,293,779.76 was disbursed to Suleja Local Government Council for the year under review. This sum comprises the followings:

- i. VAT
- ii. Exchange Gain Differentials
- iii. Excess Crude
- iv. Non-Oil Revenue
- v. Statutory Allocation

**2.1.2 EXPENDITURE****2.1.2.1 ANALYSIS OF EXPENDITURE**

The total sum of ₦ 2,288,293,779.76 was allocated directly to Suleja Local Government Council and expended as follows:

DETAILS	AMOUNT (₦)	PERCENTAGE
Personnel cost	892,184,672.11	42.26%
Overhead cost	365,169,154.00	8.27%
Consolidated Fund charges	168,315,389.08	4.87%
Operating Activities	103,670,208.15	24.39%
Other Transfers	517,099,947.37	2.71%
Contributions	28,800,000.00	4.05%
Repayment of Loans	136,127,260.32	1.27%
Capital expenditure	125,924,972.59	12.18%
	<b><u>2,337,291,603.62</u></b>	<b><u>100.00%</u></b>

**3.0 WEAKNESSES IN THE INTERNAL CONTROL SYSTEM**

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

**3.1 Unsupported payments by third party documentation**

I observed that some of the payment vouchers raised were not having documentary evidences such as delivery notes, Stores Received Vouchers, Stores Issues Vouchers, receipts etc. to justify the payments made. This implies some of the payments were made for goods not delivered or services not rendered.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

I advised the Council to ensure that all payments are supported appropriately.



### 3.2. Unremitted WHT, VAT and STAMPDUTIES Deductions

During the course of my audit, I observed that Suleja Local Government Council had not remitted ₦ 4,952,727.47 to the appropriate authorities as at 31 December 2021. The outstanding amount comprises ₦ 588,387.52 in respect of WHT and ₦ 4,364,339.95 in respect of VAT.

This exposes the Local Government Council to the risk of payment of fines and penalties for late remittance.

I advised the Council to remit the outstanding deductions immediately and in future, the Council should ensure all deductions are made and remitted in accordance with the relevant guidelines.

Management acknowledged and promised to remit the outstanding deductions as soon as funds are available and that in future, they will effect deductions on all contracts and remit the deductions in accordance with the provisions of the law.

### 3.3. Payment Vouchers not checked nor passed by the Internal Audit Unit.

During the course of our audit exercise, it was observed that despite being raised in our previous reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued in some cases which contravenes Chapter 14, section 1-19 of Model Financial Memoranda. The non-compliance was evidenced by the Payment Vouchers which were prepared and paid out without endorsement by the Internal Audit Unit and Officer Controlling the Vote and Checks by the Accounting Officer. This exposes the Council to fraudulent practices. I advised the Council to adhere strictly to the provisions of the Model Financial Memoranda.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memoranda.

I advised management to comply with the provisions of the Model Financial Memorandum when processing payments.

### 3.4. Non-maintenance of Fixed/Moveable Asset register.

A Fixed Assets Register is a management tool to monitor and control use of assets. However, as pointed out in my previous reports, Suleja Local Council did not maintain an up-to-date Fixed Assets Register during the year under review.

The risk of non-maintenance of Fixed Assets Register is that the council may not be able to detect misuse and loss of its assets on time.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

I advised the Council to ensure that an up-to-date Fixed Assets/Movable Assets Register is maintained.





**3.2. Non-maintenance of Loan/Overdraft Register/Ledger.**

We observed that Suleja Local Government Council did not maintain Loans/Overdraft Register/Ledger during the year.

The risk is that the Council may not be able to reconcile loan balances with the lenders leading to overpayments or fines and penalties for under payments.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

We recommend that the Council should immediately open and maintain Loans Register.

**4.0 BUDGETARY CONTROL****4.1 REVENUE COMPARISON**

During the year under review, there was a shortfall in the target of Internally Generated Revenue in Suleja Local Government Council in all revenue codes as shown below:

**SULEJA LOCAL GOVERNMENT BUDGETED INTERNALLY GENERATED REVENUE COMPARED WITH ACTUAL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**

S/N	CODES	DETAILS	BUDGET ?	ACTUAL ?	SHORTFALL ?
1	12010000	Taxes	700,000.00	-	(700,000.00)
2	12021700	Rates	17,000,000.00	13,620,809.02	(3,379,190.98)
3	12021300	Local Licenses, Fees, and Fine	77,930,000.00	88,157,291.00	10,227,291.00
4	12021500	Earning from Commercial undertakings	126,600,000.00	76,326,185.00	(50,273,815.00)
5	12021600	Rent on Local Government Properties	17,000,000.00	19,288,406.90	2,288,406.90
6	12021100	Interest	700,000.00	-	(700,000.00)
<b>TOTAL</b>			<b>239,930,000</b>	<b>197,392,691.92</b>	<b>(42,537,308.08)</b>

From the above table, it clearly shows that the Council solely relies on Statutory Allocation from the Federation Account for its survival. Although, when comparing the total budgeted amount of ? 239,430,000.00 with actual Internally Generated Revenue of ? 197,392,691.92 the council recorded a shortfall of ? 42,537,308.08 during the year under review.



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

- i. Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- ii. Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- iii. Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- iv. Control over issuance of revenue receipts
- v. Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.
- vi. The Council should ensure that realistic budgets are prepared.

## **4.2 RECURRENT EXPENDITURE**

### **4.2.1 PERSONNEL COST**

As regards to the personnel cost, it was observed that, the sum of ₦ 1,063,868,930.93 and ₦ 892,184,672.11 was spent as personnel cost in 2020 and 2021 respectively with a decrease of ₦ 171,684,258.82 over the previous year. The decrease represents 16.14% of personnel cost for the year under review.

### **4.2.2 CAPITAL EXPENDITURE**

#### **4.2.2.1 CAPITAL PROJECT**

During the year under review, it was observed that the sum of ₦ 125,924,972.59 was spent on Capital project by Suleja Local Government Council. This was made by the Council to boost the developmental activities in the rural areas in which various projects were executed and some were still in progress. Though approved capital expenditure estimate was ₦ 664,076,417.00, only the sum of ₦ 125,924,972.59 representing 18.96% was expended leading to a variance of ₦ 538,151,444.41.

I advised the Council to ensure that estimates should be based on realistic and cognizance of environmental factors, and the cash flows should be adequately monitored in order to reduce unnecessary expenses on overhead and give priority to project execution.

## **5.0 ANALYSIS OF ASSETS AND LIABILITIES**

### **5.1 ASSETS**

#### **5.1.1 CASH AND ITS EQUIVALENTS**

The closing cash and its equivalents amounted to the sum of ₦ 1,948,994.48k for Suleja Local Government as at 31<sup>st</sup> December, 2021.

### **5.2. LIABILITIES**

#### **5.2.1. DEPOSITS**



Deposits comprise unremitted statutory deductions and bank overdrafts as explained below.

#### **5.2.1.1 UNREMITTED DEDUCTIONS**

The balance on the unremitted deductions account was ₦ 5,750,387.75 as at 31<sup>st</sup> December, 2021. The unremitted deductions include deductions from payments made on behalf of Government Agencies and various other bodies by the Local Government which ought to be promptly remitted to the appropriate authorities.

The management of Suleja Local Government Council has been advised to ensure that all Deposits are remitted timely to avoid accumulating liabilities and attracting fines and penalties for the Local Government.

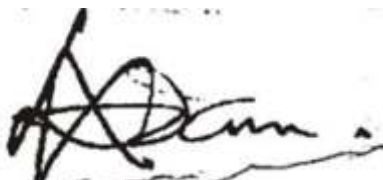
#### **5.2.1.2. BANK OVERDRAFTS**

The Council did not have any bank overdrafts at the end of the financial year under review.

### **6.0 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, 2021

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



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# TAFA LOCAL GOVERNMENT COUNCIL

*Department Of Finance & Supply*

Local Government Secretariat  
Sabon Wuse,  
P. M. B. 29, Suleja.  
Niger State.

## STATEMENT NO. 1

### STATEMENT OF FINANCIAL RESPONSIBILITY

These Financial Statements have been prepared by the Accountant of TAFA Local Government Council in accordance with the Provisions of the Finance (Council and Management) Act. 1958 as amended. The Financial Statements comply with generally accepted accounting practices.

The treasury is responsible for the establishing and maintaining a system of internal controls designed to provide reasonable assurance that the transactions seconded are within statutory authority and properly record the use of all public resources by the Local Government Council. To the best of my knowledge, his system of control has operated adequately throughout the reporting period.

Sign: \_\_\_\_\_  
Director Finance



Date: 31<sup>st</sup> Dec, 2021

We accept responsibility for these Financial Statements, the information they contain 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 Government as at 31<sup>st</sup> DECEMBER, 2021 and its operations for the year ended on the date.

Director Finance  
Date: 31<sup>st</sup> Dec 2021



Chairman  
Date: 31<sup>st</sup> Dec 2021

\_\_\_\_\_ 2021  
Chairman  
Date: 31<sup>st</sup> Dec 2021



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# NIGER STATE GOVERNMENT

## TAFA LOCAL GOVERNMENT COUNCIL ACCOUNTING POLICIES (IPSAS CASH)

**ISSUED BY**

**OFFICE OF THE DIRECTOR FINANCE**

**TAFA LOCAL GOVERNMENT COUNCIL**

**2021**



## List of Abbreviations/Acronyms

Abbreviation/Term	Description
CBN	Central Bank of Nigeria
COA	Chart of Account
FAAC	Federation Accounts Allocation Committee
FGN	Federal Government of Nigeria
FRC	Financial Reporting Council
GAAP	Generally Accepted Accounting Principles
GPFS	General Purpose Financial Statement
IPSAS	International Public Sector Accounting Standards
LFN	Law of the Federal Republic of Nigeria
LGC	Local Government Council
NCOA	National Chart of Account
GBE	Government Business Enterprises
FRCON	Financial Reporting Council of Nigeria
PPE	Properties, Plants and Equipment





**Introduction**

In line with the adoption of the International Public Sector Accounting Standards (IPSAS) in Nigeria, a Standardised Chart of Account (COA) alongside a set of General Purpose Financial Statements (GPFS) have been designed and introduced by FAAC for adoption by all tiers of Government in Nigeria.

The standardised COA and the GPFS is hereby adopted by Tafa Local Government Council to comply with FAAC directive to harmonise public sector accounts reporting in Nigeria.

In order to ensure an effective and efficient utilisation of the COA and GPFS, the Accounting Policies have been developed as a set of guidelines to direct the Processes and Procedures relating to financial reporting in Tafa Local Government Council.

These policies shall form part of the universally agreed framework for financial reporting in Tafa Local Government Council.

**IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when Cash (including Cash Equivalents) is received or paid by the Local Government. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of Cash raised during the period, the purposes for which Cash was used and the Cash balances at the reporting date. The measurement focus in the GPFS balances are Cash and changes during the period. Therefore, Bank Reconciliation Statement shall form integral part of periodic Reports in Tafa Local Government Council.

Notes to the GPFS provide additional information about liabilities, including payables and borrowings, and non-cash assets that include receivables, investments and property, plant and equipment.

This Accounting Policy addresses the following fundamental accounting issues:

1. Definition of Accounting Terminologies
2. Recognition of Accounting Items
3. Measurement of Accounting Items
4. Treatment of Accounting items

The Accounting Policy is subject to periodic reviews and updates as shall be deemed necessary by the Director Finance, Tafa Local Government Council.





S/N	<b>Accounting Policies:</b>	<b>2 General Purpose Financial Statements (GPFS)</b>
1	<p><b>Accounting Terminologies / Definitions</b></p> <ul style="list-style-type: none"> <li>I. <b>Accounting policies</b> are the specific principles, bases, conventions, rules and practices adopted by Tafa Local Government Council in preparing and presenting Financial Statements.</li> <li>II. <b>Cash:</b> Cash comprises cash in hand, demand deposits in financial institutions and cash equivalents.</li> <li>III. <b>Cash equivalents</b> are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.</li> <li>IV. <b>Cash basis</b> means a basis of accounting that recognizes transactions and other events only when cash is received or paid.</li> <li>V. <b>Cash flows</b> are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.</li> <li>VI. <b>Cash receipts</b> are cash inflows.</li> <li>VII. <b>Cash payments</b> are cash outflows.</li> <li>VIII. <b>Cash Controlled by Tafa Local Government Council:</b> Cash is deemed to be controlled by Tafa Local Government Council when the government can freely use the available cash for the achievement of its objectives or enjoy benefit from the cash, and can also exclude or regulate the access of others to that benefit. Cash collected by, or appropriated or granted to the government which the government can freely use to fund its operating objectives, such as acquiring of capital assets or repaying its debt is controlled by the government.</li> <li>IX. <b>Notes to the GPFS</b> shall include narrative descriptions or more detailed schedules or analyses of amounts shown on the face of the GPFS, as well as additional information</li> </ul>	<p>The GPFS comprise of Statement of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by Tafa Local Government Council and Accounting Policies and Notes to the Financial Statements. In Tafa Local Government Council, the GPFS Accounting Policy include the following:</p> <ul style="list-style-type: none"> <li>I. Statement 1 - Cash Flow Statements: Statement of Cash Receipts and Payments which: <ul style="list-style-type: none"> <li>▪ recognizes all Cash Receipts, Cash Payments and Cash Balances controlled by Tafa Local Government Council; and</li> <li>▪ separately identifies payments made by third parties on behalf of Tafa Local Government Council.</li> </ul> </li> <li>II. Statement 2 - Statement of Assets and Liabilities: Statement of Financial Position (also known as Balance Sheet);</li> <li>III. Statement 3 - Statement of Consolidated Revenue Fund: Statement of Recurrent Financial Performance (also known as Profit &amp; Loss Account);</li> <li>IV. Statement 4- Statement of Capital Development Fund: Statement of Capital Financial Performance (also known as Capital Expenditure);</li> <li>V. Notes to the Accounts: Additional disclosures to explain the GPFS; and</li> <li>VI. Accounting Policies and Explanatory Notes.</li> </ul>



<p><b>3 Basis of Preparation and Legal Provisions</b></p> <p>The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, GPFS are in compliance with the provisions of other financial regulations of Tafa Local Government Council.</p>	<p><b>6 Reporting Currency</b></p> <p>The General Purpose GPFS are prepared in Nigerian Naira.</p>
<p><b>4 Fundamental Accounting Concepts</b></p> <p>The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in Tafa Local Government Council</p> <ul style="list-style-type: none"> <li>? Cash Basis of Accounting;</li> <li>? Understability;</li> <li>? Materiality,</li> <li>? Relevance;</li> <li>? Going Concern Concept;</li> <li>? Consistency Concept</li> <li>? Prudence</li> <li>? Completeness, etc.</li> </ul>	<p><b>7 LGC for Consolidation</b></p> <ul style="list-style-type: none"> <li>▪ The Consolidation of the GPFS are based on the Cash transactions of Tafa Local Government Council except Government Business Enterprises (GBEs).</li> </ul> <p><b>8 Comparative Information</b></p> <ul style="list-style-type: none"> <li>▪ The General Purpose GPFS shall disclose all numerical information relating to previous period (at least one year).</li> </ul>
<p><b>5 Accounting Period</b></p> <p>The accounting year (fiscal year) is from 1<sup>st</sup> January to 31<sup>st</sup> December. Each accounting year is divided into 12 calendar months (periods) and shall be set up as such in the accounting system.</p>	<p><b>9 Budget Figures</b></p> <ul style="list-style-type: none"> <li>▪ These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation Law of Niger State.</li> </ul> <p><b>10 Receipts</b></p> <ul style="list-style-type: none"> <li>? These are Cash inflows within the Financial Year. They comprise of receipts from Statutory Allocations (FAAC monthly disbursement), Taxes, External Assistance (from Bilateral and Multilateral Agencies), Other Aid and Grants, Other Borrowings, Capital Receipts (Sale of Government Assets, etc), Receipts from Trading activities and Other Cash Receipts.</li> <li>? These items shall be disclosed at the face of the Statement of Cash Receipts and Payment for the year in accordance with the standardised GPFS. Notes shall be provided as per standardised Notes to GPFS.</li> </ul>



<p><b>11 External Assistance</b></p> <ul style="list-style-type: none"> <li>? Receipts from Loans are Funds received from external sources to be paid back at an agreed period of time. They are categorised either as Bilateral or Multilateral.</li> <li>? External Loans receipts shall be disclosed separately under Statement of Cash Receipts and Payment for the year.</li> <li>? The Local Governments did not receive external assistance during the two year.</li> </ul>	<p><b>15 Payments</b></p> <ul style="list-style-type: none"> <li>▪ These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorised either by Function and/or by Sector in the Statement of Cash Receipts and Payment.</li> <li>▪ Payments for purchase of items of capital nature( e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.</li> </ul>
<p><b>12 Other Borrowings / Grants&amp; Aid Received</b></p> <ul style="list-style-type: none"> <li>▪ These shall be categorised as either Short or Long term Loans.Short-Term Loans are those repayable within one calendar year (12 months), while Long - Term Loans and Debts shall fall due beyond one calendar year (above 12 months).Loans shall be disclosed separately and Grants shall also be separately disclosed under Statement of Cash Receipts and Payment for the year.</li> </ul>	<p><b>16 Loans Granted:</b></p> <ul style="list-style-type: none"> <li>▪ Payments to other Government and Agencies in form of Loans during the year shall be shown separately in the Statement of Receipts and Payments. Amount disclosed shall be actual amount paid during the year.</li> <li>▪ The Local Governments did not give any loan during the two year.</li> </ul>
<p><b>13 Interest Received</b></p> <ul style="list-style-type: none"> <li>? Interest actually received during the financial year shall be treated as a receipt</li> </ul>	<p><b>17 Loan Repayments</b></p> <p>Cash receipts from loans granted to other agencies and government shall be classified under loan repayments in the Statement of Receipts and Payments . Amount disclosed shall be actual amount received during the year.</p>
<p><b>14 Government Business Activities</b></p> <p>Cash Receipts from Trading Activities shall be received net (after deducting direct expenses) unless otherwise provided for by law or policy in force. Total receipts from all trading activities shall be disclosed in the Statement of Cash Receipts and Payments under 'Trading Activities' item.</p> <p>Where gross revenue is received, corresponding payments shall be charged under a corresponding payment item head ' Government Business Activities' in the Statement of Receipts and Payments.</p>	<p><b>18 Interest on Loans:</b></p> <ul style="list-style-type: none"> <li>▪ Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest payment in the Statement of Cash Receipts and Payments</li> </ul>



19	<p><b>Foreign Currency Transactions:</b></p> <ul style="list-style-type: none"> <li>▪ Foreign Currency Transactions throughout the year shall be converted into Nigerian Naira at the ruling (Central Bank of Nigeria –CBN) rate of exchange at the dates of the transactions. Foreign currency balances, as at the year end, shall be translated at the exchange rates prevailing on that date.</li> <li>▪ At the end of the financial year, additional amounts (in cash or at bank) arising out of Foreign Exchange Gains/Losses shall be recognised in the Statement of Cash Receipts and Payments either as Receipts / Payments respectively.</li> <li>▪ Hence the Tafa Local Government Council did not have foreign currency transactions during the two year.</li> </ul>
20	<p><b>Prepayments</b></p> <ul style="list-style-type: none"> <li>▪ Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.</li> <li>▪ The Local Governments did not make prepayment to contractors during the two year.</li> </ul>
21	<p><b>Cash Balances</b></p> <p>This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.</p>

**COUNCIL OFFICIALS**

- COUNCIL MEMBERS DESIGNATION:**

Honourable Ibrahim Mami

Executive Chairman

Honourable Abraham B. Shanshi

Secretary

- HEAD OF DEPARTMENTS:**

<b>NAMES:</b>	<b>DEPARTMENTS</b>	<b>DESIGNATION</b>
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.



NIGER STATE

**AUDIT CERTIFICATE**

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, 2020 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 State Local Government Joint Account Allocation Committee are indicated in the Supplementary Note 1 to the Accounts. In my opinion, the Supplementary Note 1 to accounts presents fairly, in all material respects, the revenue from Federation Account received by Tafa Local Government during the year ended December 31st, 2020.

In my opinion, the Financial Statements which are in agreement with the books of accounts and record shows a true and fair view of the financial position of the Tafa Local Government for the year ended 31st December, 2020 and the transactions for the year ended at that date.



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



**STATEMENT NO. 1**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ANNUAL BUDGET 2021 N		COA	NOTES	ACTUAL YEAR 2021	PREVIOUS YEAR 2020
				N	N
	<b>CashFlows from Operating Activities:</b>				
	<u>Receipts:</u>				
1,227,703,942.00	Statutory Allocations:FAAC		1	976,299,482.74	1,462,136,582.32
447,924,103.00	Value Added Tax Allocation		1	572,478,016.99	-
<b>1,675,628,045.00</b>	<b>Sub-total - Statutory Allocation</b>			<b>1,548,777,499.73</b>	<b>1,462,136,582.32</b>
-	Direct Taxes		2	-	-
10,206,480.00	Licences		2	24,336,866.92	8,556,190.00
-	Mining Rents:		2	-	-
-	Royalties		2	-	-
-	Fees:		2	-	-
-	Fines		2	-	-
-	Sales		2	-	-
2,653,350.00	Earnings :		2	7,595,000.00	1,487,260.00
670,000.00	Sales/Rent of Government Buildings:		2	400,000.00	-
-	Sale/Rent on Lands and Others:		2	-	-
10,278,000.00	Rates		2	6,776,600.00	3,959,010.00
-	Investment Income		2	-	-
-	Interest Earned		2	76,187.24	-
147,447,704.00	10% IGR From State		2	25,723,459.41	22,002,508.32
<b>171,255,534.00</b>	<b>Sub-total - Independent Revenue</b>			<b>64,908,113.57</b>	<b>36,004,968.32</b>
	<b>Other Revenue Sources of L/Government</b>				
-	Domestic Grants		3	-	21,747,549.18
-	Grants From other LGs		3	-	-
<b>1,846,883,579.00</b>	<b>Total Receipts</b>			<b>1,613,685,613.30</b>	<b>1,519,889,099.82</b>
	<u>Payments:</u>				
905,624,353.00	Personnel Costs ( Including Salaries on CRF Charges):		4	713,985,360.08	702,821,634.94
-	Federal/ States/ LGC Govt Contribution to Pension:		5	-	-
424,887,611.00	Overhead Charges:		6	196,450,374.37	252,155,606.68
86,303,889.00	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)		7	78,051,883.72	63,553,147.66
28,800,000.00	Subvention to Parastatals:		8	28,800,000.00	102,000,000.00
58,509,380.00	Other Operating Activities		9	106,891,442.47	173,853,939.78
344,926,931.09	Other Transfers		10	344,926,931.09	183,137,119.09
				-	-
<b>1,849,052,164.09</b>	<b>Total Payments</b>			<b>1,469,105,991.73</b>	<b>1,477,521,448.15</b>
<b>-2,168,585.09</b>	<b>Net Cash Flow from Operating Activities</b>			<b>144,579,621.57</b>	<b>42,367,651.67</b>







	<b>CashFlows from Investment Activities:</b>				
53,150,860.00	Capital Expenditure:Administrative Sector:		12	13,000,000.00	101,080,000.00
359,757,014.00	Capital Expenditure: Economic Sector:		12	13,472,000.00	129,920,000.00
-	Capital Expenditure: Law and Justice:		12	-	-
-	Capital Expenditure:Regional Development		12	-	-
166,077,419.00	capital expenditure: Social Service Sector:		12	17,362,000.00	30,093,698.09
-	Capital Expenditure: Funded from Aid and Grants:		11	-	-
<b>578,985,293.00</b>	<b>Net Cash Flow from Investment Activities:</b>			<b>43,834,000.00</b>	<b>261,093,698.09</b>
	<b>CashFlows from Financing Activities:</b>				
-	Proceeds from Aid and Grants		11	-	-
-	Proceeds from ExternaL Loan :		20	-	-
-	Proceeds from Internal Loans: FGN/Treasury Bonds :		21	-	-
-	Proceeds from InternaL Loan		22	-	224,000,000.00
-	Proceeds from Development of Nat Resources		23	-	-
-	Proceeds of Loans from Other Funds		24	-	-
-	Repayment of External Loans ( Including Servicing)		20	-	-
-	Repayment of FGN/Treasury Bonds :		21	-	-
96,000,000.00	Repayment of Internal Loan		22	96,000,000.00	- 40,000,000.00
-	Repayment of Loans from Development of Nat Resources		23	-	-
	Repayment of Loans from Other Funds		24	-	-
<b>96,000,000.00</b>	<b>Net Cash Flow from Financing Activities:</b>			<b>96,000,000.00</b>	<b>184,000,000.00</b>
	<b>Movement in Other Cash Equivalent Accounts</b>				
-	(Increase)/ Decrease in Investments			-	-
-	Net (Increase)/Decrease in Other Cash Equivalents:			-	-
-	<b>Total Cashflow from other Cash equivalent Accounts</b>			<b>-</b>	<b>-</b>
	Net Cash for the year			4,745,621.57	- 34,726,046.42
-	Cash & Its Equivalent as at 1st January, 2021			1,135,019.42	35,861,065.84
-	Cash & Its Equivalent as at 31st December, 2021			<b>5,880,640.99</b>	<b>1,135,019.42</b>

**STATEMENT NO. 2**  
**STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	NOTES	CURRENT YEAR 2021 N	PREVIOUS YEAR 2020 N
<b>ASSETS:-</b>			
<b>Liquid Assets:-</b>			
Cash Held by AGF:			
-CRF Bank Balance(CBN/ CRF Bank):		-	-
-Pension Account (CBN/ Bank):		-	-
-Other Bank of the Treasury		-	-
-Cash Balances of Trust & Other Funds of the FGN/ States/LGC:		-	-
-Cash Balances with Federal Pay Offices/ Sub-Treasury:		-	-
Cash Held by Agaie Local Government	15	5,880,640.99	1,135,019.42
<b>TOTAL LIQUID ASSETS</b>		<b>5,880,640.99</b>	<b>1,135,019.42</b>
<b>Investments and Other Cash Assets:</b>			
Federal/ State/ Local Government Investments	16	-	-
Imprests:-	17	-	-
Advances:-	18	-	-
Revolving Loans Granted:-	19	-	-
Intangible Assets		-	-
<b>TOTAL INVESTMENTS AND OTHER CASH ASSETS</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>5,880,640.99</b>	<b>1,135,019.42</b>
<b>LIABILITIES OVER ASSETS</b>		<b>93,627,871.63</b>	<b>153,742,960.51</b>
<b>TOTAL</b>		<b>99,508,512.62</b>	<b>154,877,979.93</b>
<b>LIABILITIES:-</b>			
<b>PUBLIC FUNDS</b>			
Consolidated Revenue Fund:		5,880,640.99	33,611,027.00
Capital Development Fund:		-	-
Trust & Other Public Funds:		-	-
Police Reward Fund		-	-
<b>TOTAL PUBLIC FUNDS</b>		<b>5,880,640.99</b>	<b>33,611,027.00</b>
<b>EXTERNAL AND INTERNAL LOANS</b>			
External Loans:FGN/States/ LGC	20	-	-
FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-
internal Loans	22	88,000,000.00	184,000,000.00
Development Loan Stock	23	-	-
Loan From other Funds	24	-	-
Internal Loans from Other Funds		-	-
<b>TOTAL EXTERNAL AND INTERNAL LOANS</b>		<b>88,000,000.00</b>	<b>184,000,000.00</b>
<b>OTHER LIABILITIES</b>			
Deposits:-	25	5,627,871.63	4,489,006.93
Overdrawn accounts	26	-	-
<b>TOTAL LIABILITIES</b>		<b>99,508,512.62</b>	<b>154,877,979.93</b>



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## STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021

ACTUAL PREVIOUS YEAR(2020)		NOTES	ACTUAL YEAR 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	VARIANCE ON FINAL BUDGET
			N	N	N	N	%
35,861,065.84	Opening Balance:		1,135,019.42				
	<b>ADD: REVENUE</b>						
1,462,136,582.32	Statutory Allocations:FAAC	1	976,299,482.74	1,227,703,942.00	1,227,703,942.00	-	79.52
-	Value Added Tax Allocation	1	572,478,016.99	447,924,103.00	447,924,103.00	-	-
<b>1,497,997,648.16</b>	<b>Sub-Total - Statutory Allocation</b>		<b>1,548,777,499.73</b>	<b>1,675,628,045.00</b>	<b>1,675,628,045.00</b>	-	-
-	Direct Taxes	2	-	-	-	-	-
8,556,190.00	Licences	2	24,336,866.92	10,206,480.00	10,206,480.00	-	238.45
-	Mining Rents:	2	-	-	-	-	-
-	Royalties	2	-	-	-	-	-
-	Fees:	2	-	-	-	-	-
-	Fines	2	-	-	-	-	-
-	Sales	2	-	-	-	-	-
1,487,260.00	Earnings :	2	7,595,000.00	2,653,350.00	2,653,350.00	-	286.24
-	Sales/Rent of Government Buildings:	2	400,000.00	670,000.00	670,000.00	-	-
-	Sale/Rent on Lands and Others:	2	-	-	-	-	-
3,959,010.00	RATES	2	6,776,600.00	10,278,000.00	10,278,000.00	-	65.93
-	Investment Income	2	-	-	-	-	-
-	Interest Earned	2	76,187.24	-	-	-	-
22,002,508.32	10% IGR From State	2	25,723,459.41	147,447,704.00	147,447,704.00	-	-
<b>36,004,968.32</b>	<b>Sub-Total - Independent Revenue</b>		<b>64,908,113.57</b>	<b>171,255,534.00</b>	<b>171,255,534.00</b>	-	37.90
	<b>Other Revenue Sources of L/Government</b>						
21,747,549.18	Domestic Grants	3	-	-	21,747,549.18	-	-
-	Grants From other LGs	3	-	-	-	-	-
<b>1,555,750,165.66</b>	<b>TOTAL REVENUE:</b>		<b>1,614,820,632.72</b>	<b>2,018,139,113.00</b>	<b>2,018,139,113.00</b>	-	-
	<b>LESS:EXPENDITURE</b>						
702,821,634.94	Personnel Costs ( Including Salaries on CRF Charges):	4	713,985,360.08	905,624,353.00	905,624,353.00	-	78.84
-	Federal/ States/ LGC Govt Contribution to Pension:	5	-	-	-	-	-
252,155,606.68	Overhead Charges:	6	196,450,374.37	424,887,611.00	424,887,611.00	-	46.24
63,553,147.66	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)	7	78,051,883.72	86,303,889.00	86,303,889.00	-	90.44
102,000,000.00	Subvention to Parastatals:	8	28,800,000.00	28,800,000.00	28,800,000.00	-	100.00
173,853,939.78	Other Operating Activities	9	106,891,442.47	58,509,380.00	58,509,380.00	-	182.69
183,137,119.09	Other Transfers	10	344,926,931.09	344,926,931.09	344,926,931.09	-	100.00
<b>1,477,521,448.15</b>	<b>TOTAL EXPENDITURE:</b>		<b>1,469,105,991.73</b>	<b>1,849,052,164.09</b>	<b>1,849,052,164.09</b>	-	79.45
	<b>OTHER RECURRENT PAYMENTS/EXPENDITURE:</b>						
-	Repayments:External Loans:FGN/States/ LGC	19	-	-	-	-	-
-	Repayments:FGN/ States/LGC Bonds & Treasury Bonds.	20	-	-	-	-	-
-	Repayments :Nigerian Treasury Bills (NTB)	21	-	-	-	-	-
40,000,000.00	Repayments:Internal Loans	22	96,000,000.00	96,000,000.00	96,000,000.00	-	-
-	Repayments: Internal Development Loans Stock	23	-	-	-	-	-
-	Repayments:Other Internal Loans( Promissory Notes)	24	-	-	-	-	-
<b>1,517,521,448.15</b>	<b>TOTAL EXPENDITURE:</b>		<b>1,565,105,991.73</b>	<b>1,945,052,164.09</b>	<b>1,945,052,164.09</b>	-	-
<b>38,228,717.51</b>	<b>OPERATING BALANCE:</b>		<b>49,714,640.99</b>	<b>73,086,948.91</b>	<b>73,086,948.91</b>	-	-
	<b>APPROPRIATIONS/TRANSFERS:</b>						
37,093,698.09	Transfer to Capital Development Fund:		43,834,000.00	578,985,293.00	578,985,293.00	-	7.57
<b>1,135,019.42</b>	<b>Closing Balance:</b>		<b>5,880,640.99</b>				



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**STATEMENT NO. 4**  
**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ACTUAL PREVIOUS YEAR(2020)		NOTES	TOTAL CAPITAL EXPENDITURE 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	PERFORMANCE ON TOTAL
N			N		N		%
-	Opening Balance:		-				
	<b>ADD: REVENUE</b>						
37,093,698.09	Transfer from Consolidated Revenue Fund:		43,834,000.00	578,985,293.00	578,985,293.00	-	7.57
-	Aid and Grants	11	-	-	-	-	-
-	External Loans:FGN/States/ LGC	20	-	-	-	-	-
-	FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-	-	-	-
224,000,000.00	Internal Loan	22	-	-	-	-	#DIV/0!
-	Development Loan Stock	23	-	-	-	-	-
-	Loan From Other Funds	24	-	-	-	-	-
<b>261,093,698.09</b>	<b>TOTAL REVENUE AVAILABLE:</b>		<b>43,834,000.00</b>	<b>578,985,293.00</b>	578,985,293.00	-	7.57
	<b>LESS: CAPITAL EXPENDITURE</b>						
101,080,000.00	Capital Expenditure:Administrative Sector:	12	13,000,000.00	53,150,860.00	53,150,860.00	-	24.46
129,920,000.00	Capital Expenditure: Economic Sector:	12	13,472,000.00	359,757,014.00	359,757,014.00	-	3.74
-	Capital Expenditure: Law and Justice:	12	-	-	-	-	-
-	Capital Expenditure:Regional Development	12	-	-	-	-	-
30,093,698.09	Capital Expenditure: Social Service Sector:	12	17,362,000.00	166,077,419.00	166,077,419.00	-	10.45
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-	-	-	-
<b>261,093,698.09</b>	<b>TOTAL CAPITAL EXPENDITURE:</b>		<b>43,834,000.00</b>	<b>578,985,293.00</b>	<b>578,985,293.00</b>	-	7.57
<b>0.00</b>	Intangible Assets		-				
-	<b>CLOSING BALANCE:</b>		-				



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## NOTE TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021

<i>Details</i>					
<b>NOTE 1</b>	<b>Ref. Note</b>	<b>Amount</b>	<b>Amount</b>		<b>Remarks</b>
<b>A- Share of Statutory Allocation from FAAC</b>		<b>N</b>	<b>N</b>		
<i>Net Share of Statutory Allocation from FAAC</i>	<b>A</b>	915,133,250.34			
<i>Add :Deduction at source for Loan Repayment</i>	<b>B</b>	-			
<i>Share of Exchange Gain Differencial</i>	<b>C</b>	3,658,192.97			
<i>Share of Federal Accounts Allocation- Excess Crude Oil</i>	<b>D</b>	27,386,684.17			
<b>Non-oil Revenue</b>	<b>E</b>	30,121,355.26			
<b>Total FAAC Allocation to LG</b>			<b>976,299,482.74</b>		
<b>B. Value Added Tax</b>					
<i>Share of Value Added Tax (VAT)</i>		572,478,016.99	572,478,016.99		
<b>Total Statutory Allocation to LG</b>			<b>1,548,777,499.73</b>		
<b>NOTE 2</b>					
<b>Internally Generated Revenue (Independent Revenue)</b>		<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	
<b>Direct Taxes</b>					
<i>Tafa local government Internal Revenue</i>		-	-	-	
<b>Total - Direct Taxes</b>		-	-	-	
<b>Licences</b>					
<i>Tafa local government Internal Revenue</i>		24,336,866.92	10,206,480.00	- 14,130,386.92	
<b>Total Licences</b>		<b>24,336,866.92</b>	<b>10,206,480.00</b>	<b>- 14,130,386.92</b>	
<b>Mining Rents</b>					
<i>Tafa local government Internal Revenue</i>		-	-	-	
<b>Total Mining Rents</b>		-	-	-	
<b>Royalties</b>					
<i>Tafa local government Internal Revenue</i>		-	-	-	
<b>Total Royalties</b>		-	-	-	
<b>Fees</b>					
<i>Tafa local government Internal Revenue</i>		-	-	-	
<b>Total Fees</b>		-	-	-	
<b>Fines</b>					
<i>Tafa local government Internal Revenue</i>		-	-	-	
<b>Total Fines</b>		-	-	-	



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<b>Sales</b>					
Tafa local government Internal Revenue		-	-	-	
<b>Total Sales</b>		-	-	-	
<b>Earnings</b>					
Tafa local government Internal Revenue		7,595,000.00	2,653,350.00	-	4,941,650.00
<b>Total Earnings</b>		<b>7,595,000.00</b>	<b>2,653,350.00</b>	-	<b>4,941,650.00</b>
<b>Sales/Rent of Government Buildings</b>					
Tafa local government Internal Revenue		400,000.00	670,000.00		270,000.00
<b>Total Sales/Rent of Government Buildings</b>		<b>400,000.00</b>	<b>670,000.00</b>		<b>270,000.00</b>
<b>Sale/Rent on Lands and Others:</b>					
Tafa local government Internal Revenue		-	-		-
<b>Total Sale/Rent on Lands and Others</b>		-	-		-
<b>Rates</b>					
Tafa local government Internal Revenue		6,776,600.00	10,278,000.00		3,501,400.00
<b>Total Rates</b>		<b>6,776,600.00</b>	<b>10,278,000.00</b>		<b>3,501,400.00</b>
<b>Investment Income</b>					
Tafa local government Internal Revenue		-	-		-
<b>Total Investment Income</b>		-	-		-
<b>Interest Earned</b>					
Tafa local government Internal Revenue		76,187.24	-	-	76,187.24
<b>Total Interest Earned</b>		<b>76,187.24</b>	-	-	<b>76,187.24</b>
<b>10% IGR From State</b>					
Tafa local government Internal Revenue		25,723,459.41	147,447,704.00		121,724,244.59
<b>Total 10% IGR From State</b>		<b>25,723,459.41</b>	<b>147,447,704.00</b>		<b>121,724,244.59</b>
<b>Total - Independent Revenue</b>		<b>64,908,113.57</b>	<b>170,585,534.00</b>		<b>105,677,420.43</b>



<b>NOTE 3</b>					
<b>Other Revenue Sources of L/Govt:</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Domestic Grants		-	-	-	
<b>Total Domestic Grants</b>		-	-	-	
Grant from other LGs		-	-	-	
<b>Total Grant from other LGS</b>		-	-	-	
<b>NOTE 4</b>					
<b>A - Total Personnel Costs ( Including Salaries directly charged to CRF in Note 4B below):</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		4,316,787.88	32,402,307.00	28,085,519.12	
The Council		24,268,749.60	28,093,000.00	3,824,250.40	
Office Of The Secretary		2,426,874.96	3,746,840.00	1,319,965.04	
Personnel Management		43,028,612.75	53,748,626.00	10,720,013.25	
<b>TOTAL Personnel Cost Administrative Sector</b>		<b>74,041,025.19</b>	<b>117,990,773.00</b>	<b>43,949,747.81</b>	
					CRF Charges in Note 3
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		25,625,568.64	26,121,149.00	495,580.36	
Budget, Planning & Research		2,414,354.41	2,553,593.00	139,238.59	
Works And Housing		28,639,540.34	45,548,485.00	16,908,944.66	
Agriculture And Natural Resources		25,648,274.15	28,770,208.00	3,121,933.85	
<b>TOTAL Personnel Cost Economic Sector</b>		<b>82,327,737.54</b>	<b>102,993,435.00</b>	<b>20,665,697.46</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		353,525,396.54	420,760,923.00	67,235,526.46	
Primary Health Cure		170,589,351.07	207,572,430.00	36,983,078.93	
Social Development		7,442,004.21	32,110,958.00	24,668,953.79	
Traditional Council		26,059,845.53	24,195,834.00	- 1,864,011.53	
<b>Total Personnel Cost Social Sector</b>		<b>557,616,597.35</b>	<b>684,640,145.00</b>	<b>127,023,547.65</b>	
<b>Total Personnel Cost For All Sectors</b>		<b>713,985,360.08</b>	<b>905,624,353.00</b>	<b>191,638,992.92</b>	
<b>B- Salaries directly charged to CRF( included in Note 4A above)</b>					
<b>List of Parastatals and Agencies:</b>					
Auditor -General for Local Government		-	-	-	
e.t.c.		-	-	-	
<b>Total</b>		<b>713,985,360.08</b>	<b>905,624,353.00</b>	<b>191,638,992.92</b>	



<b>NOTE 5</b>					
<b>Employers Contribution to Pension according to Sector</b>					
Administrative Sector		-	-	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Employers Contribution to Pension</b>		-	-	-	
<b>NOTE 6</b>					
<b>Overhead Costs</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		32,074,700.00	99,000,000.00	66,925,300.00	
The Council		17,555,000.00	22,500,000.00	4,945,000.00	
Office Of The Secretary		2,093,000.00	6,500,000.00	4,407,000.00	
Personnel Management		5,245,000.00	13,500,000.00	8,255,000.00	
<b>Total Overhead Cost Administrative Sector</b>		<b>56,967,700.00</b>	<b>141,500,000.00</b>	<b>84,532,300.00</b>	
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		119,807,674.37	204,700,000.00	84,892,325.63	
Budget, Planning & Research		1,864,000.00	6,600,000.00	4,736,000.00	
Works And Housing		6,466,000.00	15,200,000.00	8,734,000.00	
Agriculture And Natural Resources		5,505,000.00	15,500,000.00	9,995,000.00	
<b>TOTAL Overhead Cost Economic Sector</b>		<b>133,642,674.37</b>	<b>242,000,000.00</b>	<b>108,357,325.63</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		-	-	-	
Primary Health Cure		1,793,000.00	28,887,611.00	27,094,611.00	
Social Development		4,037,000.00	7,000,000.00	-	
Traditional Council		10,000.00	5,500,000.00	-	
<b>Total Overhead Cost Social Sector</b>		<b>5,840,000.00</b>	<b>41,387,611.00</b>	<b>27,094,611.00</b>	
<b>Total Overhead Cost For All Sectors</b>		<b>196,450,374.37</b>	<b>424,887,611.00</b>	<b>219,984,236.63</b>	
<b>NOTE 7</b>					
<b>Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Monthly Pension		78,051,883.72	86,303,889.00	8,252,005.28	
<b>Total Consolidated Revenue Fund Charges</b>		<b>78,051,883.72</b>	<b>86,303,889.00</b>	<b>8,252,005.28</b>	





<b>NOTE 8</b>					
<b>Subventions to Parastatals (According to Sectors-List)</b>					
		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		28,800,000.00	28,800,000.00	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Subventions to Parastatals</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	
<b>NOTE 9</b>					
<b>Other Operating Activities</b>					
		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		106,891,442.47	58,509,380.00	- 48,382,062.47	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Other Operating Activities</b>		<b>106,891,442.47</b>	<b>58,509,380.00</b>	<b>- 48,382,062.47</b>	
<b>NOTE 10</b>					
<b>Other Transfer</b>					
		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
<i>Administrative Sector</i>		19,200,000.00	19,200,000.00	-	
<i>Economic Sector</i>		-	-	-	
<i>Law and Justice Sector</i>		-	-	-	
<i>Regional Sector</i>		-	-	-	
<i>Social Sector</i>		9,600,000.00	9,600,000.00	-	
<b>sub-total</b>		<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>	
Transfers to other local governments		316,126,931.09	316,126,931.09	-	
<b>Total Other Transfer</b>		<b>344,926,931.09</b>	<b>344,926,931.09</b>	<b>-</b>	



<b>NOTE 11</b>				
<b>Details of Aid &amp; Grants Received</b>				
	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Bilateral	-	-	-	
Multi Lateral	-	-	-	
ETC	-	-	-	
<b>Total Details of Aid &amp; Grants Received</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>NOTE 12</b>				
<b>A - Details of Total Capital Expenditures (According to Sectors)</b>				
	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector	13,000,000.00	53,150,860.00	40,150,860.00	
Economic Sector	13,472,000.00	359,757,014.00	346,285,014.00	
Law and Justice Sector	-	-	-	
Regional Sector	-	-	-	
Social Sector	17,362,000.00	166,077,419.00	148,715,419.00	
<b>Total Details of Capital Expenditures</b>	<b>43,834,000.00</b>	<b>578,985,293.00</b>	<b>535,151,293.00</b>	
<b>B - Details of Capital Expenditures of Parastatals (Included in 12A above)</b>				
	<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector	-	-	-	
Economic Sector	-	-	-	
Law and Justice Sector	-	-	-	
Regional Sector	-	-	-	
Social Sector	-	-	-	
<b>Total Details of Capital Expenditures of Parastatals</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>NOTE 13</b>				
<b>CLOSING BOOK BALANCES OF OTHER FUNDS OF THE GOVERNMENT</b>				
	<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the Other Funds Cash Book Balances	-	-		
<b>NOTE 14</b>				
<b>CLOSING CASH BOOK BALANCE OF FEDERAL PAY OFFICES/SUB-TREASURY OFFICES</b>				
	<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the FPO/Sub-Treasuries Cash Book Balances	-	-		
<b>NOTE 15</b>				
<b>CLOSING CASH BOOK BALANCE OF TAFALocal GOVERNMENT</b>				
	<b>Amount 2021</b>	<b>Amount 2020</b>		
Suleja Local Government	5,880,640.99	1,135,019.42		
<b>Total Details of Cash Book Balances</b>	<b>5,880,640.99</b>	<b>1,135,019.42</b>		



<b>NOTE 16</b>					
<b>INVESTMENTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Investments in Quoted Companies		-	-		
Investments in unQuoted Companies		-	-		
Loans to Government Companies		-	-		
Loans to Other Government		-	-		
<b>Total Investments</b>		-	-		
<b>NOTE17</b>					
<b>LIST OF OUTSTANDING IMPRESTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Imprests</b>		-	-		
<b>NOTE 18</b>					
<b>LIST OF OUTSTANDING ADVANCES</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Advances</b>		-	-		
<b>NOTE 19</b>					
<b>Revolving Loan Account</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-



<b>NOTE 20</b>					
<b>External Loans:FGN/States/ LGC</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 21</b>					
<b>FGN/ States/LGC Bonds &amp; Treasury Bonds.</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 22</b>					
<b>Internal Loan</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>Opening balance at as 1st january, 2021</b>		184,000,000.00	-		
Add: Additional Loan Issued		-	224,000,000.00		
Less: Repaid		96,000,000.00	40,000,000.00		
<b>Loans as at 31st December, 2021</b>		<b>88,000,000.00</b>	<b>184,000,000.00</b>		
<b>NOTE 23</b>					
<b>Development Loan Stock</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-



<b>NOTE 24</b>					
<b>Internal Loans from Other Funds</b>					
List the Loans	<i>Balance as at 1/1/2021</i>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>	
Loan 1	-	-	-	-	
Loan 2	-	-	-	-	
Loan 3	-	-	-	-	
Loan 4	-	-	-	-	
<b>Total</b>	-	-	-	-	

<b>NOTE 25</b>					
<b>Schedule of Deposit</b>					
	<b>Amount 2021</b>	<b>Amount 2020</b>			
Tafa Local Government	5,627,871.63	4,489,006.93			
<b>Total Outstanding Deposits</b>	<b>5,627,871.63</b>	<b>4,489,006.93</b>			
<b>Details Of Deposits</b>					
NULGE	209,204.20	209,204.20			
M & HWUN	65,911.89	65,911.89			
Pension	832,781.52	832,781.52			
1% stamp Duty	165,340.00	648,950.30			
NUT	- 255,344.42	- 255,344.42			
5% Tax Deduction	2,586,077.24	1,960,377.24			
5% VAT	2,023,901.20	1,027,126.20			
<b>TOTAL</b>	<b>5,627,871.63</b>	<b>4,489,006.93</b>			

<b>NOTE 26</b>					
<b>Schedule of Overdrawn accounts</b>					
	<b>Amount 2021</b>	<b>Amount 2020</b>			
Tafa Local Government	-	-			
<b>Total Overdrawn account</b>	-	-			

<b>NOTE 27</b>					
<b>CONTINGENT LIABILITES AS AT YEAR END</b>					
	<b>Amount 2021</b>	<b>Amount 2020</b>	<b>List All the Contigent Liabilities</b>		
<b>E.G.</b>					
... Pension and Gratuity Due	-	-			
....Outstanding Contractors Liabilities ( According to MDA)	-	-			
.....Pending Litigations ( According to MDA)	-	-			
.....Guarantees ( According to MDA)	-	-			
..... Others	-	-			
<b>Total Contigent Liabilities</b>	-	-			



1 GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)			
		2021	2020
	MONTH	TOTAL	TOTAL
	JANUARY	114,769,780.35	135,519,767.39
	FEBRUARY	121,838,648.80	124,996,782.56
	MARCH	97,327,260.63	111,914,972.15
	APRIL	112,972,505.61	127,516,391.58
	MAY	124,233,998.07	117,739,313.14
	JUNE	120,447,131.99	107,007,119.90
	JULY	140,776,145.91	129,934,897.87
	AUGUST	140,776,145.91	133,297,118.61
	SEPTEMBER	141,967,439.84	131,129,027.47
	OCTOBER	149,038,324.52	122,563,872.71
	NOVEMBER	142,092,711.54	110,654,481.46
	DECEMBER	142,537,406.56	109,862,837.48
	<b>TOTAL</b>	<b>1,548,777,499.73</b>	<b>1,462,136,582.32</b>

INTERNALLY GENERATED REVENUE 2021	
DETAILS	AMOUNT
Taxes	-
Rates	6,776,600.00
Lincences	24,336,866.92
Earning	7,595,000.00
Rent	400,000.00
interest	76,187.24
10% IGR From State	25,723,459.41
<b>TOTAL</b>	<b>64,908,113.57</b>

## 1.1 INTRODUCTION

In compliance with the provision of section 125 (2) of 1999 Constitution of the Federal Republic of Nigeria and Niger State Local Government Law (N.S.L.N. No. 14) of 2001, I have examined the Accounts and Financial Statement of Tafa Local Government for the year ended 31<sup>st</sup> December, 2021 in accordance with the Public Finance (Control Management Act. 1958).

I have therefore certified the accounts as correct subject to various observations raised and contained in this report while the irregularities discovered thereon had been forwarded through Audit Inspection reports to the attached for Accounting officer's comments and necessary actions

## 2.0 FINANCIAL HIGHLIGHTS

RECEIPTS DESCRIPTION	AMOUNT ( ? )	PERCENTAGE
Internally Generated Revenue	39,184,654.16	2.43%
10% IGR	25,723,459.41	1.59%
VAT	572,478,016.99	35.48%
Exchange Gain Differentials	3,658,192.97	0.23%
Excess Crude Oil	27,386,684.17	1.70%
Non-Oil Revenue	30,121,355.26	1.86%
Statutory Allocation	915,133,250.34	56.71%
	<b><u>1,613,685,613.30</u></b>	<b><u>100.00%</u></b>

## 2.1 ANALYSIS OF REVENUE AND EXPENDITURE

### 2.1.1 REVENUE

The sum of ? 1,613,685,613.3 accrued to the Tafa Local Government Council as total receipts for the year ended 31<sup>st</sup> December, 2021

#### 2.1.1.1 INTERNALLY GENERATED REVENUE

Tafa Local Government Council Generated the sum of ? 39,184,654.16 and ? 25723459.41 As Internally Generated Revenue and 10% IGR from State, this amounted to a total sum of ? 64,908,113.57 only for the year ended 31<sup>st</sup> December, 2021 which represented 4.02% of the total accrued revenue of ? 1,613,685,613.30. This shows that the council solely depend on statutory allocation from the Federation Account for survival despite several advices to improve and explore other source of revenue for the council. In addition, I frown at the situation where the IGR cannot cover the total Recurrent Expenditure. This could result to non-survival of the councils if there is a decline of revenue from the Federation Account.

The Council promised to look for other ways of improving collections of its internally generated revenue.

I advised that the councils should make up extra efforts to generate more in the years ahead.



**2.1.1.2. FEDERAL STATUTORY ALLOCATION**

The sum of ₦ 915,133,250.34 which is 57.71% of the total receipts of ₦ 1,613,685,613.30 was disbursed to Tafa Local Government Council for the year under review. This sum comprises the followings:

- i. VAT
- ii. Exchange Gain Differentials
- iii. Excess Crude Oil
- iv. Non-Oil Revenue
- v. Statutory Allocation

**2.1.2 EXPENDITURE****2.1.2.1 ANALYSIS OF EXPENDITURE**

The total sum of ₦ 1,613,685,613.30 was allocated directly to Tafa Local Government Council and expended as follows:

DETAILS	AMOUNT (₦)	PERCENTAGE
Personnel cost	713,985,360.08	44.38%
Overhead cost	196,450,374.37	12.21%
Consolidated Fund charges	78,051,883.72	4.85%
Operating Activities	106,881,442.47	6.64%
Other Transfers	344,926,931.09	21.44%
Contributions	28,800,000.00	1.79%
Repayment of Loans	96,000,000.00	5.97%
Capital Expenditure	43,834,000.00	2.72%
	<b><u>1,608,929,991.73</u></b>	<b><u>100.00%</u></b>

**3.0 WEAKNESSES IN THE INTERNAL CONTROL SYSTEM**

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

**3.1 Unsupported payments by third party documentation**

I observed that some of the payment vouchers raised were not having documentary evidences such as delivery notes, Stores Received Vouchers, Stores Issues Vouchers, receipts etc. to justify the payments made. This implies some of the payments were made for goods not delivered or services not rendered.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

I advised the Council to ensure that all payments are supported appropriately.



### 3.2. Unremitted WHT, VAT and STAMP DUTIES Deductions

During the course of my audit, I observed that Tafa Local Government Council had not remitted ₦ 4,775,318.441 to the appropriate authorities as at 31 December 2021. The outstanding amount comprises ₦ 2,586,077.24 in respect of WHT, ₦ 2,023,901.20 in respect of VAT and ₦ 165,340.00 in respect of Stamp duty.

This exposes the Local Government Council to the risk of payment of fines and penalties for late remittance.

I advised the Council to remit the outstanding deductions immediately and in future, the Council should ensure all deductions are made and remitted in accordance with the relevant guidelines.

Management acknowledged and promised to remit the outstanding deductions as soon as funds are available and that in future, they will effect deductions on all contracts and remit the deductions in accordance with the provisions of the law.

### 3.3. Payment Vouchers not checked nor passed by the Internal Audit Unit.

During the course of our audit exercise, it was observed that despite being raised in our previous reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued in some cases which contravenes Chapter 14, section 1-19 of Model Financial Memoranda. The non-compliance was evidenced by the Payment Vouchers which were prepared and paid out without endorsement by the Internal Audit Unit and Officer Controlling the Vote and Checks by the Accounting Officer. This exposes the Council to fraudulent practices. I advised the Council to adhere strictly to the provisions of the Model Financial Memoranda.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memoranda.

I advised management to comply with the provisions of the Model Financial Memorandum when processing payments.

### 3.2. Non-maintenance of Fixed/Moveable Asset register.

A Fixed Assets Register is a management tool to monitor and control use of assets. However, as pointed out in my previous reports, Tafa Local Council did not maintain an up-to-date Fixed Assets Register during the year under review.

The risk of non-maintenance of Fixed Assets Register is that the council may not be able to detect misuse and loss of its assets on time.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

I advised the Council to ensure that an up-to-date Fixed Assets/Movable Assets Register is maintained.



**3.2. Non-maintenance of Loan/Overdraft Register/Ledger.**

We observed that Tafa Local Government Council did not maintain Loans/Overdraft Register/Ledger during the year.

The risk is that the Council may not be able to reconcile loan balances with the lenders leading to overpayments or fines and penalties for under payments.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

We recommend that the Council should immediately open and maintain Loans Register.

**4.0 BUDGETARY CONTROL****4.1 REVENUE COMPARISON**

During the year under review, there was a shortfall in the target of Internally Generated Revenue in Tafa Local Government Council in all revenue codes as shown below:

**Tafa Local Government Budgeted Internally Generated Revenue Compared with Actual for the Year Ended 31<sup>st</sup> December, 2021**

S/N	CODES	DETAILS	BUDGET ?	ACTUAL ?	SHORTFALL ?
1	12010000	Taxes	-	-	-
2	12021700	Rates	10,278,000.00	6,776,600.00	(3,501,400.00)
3	12021300	Local Licenses, Fees, and Fine	10,206,480.00	24,336,866.92	14,130,386.92
4	12021500	Earning from Commercial undertakings	2,653,350.00	7,595,000.00	4,941,650.00
5	12021600	Rent on Local Government Properties	670,000.00	400,000.00	(270,000.00)
6	12021100	Interest	-	76,187.24	76,187.24
<b>TOTAL</b>			<b>23,807,830.00</b>	<b>39,184,654.16</b>	<b>15,376,824.16</b>

From the above table, it shows that the Council solely relies on Statutory Allocation from the Federation Account for its survival when comparing the total budgeted amount of ₦ 23,807,830.00 with actual Internally Generated Revenue of ₦ 39,184,654.16 with an excess of ₦ 15,376,824.16 during the year under review.

This implies that the Council could not fully implement its planned programs during the financial year or the budget was not realistic.

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

- i. Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- ii. Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- iii. Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- iv. Control over issuance of revenue receipts
- v. Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.
- vi. The Council should ensure that realistic budgets are prepared.

## 4.2 RECURRENT EXPENDITURE

### 4.2.1 PERSONNEL COST

As regards to the personnel cost, it was observed that, the sum of ₦ 702,821,634.94 and ₦ 713,985,360.08 was spent as personnel cost in 2020 and 2021 respectively with an increase of ₦ 11,163,725.14 over the previous year. The increase represents 15.64% of personnel cost for the year under review.

### 4.2.2 CAPITAL EXPENDITURE

#### 4.2.2.1 CAPITAL PROJECT

During the year under review, it was observed that the sum of ₦ 43,834,000.00 was spent on Capital project by Tafa Local Government Council. This was made by the Council to boost the developmental activities in the rural areas in which various projects were executed and some were still in progress. Though approved capital expenditure estimate was ₦ 578,985,293.00, only the sum of ₦ 43,834,000.00 representing 7.57% was expended leading to a variance of ₦ 535,151,293.00.

I advised the Council to ensure that estimates should be based on realistic and cognizance of environmental factors, and the cash flows should be adequately monitored in order to reduce unnecessary expenses on overhead and give priority to project execution.

## 5.0 ANALYSIS OF ASSETS AND LIABILITIES

### 5.1 ASSETS

#### 5.1.1 CASH AND ITS EQUIVALENTS

The closing cash and its equivalents amounted to the sum of ₦ 5,880,640.99k for Tafa Local Government as at 31<sup>st</sup> December, 2021.

### 5.2. LIABILITIES

#### 5.2.1. DEPOSITS

Deposits comprise unremitted statutory deductions and bank overdrafts as explained below.



**5.2.1.1 UNREMITTED DEDUCTIONS**

The balance on the unremitted deductions account was ₦ 5,627,871.63 as at 31<sup>st</sup> December, 2021. The unremitted deductions include deductions from payments made on behalf of Government Agencies and various other bodies by the Local Government which ought to be promptly remitted to the appropriate authorities.

**5.2.1.2. BANK OVERDRAFTS**

The Council did not have any bank overdrafts at the end of the financial year under review

**6.0 OUTSTANDING ISSUE FROM THE AUDIT INSPECTION REPORT**

The following is the outstanding issue from Inspection Report for the period under review.

AGX/F.O.21/TA/TAF/VOL.I		Dated 03/02/2022
i. Outstanding Revenue receipt booklets to the tune of	=	₦ 20,000.00
ii. Payment made on DTA without any supporting document attached to the payment voucher	=	₦ 35,000.00

**OUTSTANDING ISSUES FROM PROJECT INSPECTIONS****DIRECT LABOUR WORK**

Suspicious payment made for Direct Labour project without Labour card, Job Order, Cost Book attached to payment voucher.

- Grading of Gram Road Culvert Construction 100% and work Completed = N750,000.00
- Repairs of Local Government Secretariat, Sabon-Wuse 100% work completed = ₦ 250,000.00
- Grading of Ija Road 100% work completed = ₦ 200,000.00
- Grading of Kata Road 100% work completed = ₦ 200,000.00
- Installation of Transformers at Chawa, D/Kurmi, Karon Magaji, Dadin kowo, Anguwan Tanko, Tungan Yakubu and Katanpe Kurun Duma. 73% work completed = ₦ 1,800,000.00



6. Construction of Culvert at Gauraka 100% work  
Completed = ₦ 850,000.00

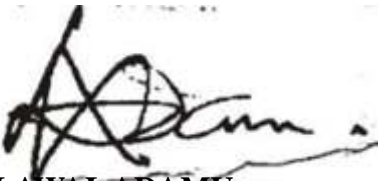
Management acknowledged the issue and promised to address the matter.

We recommend that the management of Tafa Local Government should ensure the issues raised above are adequately addressed.

### 7.0 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



NIGER STATE GOVERNMENT OF NIGERIA  
WUSHISHI LOCAL GOVERNMENT COUNCIL

**AUDITED ACCOUNTS**  
FOR THE YEAR ENDED 31ST DECEMBER, 2021

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



NIGER STATE



NIGER STATE

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# WUSHISHI LOCAL GOVERNMENT COUNCIL

Local Government Secretariat, Wushishi, Niger State.  
*Office of the Treasurer*

Telegram \_\_\_\_\_  
Telegram No \_\_\_\_\_  
Your Ref: \_\_\_\_\_

Ref No. \_\_\_\_\_  
Date \_\_\_\_\_

## WUSHISHI LOCAL GOVERNMENT COUNCIL STATEMENT OF FINANCIAL RESPONSIBILITY, STATEMENT NO. 1

These financial statement has been prepared by the treasurer Wushishi Local Government Council in accordance with the provision of the finance (Control and Management) Act 1958 as amended. The financial statements comply with Generally Accepted Accounting Practices.

The treasury is responded for the establishing and maintaining a system of internal control designed to provide reasonable assurance that the transactions seconded are within statutory authority and properly record the use of all public financial resources by the Local Government Council. To the best of my knowledge, the system of internal control has operated adequately throughout the reporting period.


  
ALHASSAN ALIYU AKARE  
Treasurer

DATE; 31<sup>st</sup> DEC. 2021

We accept responsibility for these financial statements, the information they contain 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 Government Council as at 31<sup>st</sup> DEC. 2021 and it operations for the month ended.

  
ALHASSAN ALIYU AKARE  
Treasurer  
31<sup>st</sup> DEC. 2021

  
HON. SULAIMAN DANJUMMA  
Chairman  
31<sup>st</sup> DEC. 2021



NIGER STATE



# NIGER STATE GOVERNMENT

WUSHISHI LOCAL GOVERNMENT COUNCIL

ACCOUNTING POLICIES

(IPSAS CASH)

**ISSUED BY**

**OFFICE OF THE DIRECTOR FINANCE**

**WUSHISHI LOCAL GOVERNMENT COUNCIL**

**2021**



## List of Abbreviations/Acronyms

Abbreviation/Term	Description
CBN	Central Bank of Nigeria
COA	Chart of Account
FAAC	Federation Accounts Allocation Committee
FGN	Federal Government of Nigeria
FRC	Financial Reporting Council
GAAP	Generally Accepted Accounting Principles
GPFS	General Purpose Financial Statement
IPSAS	International Public Sector Accounting Standards
LFN	Law of the Federal Republic of Nigeria
LGC	Local Government Council
NCOA	National Chart of Account
GBE	Government Business Enterprises
FRCON	Financial Reporting Council of Nigeria
PPE	Properties, Plants and Equipment



**Introduction**

In line with the adoption of the International Public Sector Accounting Standards (IPSAS) in Nigeria, a Standardised Chart of Account (COA) alongside a set of General Purpose Financial Statements (GPFS) have been designed and introduced by FAAC for adoption by all tiers of Government in Nigeria.

The standardised COA and the GPFS is hereby adopted by Wushishi Local Government Council to comply with FAAC directive to harmonise public sector accounts reporting in Nigeria.

In order to ensure an effective and efficient utilisation of the COA and GPFS, the Accounting Policies have been developed as a set of guidelines to direct the Processes and Procedures relating to financial reporting in Wushishi Local Government Council.

These policies shall form part of the universally agreed framework for financial reporting in Wushishi Local Government Council.

**IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when Cash (including Cash Equivalents) is received or paid by the Local Government. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of Cash raised during the period, the purposes for which Cash was used and the Cash balances at the reporting date. The measurement focus in the GPFS balances are Cash and changes during the period. Therefore, Bank Reconciliation Statement shall form integral part of periodic Reports in Wushishi Local Government Council.

Notes to the GPFS provide additional information about liabilities, including payables and borrowings, and non-cash assets that include receivables, investments and property, plant and equipment.

This Accounting Policy addresses the following fundamental accounting issues:

1. Definition of Accounting Terminologies
2. Recognition of Accounting Items
3. Measurement of Accounting Items
4. Treatment of Accounting items

The Accounting Policy is subject to periodic reviews and updates as shall be deemed necessary by the Director Finance, Wushishi Local Government Council.





S/N	Accounting Policies:	
1	<p><b>Accounting Terminologies / Definitions</b></p> <p>I. <b>Accounting policies</b> are the specific principles, bases, conventions, rules and practices adopted by Wushishi Local Government Council in preparing and presenting Financial Statements.</p> <p>II. <b>Cash:</b> Cash comprises cash in hand, demand deposits in financial institutions and cash equivalents.</p> <p>III. <b>Cash equivalents</b> are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.</p> <p>IV. <b>Cash basis</b> means a basis of accounting that recognizes transactions and other events only when cash is received or paid.</p> <p>V. <b>Cash flows</b> are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.</p> <p>VI. <b>Cash receipts</b> are cash inflows.</p> <p>VII. <b>Cash payments</b> are cash outflows.</p> <p>VIII. <b>Cash Controlled by Wushishi Local Government Council:</b> Cash is deemed to be controlled by Wushishi Local Government Council when the government can freely use the available cash for the achievement of its objectives or enjoy benefit from the cash, and can also exclude or regulate the access of others to that benefit. Cash collected by, or appropriated or granted to the government which the government can freely use to fund its operating objectives, such as acquiring of capital assets or repaying its debt is controlled by the government.</p> <p>IX. <b>Notes to the GPFs</b> shall include narrative descriptions or more detailed schedules or analyses of amounts shown on the face of the GPFs, as well as additional information</p>	<p>2 <b>General Purpose Financial Statements (GPFS)</b></p> <p>The GPFS comprise of Statement of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by Wushishi Local Government Council and Accounting Policies and Notes to the Financial Statements. In Wushishi Local Government Council, the GPFS Accounting Policy include the following:</p> <p>I. Statement 1 - Cash Flow Statements: Statement of Cash Receipts and Payments which:</p> <ul style="list-style-type: none"> <li>▪ recognizes all Cash Receipts, Cash Payments and Cash Balances controlled by Wushishi Local Government Council; and</li> <li>▪ separately identifies payments made by third parties on behalf of Wushishi Local Government Council.</li> </ul> <p>II. Statement 2- Statement of Assets and Liabilities: Statement of Financial Position (also known as Balance Sheet);</p> <p>III. Statement 3 - Statement of Consolidated Revenue Fund: Statement of Recurrent Financial Performance (also known as Profit &amp; Loss Account);</p> <p>IV. Statement 4- Statement of Capital Development Fund: Statement of Capital Financial Performance (also known as Capital Expenditure);</p> <p>V. Notes to the Accounts: Additional disclosures to explain the GPFS; and</p> <p>VI. Accounting Policies and Explanatory Notes.</p>



<p><b>3 Basis of Preparation and Legal Provisions</b></p> <p>The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, GPFS are in compliance with the provisions of other financial regulations of Wushishi Local Government Council.</p>	<p><b>6 Reporting Currency</b></p> <p>The General Purpose GPFS are prepared in Nigerian Naira.</p>
<p><b>4 Fundamental Accounting Concepts</b></p> <p>The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in Wushishi Local Government Council</p> <ul style="list-style-type: none"> <li>? Cash Basis of Accounting;</li> <li>? Understability;</li> <li>? Materiality,</li> <li>? Relevance;</li> <li>? Going Concern Concept;</li> <li>? Consistency Concept</li> <li>? Prudence</li> <li>? Completeness, etc.</li> </ul>	<p><b>7 LGC for Consolidation</b></p> <ul style="list-style-type: none"> <li>▪ The Consolidation of the GPFS are based on the Cash transactions of Wushishi Local Government Council except Government Business Enterprises (GBEs).</li> </ul>
<p><b>5 Accounting Period</b></p> <p>The accounting year (fiscal year) is from 1<sup>st</sup> January to 31<sup>st</sup> December. Each accounting year is divided into 12 calendar months (periods) and shall be set up as such in the accounting system.</p>	<p><b>8 Comparative Information</b></p> <ul style="list-style-type: none"> <li>▪ The General Purpose GPFS shall disclose all numerical information relating to previous period (at least one year).</li> </ul>
	<p><b>9 Budget Figures</b></p> <ul style="list-style-type: none"> <li>▪ These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation Law of Niger State.</li> </ul>
	<p><b>10 Receipts</b></p> <ul style="list-style-type: none"> <li>? These are Cash inflows within the Financial Year. They comprise of receipts from Statutory Allocations (FAAC monthly disbursement), Taxes, External Assistance (from Bilateral and Multilateral Agencies), Other Aid and Grants, Other Borrowings, Capital Receipts (Sale of Government Assets, etc), Receipts from Trading activities and Other Cash Receipts.</li> <li>? These items shall be disclosed at the face of the Statement of Cash Receipts and Payment for the year in accordance with the standardised GPFS. Notes shall be provided as per standardised Notes to GPFS.</li> </ul>



11	<p><b>External Assistance</b></p> <ul style="list-style-type: none"> <li>? Receipts from Loans are Funds received from external sources to be paid back at an agreed period of time. They are categorised either as Bilateral or Multilateral.</li> <li>? External Loans receipts shall be disclosed separately under Statement of Cash Receipts and Payment for the year.</li> <li>? The Local Governments did not receive external assistance during the two year.</li> </ul>
12	<p><b>Other Borrowings / Grants&amp; Aid Received</b></p> <ul style="list-style-type: none"> <li>▪ These shall be categorised as either Short or Long term Loans. Short-Term Loans are those repayable within one calendar year (12 months), while Long - Term Loans and Debts shall fall due beyond one calendar year (above 12 months). Loans shall be disclosed separately and Grants shall also be separately disclosed under Statement of Cash Receipts and Payment for the year.</li> </ul>
13	<p><b>Interest Received</b></p> <ul style="list-style-type: none"> <li>? Interest actually received during the financial year shall be treated as a receipt under item 'Other Receipts'.</li> </ul>
14	<p><b>Government Business Activities</b></p> <p>Cash Receipts from Trading Activities shall be received net (after deducting direct expenses) unless otherwise provided for by law or policy in force. Total receipts from all trading activities shall be disclosed in the Statement of Cash Receipts and Payments under 'Trading Activities' item.</p> <p>Where gross revenue is received, corresponding payments shall be charged under a corresponding payment item head 'Government Business Activities' in the Statement of Receipts and Payments.</p>

15	<p><b>Payments</b></p> <ul style="list-style-type: none"> <li>▪ These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorised either by Function and/or by Sector in the Statement of Cash Receipts and Payment.</li> <li>▪ Payments for purchase of items of capital nature (e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.</li> </ul>
16	<p><b>Loans Granted:</b></p> <ul style="list-style-type: none"> <li>▪ Payments to other Government and Agencies in form of Loans during the year shall be shown separately in the Statement of Receipts and Payments. Amount disclosed shall be actual amount paid during the year.</li> <li>▪ The Local Governments did not give any loan during the two year.</li> </ul>
17	<p><b>Loan Repayments</b></p> <p>Cash receipts from loans granted to other agencies and government shall be classified under loan repayments in the Statement of Receipts and Payments. Amount disclosed shall be actual amount received during the year.</p>
18	<p><b>Interest on Loans:</b></p> <ul style="list-style-type: none"> <li>▪ Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest payment in the Statement of Cash Receipts and Payments</li> </ul>



19	<p><b>Foreign Currency Transactions:</b></p> <ul style="list-style-type: none"> <li>▪ Foreign Currency Transactions throughout the year shall be converted into Nigerian Naira at the ruling (Central Bank of Nigeria –CBN) rate of exchange at the dates of the transactions. Foreign currency balances, as at the year end, shall be translated at the exchange rates prevailing on that date.</li> <li>▪ At the end of the financial year, additional amounts (in cash or at bank) arising out of Foreign Exchange Gains/Losses shall be recognised in the Statement of Cash Receipts and Payments either as Receipts / Payments respectively.</li> <li>▪ Hence the Wushishi Local Government Council did not have foreign currency transactions during the two year.</li> </ul>
20	<p><b>Prepayments</b></p> <ul style="list-style-type: none"> <li>▪ Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.</li> <li>▪ The Local Governments did not make prepayment to contractors during the two year.</li> </ul>
21	<p><b>Cash Balances</b></p> <p>This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.</p>

**COUNCIL OFFICIALS**

• **COUNCIL MEMBERS DESIGNATION:**

Honourable Ahmed Baba Suleiman  
 Honourable Abubakar Sadiq

Executive Chairman  
 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**

United Bank for Africa Plc. (UBA)  
 Unity Bank Plc.  
 Wushishi Micro Finance Bank  
 Tanadi Micro-Finance Bank Ltd.

**ADDRESS**

Wushishi Branch  
 Zungeru Branch  
 Wushishi Branch  
 Minna Branch

• **AUDITORS**

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





**AUDIT CERTIFICATE**

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, 2020 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 State Local Government Joint Account Allocation Committee are indicated in the Supplementary Note 1 to the Accounts. In my opinion, the Supplementary Note 1 to accounts presents fairly, in all material respects, the revenue from Federation Account received by Wushishi Local Government during the year ended December 31st, 2020.

In my opinion, the Financial Statements which are in agreement with the books of accounts and record shows a true and fair view of the financial position of the Wushishi Local Government for the year ended 31st December, 2020 and the transactions for the year ended at that date.



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







	<b>CashFlows from Investment Activities:</b>				
106,262,524.00	Capital Expenditure:Administrative Sector:		12	12,420,000.00	30,722,707.00
205,607,074.00	Capital Expenditure: Economic Sector:		12	-	143,082,964.00
-	Capital Expenditure: Law and Justice:		12	-	-
-	Capital Expenditure:Regional Development		12	-	-
250,189,082.00	capital expenditure: Social Service Sector:		12	11,200,000.00	65,769,289.00
-	Capital Expenditure: Funded from Aid and Grants:		11	-	-
<b>562,058,680.00</b>	<b>Net Cash Flow from Investment Activities:</b>			<b>23,620,000.00</b>	<b>239,574,960.00</b>
	<b>CashFlows from Financing Activities:</b>				
-	Proceeds from Aid and Grants		11	-	-
-	Proceeds from External Loan :		20	-	-
-	Proceeds from Internal Loans: FGN/Treasury Bonds :		21	-	-
-	Proceeds from Internal Loan		22	-	224,000,000.00
-	Proceeds from Development of Nat Resources		23	-	-
-	Proceeds of Loans from Other Funds		24	-	-
-	Repayment of External Loans ( Including Servicing)		20	-	-
-	Repayment of FGN/Treasury Bonds :		21	-	-
96,000,000.00	Repayment of Internal Loan		22	96,000,000.00	40,000,000.00
-	Repayment of Loans from Development of Nat Resources		23	-	-
	Repayment of Loans from Other Funds		24	-	-
<b>96,000,000.00</b>	<b>Net Cash Flow from Financing Activities:</b>			<b>96,000,000.00</b>	<b>184,000,000.00</b>
	<b>Movement in Other Cash Equivalent Accounts</b>				
-	(Increase)/ Decrease in Investments			-	-
-	Net (Increase)/Decrease in Other Cash Equivalents:			-	-
-	<b>Total Cashflow from other Cash equivalent Accounts</b>			-	-
-	Net Cash for the year			29,637,740.84	35,705,618.92
-	Cash & Its Equivalent as at 1st January, 2021			160,146.90	35,865,765.82
-	Cash & Its Equivalent as at 31st December, 2021			<b>29,797,887.74</b>	<b>160,146.90</b>

**STATEMENT NO. 2**  
**STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	NOTES	CURRENT YEAR 2021	PREVIOUS YEAR 2020
		N	N
<b>ASSETS:-</b>			
<b>Liquid Assets:-</b>			
Cash Held by AGF:			
-CRF Bank Balance(CBN/ CRF Bank):		-	-
-Pension Account (CBN/ Bank):		-	-
-Other Bank of the Treasury		-	-
-Cash Balances of Trust & Other Funds of the FGN/ States/LGC:		-	-
-Cash Balances with Federal Pay Offices/ Sub-Treasury:		-	-
Cash Held by Agaie Local Government	15	29,797,887.74	160,146.90
<b>TOTAL LIQUID ASSETS</b>		<b>29,797,887.74</b>	<b>160,146.90</b>
<b>Investments and Other Cash Assets:</b>			
Federal/ State/ Local Government Investments	16	-	-
Imprests:-	17	-	-
Advances:-	18	-	-
Revolving Loans Granted:-	19	-	-
Intangible Assets		-	-
<b>TOTAL INVESTMENTS AND OTHER CASH ASSETS</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>29,797,887.74</b>	<b>160,146.90</b>
<b>LIABILITIES OVER ASSETS</b>		<b>99,517,659.20</b>	<b>158,462,730.68</b>
<b>TOTAL</b>		<b>129,315,546.94</b>	<b>158,622,877.58</b>
<b>LIABILITIES:-</b>			
<b>PUBLIC FUNDS</b>			
Consolidated Revenue Fund:		29,797,887.74	35,545,472.02
Capital Development Fund:		-	-
Trust & Other Public Funds:		-	-
Police Reward Fund		-	-
<b>TOTAL PUBLIC FUNDS</b>		<b>29,797,887.74</b>	<b>35,545,472.02</b>
<b>EXTERNAL AND INTERNAL LOANS</b>			
External Loans:FGN/States/ LGC	20	-	-
FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-
internal Loans	22	88,000,000.00	184,000,000.00
Development Loan Stock	23	-	-
Loan From other Funds	24	-	-
Internal Loans from Other Funds		-	-
<b>TOTAL EXTERNAL AND INTERNAL LOANS</b>		<b>88,000,000.00</b>	<b>184,000,000.00</b>
<b>OTHER LIABILITIES</b>			
Deposits:-	25	11,517,659.20	10,168,349.60
Overdrawn accounts	26	-	-
<b>TOTAL LIABILITIES</b>		<b>129,315,546.94</b>	<b>158,622,877.58</b>



NIGER STATE

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER. 2021

ACTUAL PREVIOUS YEAR(2020)		NOTES	ACTUAL YEAR 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	VARIANCE ON FINAL BUDGET
			N	N	N	N	%
35,865,765.82	Opening Balance:		160,146.90				
	<b>ADD: REVENUE</b>						
1,584,356,311.43	Statutory Allocations:FAAC	1	1,095,337,263.45	1,400,740,462.00	1,400,740,462.00	-	78.20
-	Value Added Tax Allocation	1	568,962,965.64	445,931,437.00	445,931,437.00	-	-
1,620,222,077.25	<b>Sub-Total - Statutory Allocation</b>		1,664,300,229.09	1,846,671,899.00	1,846,671,899.00	-	-
70,000.00	Direct Taxes	2	130,000.00	1,000,000.00	1,000,000.00	-	-
246,000.00	Licences	2	514,350.00	5,020,000.00	5,020,000.00	-	10.25
-	Mining Rents:	2	-	-	-	-	-
-	Royalties	2	-	-	-	-	-
-	Fees:	2	-	-	-	-	-
-	Fines	2	-	-	-	-	-
-	Sales	2	-	-	-	-	-
3,355,685.00	Earnings :	2	3,651,660.00	6,800,000.00	6,800,000.00	-	53.70
3,585,500.00	Sales/Rent of Government Buildings:	2	172,500.00	7,600,000.00	7,600,000.00	-	-
-	Sale/Rent on Lands and Others:	2	-	-	-	-	-
473,000.00	RATES	2	731,500.00	5,000,000.00	5,000,000.00	-	14.63
-	Investment Income	2	-	-	-	-	-
-	Interest Earned	2	-	-	-	-	-
22,002,508.32	10% IGR From State	2	25,723,459.41	147,447,704.00	22,002,508.32	-	-
29,732,693.32	<b>Sub-Total - Independent Revenue</b>		30,923,469.41	171,867,704.00	171,867,704.00	-	17.99
-	<b>Other Revenue Sources of L/Government</b>						
21,747,549.18	Domrestic Grants	3	-	21,747,549.18	21,747,549.18	-	-
0	Grants From other LGs	3	-	-	-	-	-
1,671,702,319.75	<b>TOTAL REVENUE:</b>		1,695,383,845.40	2,040,287,152.18	2,040,287,152.18	-	-
	<b>LESS:EXPENDITURE</b>						
551,791,003.88	Personnel Costs ( Including Salaries on CRF Charges):	4	682,447,508.05	751,638,651.00	751,638,651.00	-	90.79
-	Federa/ States/ LGC Govt Contribution to Pension:	5	-	-	-	-	-
114,646,513.00	Overhead Charges:	6	136,684,134.87	383,981,934.00	383,981,934.00	-	35.60
70,757,878.68	Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)	7	78,914,329.43	86,090,928.00	86,090,928.00	-	91.66
102,000,000.00	Subvention to Parastatals:	8	28,800,000.00	28,800,000.00	28,800,000.00	-	100.00
587,744,388.01	Other Operating Activities	9	443,072,259.38	541,023,472.00	541,023,472.00	-	81.90
189,027,429.28	Other Transfers	10	176,047,725.93	176,047,725.93	176,047,725.93	-	100.00
1,615,967,212.85	<b>TOTAL EXPENDITURE:</b>		1,545,965,957.66	1,967,582,710.93	1,967,582,710.93	-	78.57
	<b>OTHER RECURRENT PAYMENTS/EXPENDITURE:</b>						
-	Repayments:External Loans:FGN/States/ LGC	19	-	-	-	-	-
-	Repayments:FGN/ States/LGC Bonds & Treasury Bonds.	20	-	-	-	-	-
-	Repayments :Nigerian Treasury Bills (NTB)	21	-	-	-	-	-
40,000,000.00	Repayments:Internal Loans	22	96,000,000.00	96,000,000.00	96,000,000.00	-	-
-	Repayments: Internal Development Loans Stock	23	-	-	-	-	-
-	Repayments:Other Internal Loans( Promissory Notes)	24	-	-	-	-	-
1,655,967,212.85	<b>TOTAL EXPENDITURE:</b>		1,641,965,957.66	2,063,582,710.93	2,063,582,710.93	-	-
15,735,106.90	<b>OPERATING BALANCE:</b>		53,417,887.74	23,295,558.75	23,295,558.75	-	-
	<b>APPROPRIATIONS/TRANSFERS:</b>						
15,574,960.00	Transfer to Capital Development Fund:		23,620,000.00	562,058,680.00	562,058,680.00	-	4.20
160,146.90	<b>Closing Balance:</b>		29,797,887.74				



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**STATEMENT NO. 4**  
**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2021**

ACTUAL PREVIOUS YEAR(2020)		NOTES	TOTAL CAPITAL EXPENDITURE 2021	FINAL BUDGET 2021	INITIAL/ORIGINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	PERFORMANCE ON TOTAL
N			N		N		%
-	Opening Balance:		-				
	<b><u>ADD: REVENUE</u></b>						
15,574,960.00	Transfer from Consolidated Revenue Fund:		23,620,000.00	562,058,680.00	562,058,680.00	-	4.20
-	Aid and Grants	11	-	-	-	-	-
-	External Loans:FGN/States/ LGC	20	-	-	-	-	-
-	FGN/ States/LGC Bonds & Treasury Bonds.	21	-	-	-	-	-
224,000,000.00	Internal Loan	22	-	-	-	-	#DIV/0!
-	Development Loan Stock	23	-	-	-	-	-
-	Loan From Other Funds	24	-	-	-	-	-
					-	-	-
					-	-	-
					-	-	-
<b>239,574,960.00</b>	<b>TOTAL REVENUE AVAILABLE:</b>		<b>23,620,000.00</b>	<b>562,058,680.00</b>	562,058,680.00	-	4.20
					-	-	-
	<b><u>LESS: CAPITAL EXPENDITURE</u></b>				-	-	-
					-	-	-
30,722,707.00	Capital Expenditure:Administrative Sector:	12	12,420,000.00	106,262,524.00	106,262,524.00	-	11.69
143,082,964.00	Capital Expenditure: Economic Sector:	12	-	205,607,074.00	205,607,074.00	-	-
-	Capital Expenditure: Law and Justice:	12	-	-	-	-	-
-	Capital Expenditure:Regional Development	12	-	-	-	-	-
65,769,289.00	Capital Expenditure: Social Service Sector:	12	11,200,000.00	250,189,082.00	250,189,082.00	-	4.48
-	Capital Expenditure: Funded from Aid and Grants:	11	-	-	-	-	-
					-	-	-
<b>239,574,960.00</b>	<b>TOTAL CAPITAL EXPENDITURE:</b>		<b>23,620,000.00</b>	<b>562,058,680.00</b>	<b>562,058,680.00</b>	-	4.20
<b>0.00</b>	Intangible Assets		-				
-	<b>CLOSING BALANCE:</b>		-				



## NOTE TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER. 2021

<i>Details</i>					
<b>NOTE 1</b>	<b>Ref. Note</b>	<b>Amount</b>	<b>Amount</b>		<b>Remarks</b>
<b>A- Share of Statutory Allocation from FAAC</b>		<b>N</b>	<b>N</b>		
Net Share of Statutory Allocation from FAAC	<b>A</b>	1,027,155,830.19			
Add :Deduction at source for Loan Repayment	<b>B</b>	-			
Share of Exchange Gain Differential	<b>C</b>	4,077,753.80			
Share of Federal Accounts Allocation- Excess Crude Oil	<b>D</b>	30,527,685.01			
<b>Non-oil Revenue</b>	<b>E</b>	33,575,994.45			
<b>Total FAAC Allocation to LG</b>			<b>1,095,337,263.45</b>		
<b>B. Value Added Tax</b>					
Share of Value Added Tax (VAT)		568,962,965.64	568,962,965.64		
<b>Total Statutory Allocation to LG</b>			<b>1,664,300,229.09</b>		
<b>NOTE 2</b>					
<b>Internally Generated Revenue (Independent Revenue)</b>		<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	
<b>Direct Taxes</b>					
Wushishi local government Internal Revenue		130,000.00	1,000,000.00	870,000.00	
<b>Total - Direct Taxes</b>		<b>130,000.00</b>	<b>1,000,000.00</b>	<b>870,000.00</b>	
<b>Licences</b>					
Wushishi local government Internal Revenue		514,350.00	5,020,000.00	4,505,650.00	
<b>Total Licences</b>		<b>514,350.00</b>	<b>5,020,000.00</b>	<b>4,505,650.00</b>	
<b>Mining Rents</b>					
Wushishi local government Internal Revenue		-	-	-	
<b>Total Mining Rents</b>		<b>-</b>	<b>-</b>	<b>-</b>	
<b>Royalties</b>					
Wushishi local government Internal Revenue		-	-	-	
<b>Total Royalties</b>		<b>-</b>	<b>-</b>	<b>-</b>	
<b>Fees</b>					
Wushishi local government Internal Revenue		-	-	-	
<b>Total Fees</b>		<b>-</b>	<b>-</b>	<b>-</b>	
<b>Fines</b>					
Wushishi local government Internal Revenue		-	-	-	
<b>Total Fines</b>		<b>-</b>	<b>-</b>	<b>-</b>	



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<b>Sales</b>				
Wushishi local government Internal Revenue		-	-	-
<b>Total Sales</b>		-	-	-
<b>Earnings</b>				
Wushishi local government Internal Revenue		3,651,660.00	6,800,000.00	3,148,340.00
<b>Total Earnings</b>		<b>3,651,660.00</b>	<b>6,800,000.00</b>	<b>3,148,340.00</b>
<b>Sales/Rent of Government Buildings</b>				
Wushishi local government Internal Revenue		172,500.00	7,600,000.00	7,427,500.00
<b>Total Sales/Rent of Government Buildings</b>		<b>172,500.00</b>	<b>7,600,000.00</b>	<b>7,427,500.00</b>
<b>Sale/Rent on Lands and Others:</b>				
Wushishi local government Internal Revenue		-	-	-
<b>Total Sale/Rent on Lands and Others</b>		-	-	-
<b>Rates</b>				
Wushishi local government Internal Revenue		731,500.00	5,000,000.00	4,268,500.00
<b>Total Rates</b>		<b>731,500.00</b>	<b>5,000,000.00</b>	<b>4,268,500.00</b>
<b>Investment Income</b>				
Wushishi local government Internal Revenue		-	-	-
<b>Total Investment Income</b>		-	-	-
<b>Interest Earned</b>				
Wushishi local government Internal Revenue		-	-	-
<b>Total Interest Earned</b>		-	-	-
<b>10% IGR From State</b>				
Wushishi local government Internal Revenue		25,723,459.41	147,447,704.00	121,724,244.59
<b>Total 10% IGR From State</b>		<b>25,723,459.41</b>	<b>147,447,704.00</b>	<b>121,724,244.59</b>
<b>Total - Independent Revenue</b>		<b>30,923,469.41</b>	<b>172,867,704.00</b>	<b>141,944,234.59</b>





<b>NOTE 3</b>					
<b>Other Revenue Sources of L/Govt:</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Domestic Grants		-	-	-	
<b>Total Domestic Grants</b>		-	-	-	
Grant from other LGs		-	-	-	
<b>Total Grant from other LGs</b>		-	-	0	
<b>NOTE 4</b>					
<b>A - Total Personnel Costs ( Including Salaries directly charged to CRF in Note 4B below):</b>					
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Office Of The Chairman		3,644,722.65	31,878,626.00	28,233,903.35	
The Council		26,159,771.46	59,493,383.00	33,333,611.54	
Office Of The Secretary		2,499,530.39	7,000,000.00	4,500,469.61	
Personnel Management		22,409,583.00	24,783,350.00	2,373,767.00	
<b>TOTAL Personnel Cost Administrative Sector</b>		<b>54,713,607.50</b>	<b>123,155,359.00</b>	<b>68,441,751.50</b>	
					CRF Charges in Note 3
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Finance And Supply		28,499,069.00	31,356,851.00	2,857,782.00	
Budget, Planning & Research		1,587,436.00	2,184,786.00	597,350.00	
Works And Housing		23,733,629.00	28,443,912.00	4,710,283.00	
Agriculture And Natural Resources		24,783,461.00	31,866,976.00	7,083,515.00	
<b>TOTAL Personnel Cost Economic Sector</b>		<b>78,603,595.00</b>	<b>93,852,525.00</b>	<b>15,248,930.00</b>	
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Adult Education		336,536,109.54	370,954,200.00	34,418,090.46	
Primary Health Cure		207,105,815.00	119,007,108.00	- 88,098,707.00	
Social Development		-	37,996,331.00	37,996,331.00	
Traditional Council		5,488,381.01	6,673,128.00	1,184,746.99	
<b>Total Personnel Cost Social Sector</b>		<b>549,130,305.55</b>	<b>534,630,767.00</b>	- <b>14,499,538.55</b>	
<b>Total Personnel Cost For All Sectors</b>		<b>682,447,508.05</b>	<b>751,638,651.00</b>	<b>69,191,142.95</b>	
<b>B- Salaries directly charged to CRF( included in Note 4A above)</b>					
<b>List of Parastatals and Agencies:</b>		-	-	-	
Auditor -General for Local Government		-	-	-	
e.t.c.		-	-	-	
<b>Total</b>		<b>682,447,508.05</b>	<b>751,638,651.00</b>	<b>69,191,142.95</b>	



<b>NOTE 5</b>				
<b>Employers Contribution to Pension according to Sector</b>		-	-	-
Administrative Sector		-	-	-
Economic Sector		-	-	-
Law and Justice Sector		-	-	-
Regional Sector		-	-	-
Social Sector		-	-	-
<b>Total Employers Contribution to Pension</b>		-	-	-
<b>NOTE 6</b>				
<b>Overhead Costs</b>				
<b>Administrative Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Office Of The Chairman		61,659,222.16	117,000,000.00	55,340,777.84
The Council		10,350,000.00	28,000,000.00	17,650,000.00
Office Of The Secretary		2,250,000.00	16,500,000.00	14,250,000.00
Personnel Management		5,885,444.00	38,500,000.00	32,614,556.00
<b>Total Overhead Cost Administrative Sector</b>		<b>80,144,666.16</b>	<b>200,000,000.00</b>	<b>119,855,333.84</b>
<b>Economic Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Finance And Supply		47,605,468.71	138,081,934.00	90,476,465.29
Budget, Planning & Research		2,370,000.00	-	2,370,000.00
Works And Housing		3,050,000.00	16,700,000.00	13,650,000.00
Agriculture And Natural Resources		594,000.00	8,600,000.00	8,006,000.00
<b>TOTAL Overhead Cost Economic Sector</b>		<b>53,619,468.71</b>	<b>163,381,934.00</b>	<b>109,762,465.29</b>
<b>Social Sector</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Adult Education		2,230,000.00	4,700,000.00	2,470,000.00
Primary Health Cure		450,000.00	12,700,000.00	12,250,000.00
Social Development		-	-	-
Traditional Council		240,000.00	3,200,000.00	2,960,000.00
<b>Total Overhead Cost Social Sector</b>		<b>2,920,000.00</b>	<b>20,600,000.00</b>	<b>17,680,000.00</b>
<b>Total Overhead Cost For All Sectors</b>		<b>136,684,134.87</b>	<b>383,981,934.00</b>	<b>247,297,799.13</b>
<b>NOTE 7</b>				
<b>Consolidated Revenue Fund Charges ( Incl. Service Wide Votes)</b>		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>
Monthly Pension		78,914,329.43	86,090,928.00	7,176,598.57
<b>Total Consolidated Revenue Fund Charges</b>		<b>78,914,329.43</b>	<b>86,090,928.00</b>	<b>7,176,598.57</b>



<b>NOTE 8</b>					
<b>Subventions to Parastatals (According to Sectors-List)</b>					
	Actual	Total Budget	Variance		
Administrative Sector	28,800,000.00	28,800,000.00	-		
Economic Sector	-	-	-		
Law and Justice Sector	-	-	-		
Regional Sector	-	-	-		
Social Sector	-	-	-		
<b>Total Subventions to Parastatals</b>	<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>		
<b>NOTE 9</b>					
<b>Other Operating Activities</b>					
	Actual	Total Budget	Variance		
Administrative Sector	332,290,655.07	258,011,947.00	- 74,278,708.07		
Economic Sector	-	-	-		
Law and Justice Sector	-	-	-		
Regional Sector	-	-	-		
Social Sector	110,781,604.31	283,011,525.00	172,229,920.69		
<b>Total Other Operating Activities</b>	<b>443,072,259.38</b>	<b>541,023,472.00</b>	<b>97,951,212.62</b>		
<b>NOTE 10</b>					
<b>Other Transfer</b>					
	Actual	Total Budget	Variance		
Administrative Sector	19,200,000.00	19,200,000.00	-		
Economic Sector	-	-	-		
Law and Justice Sector	-	-	-		
Regional Sector	-	-	-		
Social Sector	9,600,000.00	9,600,000.00	-		
<b>sub-total</b>	<b>28,800,000.00</b>	<b>28,800,000.00</b>	<b>-</b>		
Transfers to other local governments	147,247,725.93	147,247,725.93	-		
<b>Total Other Transfer</b>	<b>176,047,725.93</b>	<b>176,047,725.93</b>	<b>-</b>		
<b>NOTE 11</b>					
<b>Details of Aid &amp; Grants Received</b>					
	Actual	Total Budget	Variance		
Bilateral	-	-	-		
Multi Lateral	-	-	-		
ETC	-	-	-		
<b>Total Details of Aid &amp; Grants Received</b>	<b>-</b>	<b>-</b>	<b>-</b>		



<b>NOTE 12</b>					
<b>A - Details of Total Capital Expenditures (According to Sectors)</b>					
		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		12,420,000.00	106,262,524.00	93,842,524.00	
Economic Sector		-	205,607,074.00	205,607,074.00	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		11,200,000.00	250,189,082.00	238,989,082.00	
<b>Total Details of Capital Expenditures</b>		<b>23,620,000.00</b>	<b>562,058,680.00</b>	<b>538,438,680.00</b>	
<b>B - Details of Capital Expenditures of Parastatals (Included in 12A above)</b>					
		<b>Actual</b>	<b>Total Budget</b>	<b>Variance</b>	
Administrative Sector		-	-	-	
Economic Sector		-	-	-	
Law and Justice Sector		-	-	-	
Regional Sector		-	-	-	
Social Sector		-	-	-	
<b>Total Details of Capital Expenditures of Parastatals</b>		<b>-</b>	<b>-</b>	<b>-</b>	
<b>NOTE 13</b>					
<b>CLOSING BOOK BALANCES OF OTHER FUNDS OF THE GOVERNMENT</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the Other Funds Cash Book Balances		-	-		
<b>NOTE 14</b>					
<b>CLOSING CASH BOOK BALANCE OF FEDERAL PAY OFFICES/SUB-TREASURY OFFICES</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
List all the FPO/Sub-Treasuries Cash Book Balances		-	-		
<b>NOTE 15</b>					
<b>CLOSING CASH BOOK BALANCE OF WUSHISHI LOCAL GOVERNMENT</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Wushishi Local Government		29,797,887.74	160,146.90		
<b>Total Details of Cash Book Balances</b>		<b>29,797,887.74</b>	<b>160,146.90</b>		



<b>NOTE 16</b>					
<b>INVESTMENTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Investments in Quoted Companies		-	-		
Investments in unQuoted Companies		-	-		
Loans to Government Companies		-	-		
Loans to Other Government		-	-		
<b>Total Investments</b>		-	-		
<b>NOTE17</b>					
<b>LIST OF OUTSTANDING IMPRESTS</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Imprests</b>		-	-		
<b>NOTE 18</b>					
<b>LIST OF OUTSTANDING ADVANCES</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Administrative Sector		-	-		
Economic Sector		-	-		
Law and Justice Sector		-	-		
Regional Sector		-	-		
Social Sector		-	-		
<b>Total Outstanding Advances</b>		-	-		
<b>NOTE 19</b>					
<b>Revolving Loan Account</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-



<b>NOTE 20</b>					
<b>External Loans:FGN/States/ LGC</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 21</b>					
<b>FGN/ States/LGC Bonds &amp; Treasury Bonds.</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-
<b>NOTE 22</b>					
<b>Internal Loan</b>		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>Opening balance at as 1st january, 2021</b>		184,000,000.00	-		
Add: Additional Loan Issued		-	224,000,000.00		
Less: Repaid		96,000,000.00	40,000,000.00		
<b>Loans as at 31st December, 2021</b>		<b>88,000,000.00</b>	<b>184,000,000.00</b>		
<b>NOTE 23</b>					
<b>Development Loan Stock</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-



<b>NOTE 24</b>					
<b>Internal Loans from Other Funds</b>					
List the Loans		<b>Balance as at 1/1/2021</b>	<b>Additional Loan</b>	<b>Loan Paid Back</b>	<b>Balance as at 31/12/2021</b>
Loan 1		-	-	-	-
Loan 2		-	-	-	-
Loan 3		-	-	-	-
Loan 4		-	-	-	-
<b>Total</b>		-	-	-	-

<b>NOTE 25</b>					
<b>Schedule of Deposit</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Wushishi Local Government		11,517,659.20	10,168,349.60		
<b>Total Outstanding Deposits</b>		<b>11,517,659.20</b>	<b>10,168,349.60</b>		
<b>Details Of Deposits</b>					
5% Withholding Tax		6,055,454.82	5,434,454.82		
PAYE		312,948.17	312,948.17		
NULGE		1,115.50	1,115.50		
Development Levy		51,626.00	51,626.00		
15% Rent on Local Government Properties		360,025.64	360,025.64		
Federal Mortgage Bank		3,556,856.10	64,454.52		
Value Added Tax (VAT)		990,954.54	3,558,856.11		
10% Retention		57,478.44	57,478.44		
1% Stamp Duty Charges		131,199.99	327,390.40		
<b>TOTAL</b>		<b>11,517,659.20</b>	<b>10,168,349.60</b>		

<b>NOTE 26</b>					
<b>Schedule of Overdrawn accounts</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
Wushishi Local Government		-	-		
<b>Total Overdrawn account</b>		-	-		

<b>NOTE 27</b>					
<b>CONTINGENT LIABILITES AS AT YEAR END</b>					
		<b>Amount 2021</b>	<b>Amount 2020</b>		
<b>E.G.</b>					<b>List All the Contigent Liabilities</b>
... Pension and Gratuity Due		-	-		
....Outstanding Contractors Liabilities ( According to MDA)		-	-		
.....Pending Litigations ( According to MDA)		-	-		
.....Guarantees ( According to MDA)		-	-		
..... Others		-	-		
<b>Total Contigent Liabilities</b>		-	-		



<b>1</b>	<b>GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)</b>		
		<b>2021</b>	<b>2020</b>
	<b>MONTH</b>	<b>TOTAL</b>	<b>TOTAL</b>
	JANUARY	123,049,567.48	147,254,848.34
	FEBRUARY	130,600,988.98	135,908,325.04
	MARCH	104,902,901.18	121,498,824.27
	APRIL	120,670,193.86	138,180,748.55
	MAY	133,318,627.29	128,188,086.95
	JUNE	128,973,595.90	115,846,584.86
	JULY	152,528,296.52	140,615,288.21
	AUGUST	152,528,296.52	144,257,970.24
	SEPTEMBER	152,956,149.88	141,948,537.91
	OCTOBER	160,592,961.36	132,695,296.59
	NOVEMBER	152,958,369.65	119,830,310.68
	DECEMBER	151,220,280.47	118,131,489.79
<b>TOTAL</b>	<b>1,664,300,229.09</b>	<b>1,584,356,311.43</b>	
	<b>INTERNELLY GENERATED REVENUE 2021</b>		
	<b>DETAILS</b>	<b>AMOUNT</b>	
	Taxes	130,000.00	
	Rates	731,500.00	
	Lincences	514,350.00	
	Earning	3,651,660.00	
	Rent	172,500.00	
	interest	-	
	10% IGR From State	25,723,459.41	
	<b>TOTAL</b>	<b>30,923,469.41</b>	



## 1.1 INTRODUCTION

In compliance with the provision of section 125 (2) of 1999 Constitution of the Federal Republic of Nigeria and Niger State Local Government Law (N.S.L.N. No. 14) of 2001, I have examined the Accounts and Financial Statement of Wushishi Local Government for the year ended 31<sup>st</sup> December, 2021 in accordance with the Public Finance (Control Management Act. 1958).

I have therefore certified the accounts as correct subject to various observations raised and contained in this report while the irregularities discovered thereon had been forwarded through Audit Inspection reports to the attached for Accounting officer`s comments and necessary actions.

## 2.0 FINANCIAL HIGHLIGHTS

RECEIPTS DESCRIPTION	AMOUNT (₦)	PERCENTAGE
Internally Generated Revenue	5,200,010.00	0.31%
10% IGR	25,723,459.41	1.52%
VAT	568,962,965.64	33.56%
Exchange Gain Differentials	4,077,753.80	0.24%
Excess Crude Oil	30,527,685.01	1.80%
Non-Oil Revenue	33,575,994.45	1.98%
Statutory Allocation	1,027,155,830.19	60.59%
	<b><u>1,695,223,698.50</u></b>	<b>100.00%</b>

## 2.1 ANALYSIS OF REVENUE AND EXPENDITURE

### 2.1.1 REVENUE

The sum of ₦ 1,695,223,698.50 accrued to the Wushishi Local Government Council as total receipts for the year ended 31<sup>st</sup> December, 2021

#### 2.1.1.1 INTERNALLY GENERATED REVENUE

Wushishi Local Government Council generated the sum of ₦ 5,200,010.00 and ₦ 25,723,459.41 as Internally Generated Revenue and 10% IGR from State respectively. This amounted to a total of ₦ 30,923,469.41 only for the year ended 31<sup>st</sup> December, 2021 which represented 1.82% of the total accrued revenue of ₦ 0. This shows that the Council solely depends on statutory allocation from the Federation Account and grants from other sources for survival despite my several advices to improve and explore other sources of revenue for the Council. This could result to non-survival of the councils if there is a decline of revenue from the Federation Account.

The Council promised to look for other ways of improving collections of its internally generated revenue. I advised that the councils should make up extra efforts to generate more in the years ahead.

**2.1.1.2 FEDERAL STATUTORY ALLOCATION**

The sum of ₦ 1,664,300,229.09 which is 98.18% of the total receipts of ₦ 1,695,223,698.50 was disbursed to Wushishi Local Government Council for the year under review. This sum comprises the followings:

- i. Exchange Gain Differentials
- ii. VAT
- iii. Excess Crude Oil
- iv. Non-oil Revenue
- v. Statutory Allocation

**2.1.2 EXPENDITURE****2.1.2.1 ANALYSIS OF EXPENDITURE**

The total sum of ₦ 0 was allocated directly to Wushishi Local Government Council and expended as follows:

DETAILS	AMOUNT (₦)	PERCENTAGE
Personnel cost	682,447,508.05	40.97%
Overhead cost	136,684,134.87	8.21%
Consolidated Fund charges	78,914,329.43	4.73%
Operating Activities	443,072,259.38	26.60%
Other Transfers	176,047,725.93	10.57%
Contributions	28,800,000.00	1.73%
Repayment of Loans	96,000,000.00	5.76%
Cash flow from investment	23,620,000.00	1.42%
	<b><u>1,665,585,957.66</u></b>	<b><u>100.00%</u></b>

**3.0 WEAKNESSES IN THE INTERNAL CONTROL SYSTEM**

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

**3.1 Unsupported payments by third party documentation**

I observed that some of the payment vouchers raised were not having documentary evidences such as delivery notes, Stores Received Vouchers, Stores Issues Vouchers, receipts etc. to justify the payments made. This implies some of the payments were made for goods not delivered or services not rendered.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

I advised the Council to ensure that all payments are supported appropriately



### **3.2. Unremitted WHT, VAT and STAMPDUTY Deductions**

During the course of my audit, I observed that Wushishi Local Government Council had not remitted ₦ 7,177,609.35 to the appropriate authorities as at 31 December 2021. The outstanding amount comprises ₦ 6,055,454.82 in respect of WHT, ₦ 990,954.54 in respect of VAT and ₦ 131,199.99 in respect of Stamp duty.

This exposes the Local Government Council to the risk of payment of fines and penalties for late remittance.

I advised the Council to remit the outstanding deductions immediately and in future, the Council should ensure all deductions are made and remitted in accordance with the relevant guidelines.

Management acknowledged and promised to remit the outstanding deductions as soon as funds are available and that in future, they will effect deductions on all contracts and remit the deductions in accordance with the provisions of the law.

### **3.3. Payment Vouchers not checked nor passed by the Internal Audit Unit.**

During the course of our audit exercise, it was observed that despite being raised in our previous reports on the Payments Vouchers not being subjected to proper internal audit checks, the trend still continued in some cases which contravenes Chapter 14, section 1-19 of Model Financial Memoranda. The non-compliance was evidenced by the Payment Vouchers which were prepared and paid out without endorsement by the Internal Audit Unit and Officer Controlling the Vote and Checks by the Accounting Officer. This exposes the Council to fraudulent practices. I advised the Council to adhere strictly to the provisions of the Model Financial Memoranda.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memoranda.

I advised management to comply with the provisions of the Model Financial Memorandum when processing payments.

### **3.3. Non-maintenance of Fixed/Moveable Asset register.**

A Fixed Assets Register is a management tool to monitor and control use of assets. However, as pointed out in my previous reports, Wushishi Local Council did not maintain an up-to-date Fixed Assets Register during the year under review.

The risk of non-maintenance of Fixed Assets Register is that the council may not be able to detect misuse and loss of its assets on time.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

I advised the Council to ensure that an up-to-date Fixed Assets/Movable Assets Register is maintained.



**3.4. Non-maintenance of Loan/Overdraft Register/Ledger.**

We observed that Wushishi Local Government Council did not maintain Loans/Overdraft Register/Ledger during the year.

The risk is that the Council may not be able to reconcile loan balances with the lenders leading to overpayments or fines and penalties for under payments.

Management in their response acknowledged the weakness and promised to comply with the provisions of the Model Financial Memorandum.

We recommend that the Council should immediately open and maintain Loans Register.

**4.0 BUDGETARY CONTROL****4.1 REVENUE COMPARISON**

During the year under review, there was a shortfall in the target of Internally Generated Revenue in Wushishi Local Government Council in all revenue codes as shown below:

**WUSHISHI LOCAL GOVERNMENT BUDGETED INTERNALLY GENERATED REVENUE COMPARED WITH ACTUAL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**

S/N	CODES	DETAILS	BUDGET ?	ACTUAL ?	SHORTFALL ?
1	12010000	Taxes	1,000,000.00	130,000.00	(870,000.00)
2	12021700	Rates	5,000,000.00	731,500.00	(4,268,500.00)
3	12021300	Local Licenses, Fees, and Fine	5,020,000.00	514,350.00	(4,505,650.00)
4	12021500	Earning from Commercial undertakings	6,800,000.00	3,651,660.00	(3,148,340.00)
5	12021600	Rent on Local Government Properties	7,600,000.00	172,500.00	(7,427,500.00)
6	12021100	Interest	-	-	-
			<b>25,420,000.00</b>	<b>5,200,010.00</b>	<b>(20,219,990.00)</b>

From the above table, it clearly shows that the Council solely relies on Statutory Allocation from the Federation Account for its survival when comparing the total budgeted amount of ₦ 25,420,000.00 with actual Internally Generated Revenue of ₦ 5,200,010.00 leaving a short fall of ₦ 20,219,990.00 during the year under review.

This implies that the Council could not fully implement its planned programs during the financial year or the budget was not realistic.

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

- i. Carry out awareness campaign to sensitize the public on their tax obligations toward the Council.
- ii. Build the capacity of staff, investing in relevant technology and equipment can as well help in boosting IGR.
- iii. Bank revenue collection intact to avoid spending at source and abuse of the revenues collected.
- iv. Control over issuance of revenue receipts
- v. Print revenue receipts using the Government Printer to minimize forgery of revenue receipts.
- vi. The Council should ensure that realistic budgets are prepared.

## **4.2 RECURRENT EXPENDITURE**

### **4.2.1 PERSONNEL COST**

As regards to the personnel cost, it was observed that, the sum of ₦ 551,791,003.88 and ₦ 682,447,508.05 was spent as personnel cost in 2020 and 2021 respectively with a decrease of ₦ 130,656,504.17 over the previous year. The increase represents 19.14% of personnel cost for the year under review.

### **4.2.2 CAPITAL EXPENDITURE**

#### **4.2.2.1 CAPITAL PROJECT**

During the year under review, it was observed that the sum of ₦ 23,620,000.00 was spent on Capital project by Wushishi Local Government Council. This was made by the Council to boost the developmental activities in the rural areas in which various projects were executed and some were still in progress. Though approved capital expenditure estimate was ₦ 562,058,680.00. only the sum of ₦ 23,620,000.00 representing 4.20% was expended leading to a variance of ₦ 538,438,680.00.

I advised the Council to ensure that estimates should be based on realistic and cognizance of environmental factors, and the cash flows should be adequately monitored in order to reduce unnecessary expenses on overhead and give priority to project execution.

## **5.0 ANALYSIS OF ASSETS AND LIABILITIES**

### **5.1 ASSETS**

#### **5.1.1 CASH AND ITS EQUIVALENTS**

The closing cash and its equivalents amounted to the sum of ₦ 29,797,887.74 for Wushishi Local Government as at 31<sup>st</sup> December, 2021.



**5.2. LIABILITIES****5.2.1. DEPOSITS**

Deposits comprise unremitted statutory deductions and bank overdrafts as explained below.

**5.2.1.1 UNREMITTED DEDUCTIONS**

The balance on the unremitted deductions account was ₦ 11,517,659.20 as at 31<sup>st</sup> December, 2021. The unremitted deductions include deductions from payments made on behalf of Government Agencies and various other bodies by the Local Government which ought to be promptly remitted to the appropriate authorities.

The management of Wushishi Local Government Council has been advised to ensure that all Deposits are remitted timely to avoid accumulating liabilities and attracting fines and penalties for the Local Government.

**5.2.1.2. BANK OVERDRAFTS**

The Council did not have any bank overdrafts at the end of the financial year under review

**6.0 OUTSTANDING ISSUES FROM THE AUDIT INSPECTION REPORT**

The following are outstanding issues from Inspection Report for the period under review.

**AGX/F.O.21/TA/WSH/VOL.1****Dated – 24/2/2022**

(i)	Payment made for purchase of palliative without Approval	=	₦ 1,300,000.00
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**2 AGX/D.125/VOL.9/1 PROJECTS**

Suspicious payment made for the purchase of Toyota corolla cars

without Memo that led to purchases	=	₦ 14,000,000.00
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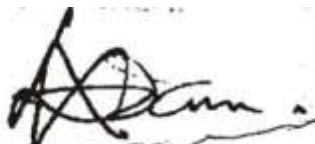
Management promised in their response to revisit and resolve the issues raised.

We recommend that the management of Wushishi Local Government should ensure the issues raised above are adequately addressed.

**7.0 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*

