



**BAUCHI STATE OF NIGERIA**  
**OFFICE OF THE AUDITOR-GENERAL**  
**FOR LOCAL GOVERNMENTS**

P.M.B 0130, Bauchi, Bauchi State.

ALG/OFF/S/70/VOL.I  
Ref: \_\_\_\_\_

29<sup>th</sup> December, 2020  
Date: \_\_\_\_\_

**ANNUAL REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS**  
**ON THE ACCOUNT OF 20 LOCAL GOVERNMENT COUNCILS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**  
**BAUCHI STATE**

**AUDIT OBJECTIVE**

The office of the Auditor General for Local Governments is vested with the statutory powers to continuously assesses how well the Local Governments have managed their financial affairs and operations and to report the results of such assessments to the Bauchi State House of Assembly through the Public Accounts Committee.

**The objectives of our audit are: -**

- i) To obtain a reasonable assurance about whether the financial statements submitted by the Local Government Councils have been prepared in accordance with the provisions of Extant Laws and International Auditing Standard of supreme audit institutions and are free from material misstatement due to fraud or error, thereby enabling the Auditor General to express an opinion on the view presented by the financial statements.
- ii) To report on the financial statement and communicate as required by the law to the Speaker of the Bauchi State House of Assembly, the Auditor General's findings on the audit of the accounts of the Local Government Councils.

**STATEMENT OF OPINION OF AUDITOR GENERAL**

We have examined the financial statement on pages 24 to 286 Which have been prepared under the existing accounting policies.

**RESPONSIBILITY FOR THE PREPARATION OF FINANCIAL STATEMENTS**

The Directors of Finance and account of each Local Government are individually responsible for maintenance of proper books of account and preparation of the financial statement of the councils. This responsibility includes decision, implementing and maintaining internal control relevant to the preparation of financial statements that are free from material misstatements whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstance.

**RESPONSIBILITIES OF THE AUDITOR GENERAL** It is my responsibility to form an independent opinion based on the view presented by the financial statements and accompanying accounts proposed and submitted to me by the Directors of Finance and supply of the twenty Local Government councils of Bauchi State and report thereupon in accordance with provision of the Law and International Standard and of Supreme Audit institutions.

### **SCOPE OF MY AUDIT**

We conducted our audit in accordance with the Generally Accepted Auditing Standards. An audit includes the examination on test basis of evidence related to the accounts and disclosures in the financial statements. It also includes an assessment of significant estimate and judgement made by the councils in the preparation of the financial statements and whether the accounting policies were appropriate in the council's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations considered necessary and to provide sufficient evidence to give a reasonable assurance that the financial statements are free from material misstatement whether by fraud or other irregularities or errors. In affirming our opinion, we evaluated the preparation of the information on the financial statements and assessed whether the council's books and accounts had been properly kept.

### **AUDIT CERTIFICATION**

I have examined the financial statements of all the 20 Local Government Councils of Bauchi State as at 31<sup>st</sup> December, 2019 in accordance with Section 125 (2), (4) and (5) of the 1999 Constitution of the Federal Republic of Nigeria as amended. I have obtained all information and explanation required for my audit.

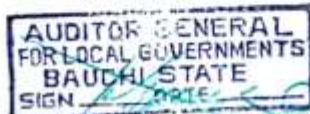
I certify as a result of my audit, that in my opinion, the statement of financial position and the supporting accounts and statements show a true and fair view of the state of affairs of Bauchi State Local Governments as at 31<sup>st</sup> December, 2019 and of the transactions for the year ended on that date based on my comments in the reports of respective Local Governments.

**INTRODUCTION:**

The auditing of financial statements for the year ended 31<sup>st</sup> December, 2019 of all the twenty (20) Local Government Councils was adequately conducted and discussed with the respective Local Government Councils. Final copy of the consolidated audited financial statements was produced as enshrined by the 1999 Constitution of the Federal Republic of Nigeria as amended, section 125 (3) connected to section 316 of the same constitution and section 38 (2) of the Bauchi State Law Vol. 3 of 2007, which I am presenting to the Honorable House.

**SUBMISSION OF REPORT**

In the discharge of my statutory responsibilities and in compliance with the provisions of section 125 and 316 of 1999 Constitution as amended, and also section 38 (2) of the Bauchi State Law Vol. 3 of 2007. I hereby submit to the Honorable House of Assembly, my Annual Report of the Accounts of 20 Local Government Councils of Bauchi State for the financial year ended 31<sup>st</sup> December, 2019. The report contains analysis, disclosures and observations raised from routine audit inspection of Local Government Councils that were not responded to by the Local Government Councils despite the long period of time given by my office.



Sign.:  
KABIRU GARBA GAMAWA, FCNA.  
AUDITOR GENERAL FOR LOCAL GOVERNMENTS,  
BAUCHI STATE.



### **RESPONSIBILITY FOR THE PREPARATION OF FINANCIAL STATEMENTS**

The Directors of Finance and account of each Local Government are individually responsible for maintenance of proper books of account and preparation of the financial statement of the councils. This responsibility includes decision, implementing and maintaining internal control relevant to the preparation of financial statements that are free from material misstatements whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstance.



**IBRAHIM AHMED MOHAMMED, FCNA.**  
ON BEHALF OF DIRECTORS OF FINANCE AND ACCOUNTS

**SUMMARY OF GROSS STATUTORY ALLOCATION TO THE LOCAL GOVERNMENT COUNCILS**

<b>S/N</b>	<b>LOCAL GOVERNMENT</b>	<b>FAAC</b>
1	ALKALERI	2,565,376,475.76
2	BAUCHI	4,127,689,240.23
3	BOGORO	1,498,628,413.61
4	DAMBAM	2,033,842,087.83
5	DARAZO	2,708,211,039.96
6	DASS	1,492,415,272.93
7	GAMAWA	2,471,873,335.63
8	GANJUWA	2,204,765,349.42
9	GIADE	1,956,357,349.72
10	ITAS/GADAU	2,240,717,716.06
11	JAMA'ARE	1,520,683,389.54
12	KATAGUM	3,050,283,835.26
13	KIRFI	1,530,206,030.16
14	MISAU	2,435,626,464.29
15	NINGI	2,522,914,670.52
16	SHIRA	2,010,328,972.17
17	TAFAWA BALEWA	2,520,861,780.17
18	TORO	3,105,873,538.31
19	WARJI	1,496,077,887.37
20	ZAKI	2,178,284,221.97
	<b>TOTAL</b>	<b>45,671,017,070.91</b>

## **SUMMARY OF LOCAL GOVERNMENTS TOTAL REVENUE**

<b>S/N</b>	<b>LOCAL GOVERNMENT COUNCILS</b>	<b>FAAC</b>	<b>INVT. INCOME</b>	<b>IGR</b>	<b>TOTAL</b>
1	ALKALERI	2,565,376,475.76	-	1,738,072.00	2,567,114,547.76
2	BAUCHI	4,127,689,240.23	-	42,639,279.00	4,170,328,519.23
3	BOGORO	1,498,628,413.61	-	1,237,323,464.00	2,735,951,877.61
4	DAMBAM	2,033,842,087.83	-	1,780,221.00	2,035,622,308.83
5	DARAZO	2,708,211,039.96	-	6,321,048.00	2,714,532,087.96
6	DASS	1,492,415,272.93	-	1,294,475.00	1,493,709,747.93
7	GAMAWA	2,471,873,335.63	-	6,396,910.00	2,478,270,245.63
8	GANJUWA	2,204,765,349.42	-	2,324,950.00	2,207,090,299.42
9	GIADE	1,956,357,349.72	-	4,427,868.00	1,960,785,217.72
10	ITAS/GADAU	2,240,717,716.06	-	1,498,567.00	2,242,216,283.06
11	JAMA'ARE	1,520,683,389.54	-	2,623,892.00	1,523,307,281.54
12	KATAGUM	3,050,283,835.26	-	6,483,750.00	3,056,767,585.26
13	KIRFI	1,530,206,030.16	-	8,494,300.00	1,538,700,330.16
14	MISAU	2,435,626,464.29	-	2,899,429.00	2,438,525,893.29
15	NINGI	2,522,914,670.52	-	125,558,579.00	2,648,473,249.52
16	SHIRA	2,010,328,972.17	-	2,846,869.00	2,013,175,841.17
17	TAFAWA/BALEWA	2,520,861,780.17	-	4,122,608.00	2,524,984,388.17
18	TORO	3,105,873,538.31	-	14,382,529.00	3,120,256,067.31
19	WARJI	1,496,077,887.37	-	694,000.00	1,496,771,887.37
20	ZAKI	2,178,284,221.97	-	5,409,126.00	2,183,693,347.97
	<b>TOTAL</b>	<b>45,671,017,070.91</b>	<b>=</b>	<b><u>1,479,259,936.00</u></b>	<b>47,150,277,006.91</b>

## **STATEMENT OF REVENUE AND EXPENDITURE**

<b>S/N</b>	<b>LOCAL GOVERNMENT</b>	<b>FAAC</b>	<b>IGR</b>	<b>TOTAL EXPENDITURE</b>	<b>BALANCE</b>
1	ALKALERI	2,565,376,475.76	1,738,072.00	2,312,342,087.76	254,772,460.00
2	BAUCHI	4,127,689,240.23	42,639,279.00	4,116,166,463.23	54,162,056.00
3	BOGORO	1,498,628,413.61	1,237,323,464.00	2,743,927,395.61	(7,975,518.00)
4	DAMBAM	2,033,842,087.83	1,780,221.00	2,032,593,061.83	3,029,247.00
5	DARAZO	2,708,211,039.96	6,321,048.00	2,657,544,339.96	56,987,748.00
6	DASS	1,492,415,272.93	1,294,475.00	1,496,664,237.93	(2,954,490.00)
7	GAMAWA	2,471,873,335.63	6,396,910.00	2,375,998,786.63	102,271,459.00
8	GANJUWA	2,204,765,349.42	2,324,950.00	2,176,642,785.42	30,447,514.00
9	GIADE	1,956,357,349.72	4,427,868.00	1,930,986,599.72	29,798,618.00
10	ITAS/GADAU	2,240,717,716.06	1,498,567.00	2,171,103,634.06	71,112,649.00
11	JAMA'ARE	1,520,683,389.54	2,623,892.00	1,447,319,334.54	75,987,947.00
12	KATAGUM	3,050,283,835.26	6,483,750.00	3,008,943,824.26	47,823,761.00
13	KIRFI	1,530,206,030.16	8,494,300.00	1,516,810,626.16	21,889,704.00
14	MISAU	2,435,626,464.29	2,899,429.00	2,381,129,688.29	57,396,205.00
15	NINGI	2,522,914,670.52	125,558,579.00	2,611,103,341.52	37,369,908.00
16	SHIRA	2,010,328,972.17	2,846,869.00	2,065,848,285.17	(52,672,444.00)
17	TAFAWA BALEWA	2,520,861,780.17	4,122,608.00	2,416,385,654.17	108,598,734.00
18	TORO	3,105,873,538.31	14,382,529.00	3,103,938,707.31	16,317,360.00
19	WARJI	1,496,077,887.37	694,000.00	1,496,955,163.37	(183,276.00)
20	ZAKI	2,178,284,221.97	5,409,126.00	2,063,332,945.97	120,360,402.00
	<b>TOTAL</b>	<b>45,671,017,070.91</b>	<b>1,479,259,936.00</b>	<b>46,125,736,962.91</b>	<b>1,024,540,044.00</b>

## **GENERAL STATE OF ACCOUNTANTS AND RECORD KEEPING**

Some inadequacies were observed in the area of record keeping which have been forwarded to the respective Local Governments alongside recommendations and remedial action to adopt. These observed inadequacies are summarized below:

- i. Fixed mobile Assets register were either not properly kept or not maintained, improperly kept or not up to date.
- ii. Cash books were not properly kept and balanced: payment/receipt voucher codes lacked uniformity with budgetary codes.
- iii. Investment register/ ledgers were not kept.
- iv. Loans /overdraft registers/ ledgers were not maintained.
- v. No adherence to regulations on advances evidenced in the huge balances of unretired advances.
- vi. Monthly bank reconciliation was either not done or not regular.

## **FUNCTIONS OF INTERNAL CONTROL SYSTEM**

It was observed that the local Governments maintained functional system of internal control which include internal Audit Units and proper segregation of duties to ensure checks and balances in the performance of Government business. However, some internal control weaknesses were still observed. These are contained in my Audit inspection reports which have been forwarded to the Local Governments concerned for remedial actions.



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

### **CASH AND ITS EQUIVALENT**

The consolidated closing cash and its equivalents amounted to **N92,049,006.00** for the 20 local Governments as at 31<sup>st</sup> December 2018. Some accumulated bank charges and loan repayments which were not vouched as at the time of reporting thus were not yet charged to appropriate expenditure votes. It is expected that the time cash and bank balances would be lower than the above figure reported after proper reconciliation have been carried out. This observation has also been forwarded to the local Governments for their comments and necessary action.

### **INVESTMENTS**

The total consolidated value of all investments held by the 20 local Governments councils is **N415,497,573.00** The investments were not properly documented as investment Register/ Ledgers were not maintained by various councils thus, their current values could neither be ascertained nor verified. Most investment most have been found to be dormant as no income by way of dividends, interest or sales were recorded in respect of those investments. Some of the organization in which these investments are said to be held are no longer in existence.

In my opinion, investigation into the current status of these investments should be carried out to established their existence, viability and fair values. Appropriate actions should be taken to write –off any moribund investments and write up/down of the active ones to their fair values.

### **PREPAYMENTS**

These present advance payments for goods and services which the local Governments are yet to received. Monies are usually advanced to the staff of the Local Governments to carry out Jobs and other transactions on behalf of the 20 local Governments which were expected to be retired at the completion of purpose for which the advances were granted or at the end of financial year.

For the year under review a consolidated total prepayment stood at **N165,440,407.00**. Audit investigation has revealed that the huge balance in the advance account was due to the non –retirement of advances after events for which they were granted have been concluded or time given has

elapsed. Over the years, these have accumulated and have resulted to the current state.

It was observed that some staffs who owed advances have exited the service either by the retirement, death etc. it is therefore recommended that immediate recovery of these advances be commenced or that there be a write –off of those which have become irrevocable so that the true position of these accounts can be established. It is also imperative for Audit clearance to be given before officers proceeded on retirement to ensure that such officers don't have unretired advances against them. This audit recommendation has already been sent to the individual Local Governments in my audit inspection report for their compliance.

### **PROPERTY PLANT AND EQUIPMENT**

The aggregate value of property, plant and equipment of Local Governments amounted to **₦2,302,376,859.00** as at 31<sup>st</sup> December, 2017. PPE include all allocated physical Assets of the Local Government. PPE value stated above for the year under review is net of depreciation.

### **LIABILITIES**

#### **➤ DEPOSITS**

The sum of **₦480,306,726.00** represents balance on deposit account as at 31<sup>st</sup> December, 2019. This includes receipt relating to future accounting period and sum held on behalf of the third party.

It mainly consists of dues and retentions.

### **ACCUMULATED SURPLUS**

These represents accumulated excess of revenue over operational expenditure including depreciation, impairment and other charges. The consolidated figure of accumulated surpluses as at 31<sup>st</sup> December, 2017 was **₦1,024,540,044.00**.

## **AUDIT INSPECTION REPORTS**

During the year under review, Audit inspection was carried out in the Local Governments of Bauchi state. Observation, recommendations and matters arising from application of fund and other related activities were issued as inspection report to the individual Local Governments for their comments and compliance.

However, some of the observations have been resolved while others are outstanding and follow –up actions have already been taken by the office.

Accounting officer's office of the Local Governments are advised to ensure speedy response to all outstanding observations and sanctions. these uncleared observations are as follows.

## **UNCLEARED OBSERVATIONS**

### **UNACCOUNTED REVENUE**

The statement below represents list of unaccounted revenue receipts by some local governments amounting to N5,361,694.23.

Diversion of revenue is an offence sanctionable under financial memoranda 39(13).

Directors finance were asked to recover the amount involved from the responsible officer's salaries without any delay. The reports were not replied despite the long period of time taken and several reminders sent.

<b>S/N</b>	<b>LOCAL GOVERNMENT</b>	<b>AMOUNT (₦)</b>
1	BOGORO	376,300.00
2	DARAZO	350,200.00
3	GAMAWA	145,391.23
4	MISAU	89,500.00
5	NINGI	38,200.00
6	TAFAWA BALEWA	546,150.00
7	TORO	286,953.00
8	WARJI	3,529,000.00
	<b>TOTAL</b>	<b><u>N5,361,694.23</u></b>

## **UNCLEARED OBSERVATIONS**

### **IRREGULAR PAYMENTS**

The table below represents list of payments made in respect of procurement of goods and services amounting to N92,759,918.92. However, examination of the transactions relating to these payments, revealed that goods and services said to have been procured were not actually executed. The payees concerned confirmed that they have no idea of these transactions and that their names were only used, hence our basis for qualifying these expenditures as irregular. Irregular payments represent payments which were not made in the interest of the public and is recoverable as per FM39.

Directors of Finance were asked to explain the circumstances behind these payments or in alternative, recover the amount involved from those responsible for the payments.

The reports were not replied despite the long time taken.

<b>S/N</b>	<b>LOCAL GOVERNMENT</b>	<b>AMOUNT (₦)</b>
1	ALKALERI	5,003,000.00
2	BAUCHI	4,044,500.00
3	BOGORO	5,604,950.00
4	DAMBAM	3,858,750.00
5	DARAZO	4,415,000.00
6	DASS	1,000,000.00
7	GAMAWA	5,230,000.00
8	GANJUWA	4,578,000.00
9	GIADE	4,925,000.00
10	ITAS/GADAU	4,351,318.92
11	JAMA'ARE	4,704,000.00



12	KATAGUM	5,135,000.00
13	KIRFI	4,500,000.00
14	MISAU	5,462,500.00
15	NINGI	5,066,400.00
16	SHIRA	5,172,500.00
17	TAFAWA BALEWA	3,900,000.00
18	TORO	5,416,000.00
19	WARJI	5,239,000.00
20	ZAKI	5,164,000.00
	<b>TOTAL</b>	<b><u>N92,759,918.92</u></b>

## **UNCLEARED OBSERVATIONS**

### **WRONG PAYMENT OF ALLOWANCES**

The list below represents wrong payment of various allowances to some staff of the Local Governments amounting to the sum of **N37,827,635.90**.

Directors of finance were asked to immediately stop payment of these allowances and recover the amount involved from the affected staff salaries.

No response was received to that effect despite the long period of time taken.

<b>S/N</b>	<b>LOCAL GOVERNMENT</b>	<b>AMOUNT</b>
1	ALKALERI	277,746.32
2	BAUCHI	10,443,221.27
3	BOGORO	3,219,807.02
4	DAMBAM	432,304.56
5	DARAZO	167,625.33
6	DASS	4,228,486.04
7	GAMAWA	1,383,706.46
8	GIADE	1,372,877.66
9	ITAS/GADAU	294,482.92
10	JAMA'ARE	9,110,851.35
11	KIRFI	566,033.20
12	MISAU	312,383.61
13	NINGI	74,435.51
14	SHIRA	2,668,050.31
15	TAFAWA BALEWA	2,094,260.82

16	TORO	707,577.12
17	WARJI	473,786.40
	<b>TOTAL</b>	<b><u>N37,827,635.90</u></b>

## **UNCLEARED OBSERVATIONS**

### **PAYMENTS MADE WITHOUT PAYMENT VOUCHERS**

The statement below represents list payment observed to have been made without raising payment vouchers in some local governments contrary to the provision of financial memoranda (14.3).

The total amount involved is N34,552,011.56.

Directors of finance were asked to make available, all the outstanding payment vouchers for Auditing, no reply was received to that effect despite the early notifications and several reminders.

<b>S/N</b>	<b>LOCAL GOVERNMENT</b>	<b>AMOUNT</b>
1	ALKALERI	5,132,100.00
2	BAUCHI	5,143,350.00
3	BOGORO	5,099,629.88
4	DAMBAM	141,250.00
5	GANJUWA	4,279,175.00
6	GIADE	3,919,875.00
7	ITAS GADAU	4,133,901.13
8	JAMAARE	3,369,500.00
9	KIRFI	5,185,990.39
10	MISAU	3,523,450.00
11	SHIRA	989,818.00
12	TAFAWA BALEWA	3,420,000.00
13	TORO	4,864,000.00
14	ZAKI	777,250.00
	<b>TOTAL</b>	<b><u>N34,552,011.56</u></b>

## **UNCLEARED OBSERVATIONS**

### **PAYMENTS MADE WITHOUT PROPER DOCUMENTATION**

The statement below represents list of payment observed to have been made without attaching the necessary supporting documents to the payment vouchers amounting to the sum of N62,371,902.71. This is contrary to the provision of the financial memoranda 14.4(8).

Directors finance were asked to make available, all the document lacking and attach them to the affected payment vouchers.

No reply was received to that effect despite the long period of time taken.

<b>S/N</b>	<b>LOCAL GOVERNMENT</b>	<b>AMOUNT</b>
1	ALKALERI	5,558,000.00
2	BAUCHI	5,351,000.00
3	BOGORO	5,370,500.00
4	DARAZO	4,351,260.00
5	DASS	3,418,764.76
6	GANJUWA	4,099,340.00
7	GIADE	4,091,125.00
8	ITAS/GADAU	3,521,205.00
9	JAMA'ARE	913,000.00
10	KIRFI	4,862,000.00
11	MISAU	3,595,000.00
12	NINGI	3,480,500.00
13	SHIRA	5,639,207.95
14	T/BALEWA	4,394,000.00
15	WARJI	3,727,000.00
	<b>TOTAL</b>	<b><u>N62,371,902.71</u></b>



## **UNCLEARED OBSERVATIONS**

### **PAYMENT OF SALARIES TO DECEASE/RETIRED STAFF**

The statement below represents salaries of some staff who are being paid salaries while they have retired from the service or have died. The total amount involved is N34,861,945.01 (Thirty four million, Eight hundred and sixty one Thousand, Nine hundred and Fourty Five Naira, One kobo)

Directors of finance were asked to stop the payment of salaries to this category of staff immediately and to recover the salary wrongly paid. No response was received to that effect despite the long period of time taken.

### **OVER PAYMENT OF SALARY**

<b>S/N</b>	<b>LOCAL GOERNMENT</b>	<b>AMOUNT</b>
1	ALKALERI	1,664,730.10
2	BAUCHI	2,217,907.09
3	BOGORO	1,608,834.55
4	DARAZO	1,786,078.23
5	DASS	2,474,887.32
6	GAMAWA	1,383,706.46
7	GANJUWA	881,305.11
8	GIADE	1,372,877.66
9	ITAS/GADAU	294,482.97
10	JAMA'ARE	9,110,851.35
11	MISAU	3,258,978.89
12	SHIRA	2,668,050.31
13	TAFAWA BALEWA	1,280,271.29
14	TORO	4,563,624.03
15	WARJI	295,359.65
	<b>TOTAL</b>	<b><u>N34,861,945.01</u></b>

## UNCLEARED OBSERVATIONS

### WRONG PROMOTIONS TO STAFF

The list below represents over payment of salaries made to some staff as a result of wrong promotions as well as wrong placements during promotions. The total amount involved is **N13,353,311.06** (twelve million, nine hundred and eighty nine thousand, three hundred and eleven Naira, sixteen kobo).

Directors of finance were asked to revert the affected officers appropriately in line with the Local Government scheme of service and to recover the amount of over payment from their salaries.

No reply was received to that effect despite the long period of time taken.

S/N	LOCAL GOVERNMENT	AMOUNT
1	BOGORO	388,307.76
2	DARAZO	995,999.72
3	GANJUWA	479,673.15
4	KIRFI	1,515,949.30
5	SHIRA	64,231.99
6	TAFAWA BALEWA	2,254,754.28
7	TORO	6,021,657.60
8	WARJI	1,632,737.36
	<b>TOTAL</b>	<b><u>N13,353,311.06</u></b>

## **UNCLEARED OBSERVATIONS**

### **ILLEGAL REPLACEMENT OF STAFF**

The list below represents salaries of staff observed to have illegally replaced some retired/deceased officers amounting to **N2,315,671.86** (Two million, three hundred and fifteen thousand, six hundred and seventy-one Naira, thirty-six kobo)

Directors of finance were asked to immediately stop payment of salaries to this category of staff and to recover in total, the amount already paid to them.

No reply was received to that effect despite the long period of time taken.

S/N	LOCAL GOVERNMENT	AMOUNT
1	BAUCHI	468,096.00
2	GAMAWA	145,391.26
3	TAFAWA BALEWA	1,702,184.60
	<b>TOTAL</b>	<b><u>N2,315,671.86</u></b>

## UNCLEARED OBSERVATIONS

### WITHDRAWALS OF FUND WITHOUT ACCOUNTABILITY

The list below represents withdrawals observed to have been made in some Local Governments amounting to **N9,794,600.00** without recourse to accountability. These transactions were not recorded in any of the books of account neither were payment vouchers raised in support of the transactions as per FM 14(3).

Directors of finance were asked to explain the circumstances behind these transactions or alternatively recover the amount involved from officers responsible for the payments.

No reply was received to that effect despite the long period of time taken.

S/N	LOCAL GOVERNMENT	AMOUNT
1	BAUCHI	4,103,750.00
2	GANJUWA	1,006,000.00
3	ITAS/GADAU	1,100,000.00
4	WARJI	470,000.00
5	ZAKI	3,114,850.00
	<b>TOTAL</b>	<b><u>N9,794,600.00</u></b>

**STATEMENT OF ALL ALLOCATIONS AND ACTUAL RECEIPTS OF STATE**  
**LOCAL GOVERNMENT JOINT ACCOUNT ALLOCATION ON COMMITTEE (SLJAC)**  
**TRANSFERS MONTHLY FOR THE YEAR 2019**

S/ N	MONTH	STATUTORY ALLOCATION N	VAT ALLOCATION N	EXCHANGE GAIN DIFF. N	NLNG DIVIDEND SHARE/ EXCESS BANK CHARGES SHARE/EXCESS PPT ACCOUNT N	TOTAL N
1	JANUARY, 2019	2,981,971,202.62	779,418,078.46	5,377,641.26	-	3,766,766,922.34
2	FEBRUARY, 2019	2,720,014,273.33	810,726,164.40	3,581,543.25	50,000,181.96	3,584,322,162.94
3	MARCH, 2019	2,582,807,013.91	750,364,474.31	-	24,724,468.31	3,357,895,956.53
4	APRIL, 2019	2,435,023,827.47	711,697,089.16	3,538,538.48	418,170,916.98	3,568,430,372.09
5	MAY, 2019	2,800,301,725.52	753,517,119.44	5,377,641.26	-	3,559,196,486.22
6	JUNE, 2019	3,134,305,582.04	779,418,078.46	6,316,419.46	-	3,920,040,079.96
7	JULY, 2019	3,427,185,676.69	837,827,493.61	5,675,939.23	-	4,270,689,109.53
8	AUGUST, 2019	2,981,971,202.63	779,418,078.46	5,377,641.26	-	3,766,766,922.35
9	SEPTEMBER, 2019	3,361,858,439.51	739,802,455.54	5,632,441.68	10,802,403.71	4,118,095,740.44
10	OCTOBER, 2019	3,271,548,910.88	716,455,085.36	5,162,111.29	-	3,993,166,107.53
11	NOVEMBER, 2019	3,226,421,780.54	809,302,400.37	6,078,064.61	46,592,345.96	4,088,394,591.48
12	DECEMBER, 2019	2,690,328,048.98	698,818,422.81	91,966,301.78	196,139,845.93	3,677,252,619.50
	TOTAL	35,613,737,684.12	9,166,764,940.38	144,084,283.56	746,430,162.85	45,671,017,070.91



## SUMMARY OF STATUTORY AND OTHER DEDUCTIONS TWENTY (20) LOCAL GOVERNMENTS

S/N	MONTH	LGCs SALARY N	SUBEB/LEAs SALARY N	LOCAL GOVT. PENSION N	CONTRIBUTION TO EMIRATE COUNCILS N	CONTRIBUTION TO STATE UNIVERSITY N	TOTAL STATUTORY DEDUCTIONS N	OTHER DEDUCTIONS	BALANCE
1	JANUARY, 2019	1,310,642,778.36	1,267,243,785.29	336,912,467.69	54,750,000.00	40,000,000.00	3,009,549,031.34	-	757,217,891.00
2	FEBRUARY, 2019	1,542,916,343.52	1,274,437,207.13	337,069,505.85	54,750,000.00	40,000,000.00	3,249,173,056.50	-	335,149,106.44
3	MARCH, 2019	1,343,179,762.93	1,276,980,508.34	338,359,295.56	54,750,000.00	40,000,000.00	3,053,269,566.83	446,571,601.41	- 141,945,211.71
4	APRIL, 2019	1,354,008,536.95	1,229,316,143.23	340,368,487.06	58,750,000.00	40,000,000.00	3,022,443,167.24	-	545,987,204.85
5	MAY, 2019	1,366,325,964.00	1,276,991,027.19	338,067,465.57	58,750,000.00	40,000,000.00	3,080,134,456.76	442,338,354.07	36,723,675.39
6	JUNE, 2019	1,377,811,762.16	1,276,053,103.71	338,325,993.46	58,750,000.00	40,000,000.00	3,090,940,859.33	434,074,004.92	395,025,215.71
7	JULY, 2019	1,356,779,439.09	1,275,088,145.63	338,192,534.75	58,750,000.00	40,000,000.00	3,068,810,119.47	1,309,854,645.79	- 107,975,655.73
8	AUGUST, 2019	1,366,528,487.89	1,275,724,091.52	339,095,081.84	58,750,000.00	40,000,000.00	3,080,097,661.25	919,829,844.35	- 233,160,583.25
9	SEPTEMBER, 2019	1,374,588,405.25	1,273,566,505.92	338,361,747.14	58,750,000.00	40,000,000.00	3,085,266,658.31	989,608,903.61	43,220,178.52
10	OCTOBER, 2019	1,101,798,311.29	911,411,929.43	338,468,693.54	58,750,000.00	40,000,000.00	2,450,428,934.26	1,097,734,957.20	445,002,216.07
11	NOVEMBER, 2019	1,150,042,466.08	906,408,897.90	339,144,161.56	58,750,000.00	40,000,000.00	2,494,345,525.54	2,414,353,918.86	- 820,304,852.92
12	DECEMBER, 2019	1,390,042,250.90	1,246,457,492.52	340,080,967.43	58,750,000.00	40,000,000.00	3,075,330,710.85	893,309,432.27	- 291,387,523.62
	<b>TOTAL</b>	<b>16,034,664,508.42</b>	<b>14,489,678,837.81</b>	<b>4,062,446,401.45</b>	<b>693,000,000.00</b>	<b>480,000,000.00</b>	<b>35,759,789,747.68</b>	<b>8,947,675,662.48</b>	<b>963,551,660.75</b>

# **ALKALERI LOCAL GOVERNMENT COUNCIL**

## **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

### **CORPORATE INFORMATION**

1. **CHAIRMAN**

Alh. Babayo Mohammed Dango

2. **HEAD OF ADMINISTRATION**

Alh. Babayo Mohammed Dango

3. **TREASURER**

Dauda Danladi

4. **BANKERS**

Unity Bank Plc  
Fidelity Bank Plc.

5. **AUDITORS**

Messrs Lawyer Ejeheri & Co.,  
(Chartered Accountants),  
Plot 12725, Liberty Boulevard, P. O. Box 5548,  
Jos, Nigeria. Tel. 08034040667.

**REPORT OF THE AUDITORS ON THE ACCOUNTS OF**  
**ALKALERI LOCAL GOVERNMENT COUNCIL**

We have audited the Financial Statements of *Alkaleri Local Government Council* for the year ended 31<sup>st</sup> December, 2019 set out on pages 5 to 13, which have been prepared on the basis of accounting policies on page 4.

**RESPECTIVE RESPONSIBILITIES OF THE MANAGEMENT**

The Management is responsible for maintenance of proper books of account and for the preparation of the Financial Statements of the Council. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements whether due to fraud or errors, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstance.

**AUDITORS' RESPONSIBILITY**

Our responsibility is to express an independent opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standard on Auditing. Those Standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatements.

**BASIS OF OPINION**

We conducted the audit in accordance with the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda for Local Governments.

An audit includes examination, on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant

estimates and judgment made by the *Management* in the preparation of the financial statements and of whether the accounting policies appropriate and are consistently applied by the Council.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement whether caused by fraud or other irregularities or errors. In forming our opinion, we also evaluated the overall adequacy or otherwise of the presentation of information in the financial statements. The financial statements are in agreement with the books of accounts which have been properly kept.

#### Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Council as at 31<sup>st</sup> December, 2019 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.

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**J. L. Ejeheri**, FCA, FRC/2014/ICAN/00000010249  
**(Chartered Accountants)**  
**Jos, Nigeria.**

## **SIGNIFICANT ACCOUNTING POLICIES**

### **FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

1. **BASIS OF PREPARATION**

The Financial Statements have been prepared under the historical cost convention and in accordance with IPSAS and other applicable standards.

2. **ACCOUNTING PERIOD**

The Financial Statements is for the accounting period from 01/01/2019 to 31/12/2019.

3. **REPORTING CURRENCY**

The Financial Statements is prepared in Nigerian Naira and is rounded up to the nearest naira.

4. **CASH AND CASH EQUIVALENT**

Cash and cash equivalent represents cash balance on hand and held in bank accounts.

5. **ACCOUNTS RECEIVABLES**

Receivables from exchange transactions consist of staff advances and are recognized as the outstanding balance in the individual advances ledgers. Provision for impairment of receivable is not made as it is expected that all outstanding advances will be retired.

6. **PREPAYMENTS**

Prepayments are expenses paid in advance for service to be rendered. Prepaid expenses for which the full benefits will be derived in the future accounting period are classified under current assets in the Statement for Financial Position.

7. **INVENTORY**

The Local Government does not have any amount to be reported under inventory.

8. **PROPERTY PLANT AND EQUIPMENT (PPE)**

These are assets acquired or constructed and are held for use by the Council from which benefits are derivable beyond a financial year.

9. DEPOSITS

Deposits are various deductions made by the Council but were not remitted to the appropriate Government Agencies.

**STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2019**

		<b>2019</b>		<b>2018</b>	
	<b>NOTES</b>	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>
<b>CURRENT ASSETS</b>					
Cash & Cash Equivalent	1	2,004,329		(5,073,251)	
Receivables	2	<u>1,453,000</u>		<u>253,000</u>	
<b>Total Current Assets - A</b>			<b>3,457,329</b>		<b>(4,820,251)</b>
<b>NON-CURRENT ASSETS</b>					
Investments	3	25,698,079		18,284,170	
Property, Plant & Equipment	4	<u>367,418,164</u>		<u>110,644,448</u>	
<b>Total Non-Current Assets - B</b>			<b><u>393,116,243</u></b>		<b><u>128,928,618</u></b>
<b>Total Assets C = A + B</b>			<b>396,573,572</b>		<b>124,108,367</b>
<b>CURRENT LIABILITIES</b>					
Deposits	5	45,661,315		27,968,570	
Payables		<u>987,236</u>		<u>987,236</u>	
<b>Total Current liabilities - D</b>			<b>46,648,551</b>		<b>28,955,806</b>
<b>NON-CURRENT LIABILITIES</b>					
Public Fund		26,689,921		26,689,921	
Long Term Borrowings		<u>-</u>		<u>-</u>	
<b>Total Non-Current liabilities - E</b>			<b><u>26,689,921</u></b>		<b><u>26,689,921</u></b>
<b>Total liabilities F = D + E</b>			<b>73,338,472</b>		<b>55,645,727</b>
<b>Net Assets G = C - F</b>			<b><u>323,235,100</u></b>		<b><u>68,462,640</u></b>
<b>NET ASSETS/EQUITY</b>					
Capital Grants		56,158,376		56,158,376	
Accumulated Surplus	6	<u>267,076,724</u>		<u>12,304,264</u>	
			<b><u>323,235,100</u></b>		<b><u>68,462,640</u></b>
) CHAIRMAN					
)					
)					
) TREASURER					
<b>Total Net Assets/Equity H = G</b>			<b><u>323,235,100</u></b>		<b><u>68,462,640</u></b>

The Notes on pages 8 to 11 form an integral part of these Accounts

**SUMMARISED STATEMENT OF COMPREHENSIVE INCOME FOR THE  
YEAR ENDED 31ST DECEMBER, 2019**

	NOTES	{ ACTUAL	2019 BUDGET	} VARIANCE	2018 ACTUAL
REVENUE		N	N	N	N
Statutory Allocation	7	1,514,649,047	4,774,049,322	(3,259,400,275)	914,866,113
Aid Grants		-	49,997,200	(49,997,200)	-
Other Revenue	8	1,738,072	73,355,798	(71,617,726)	4,443,686
<b>Total Revenue (A)</b>		<u>1,516,387,119</u>	<u>4,897,402,320</u>	<u>(3,381,015,201)</u>	<u>919,309,799</u>
<b>LESS: EXPENDITURE</b>					
Salaries	9	928,833,135	1,073,953,878	145,120,743	628,397,096
Social Benefits		-	-	-	-
Overhead Cost	10	332,781,524	1,584,736,171	1,251,954,647	262,770,228
Grants Contributions		-	-	-	-
<b>Total Expenditure (B)</b>		<u>1,261,614,659</u>	<u>2,658,690,049</u>	<u>1,397,075,390</u>	<u>891,167,324</u>
<b>Surplus/(Deficit) from Operating Activities (A - B)</b>		<u>254,772,460</u>	<u>2,238,712,271</u>	<u>(1,983,939,811)</u>	<u>28,142,475</u>

The Notes on pages 8 to 11 form an integral part of these Accounts



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

	<b>2019</b>		<b>2018</b>	
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>
<b>Surplus from Operating Activities</b>		254,772,460		28,142,475
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>				
Purchase/Construction of PPE	(256,773,716)		(97,479,452)	
Acquisition of Investments	<u>(7,413,909)</u>		-	
<b>Net Cash from Investing Activities</b>		(264,187,625)		(97,479,452)
<u>CASH FLOW FROM FINANCIAL ACTIVITIES</u>				
Capital Grants Received	-		56,158,376	
<b>Net Cash Flow from Financing Activities</b>		-		56,158,376
<b>Net Cash Flow from all Activities</b>		<u>(9,415,165)</u>		<u>(13,178,601)</u>
<u>NET MOVEMENT IN CURRENT ASSETS/LIABILITIES</u>				
Net Movement in Receivables		(1,200,000)		-
Net Movement in Deposits		17,692,745		6,657,501
		16,492,745		6,657,501
<b>Net Cash Flow from Operating Activities</b>		7,077,580		(6,521,100)
Cash & Its Equivalent as at - 1/1/2019		<u>(5,073,251)</u>		1,447,849
Cash & Its Equivalent as at - 31/12/2019		<b><u>2,004,329</u></b>		<b><u>(5,073,251)</u></b>
<b>Cash &amp; Its Equivalent as at - 31/12/2019</b>				
Cash Balances		-		26,552
Bank Balances		2,004,329		(5,099,802)
		<b><u>2,004,329</u></b>		<b><u>(5,073,250)</u></b>

The Notes on pages 8 to 11 form an integral part of these Accounts

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>	<b>APPENDIX</b>	<b>2019</b>		<b>2018</b>
<b>1 CASH &amp; CASH EQUIVALENT</b>		<b>N</b>		<b>N</b>
Fidelity Bank		175,146		-
Unity Bank		1,829,183		(5,099,802)
Cash		-		26,552
		<u>2,004,329</u>		<u>(5,073,250)</u>
<b>2 RECEIVABLES</b>				
Advances	1	<u>1,453,000</u>		<u>253,000</u>
<b>3 INVESTMENTS</b>				
Investments	2	<u>25,698,079</u>		<u>18,284,170</u>
		As at		As at
<b>4 CAPITAL EXPENDITURE</b>		<u>1/1/2019</u>	<u>Additions</u>	<u>31/12/2019</u>
<b>Property, Plant &amp; Equipment</b>		<b>N</b>	<b>N</b>	<b>N</b>
Construction/Renovation of D/Head house		3,983,000	250,000	4,233,000
Purchase/Compensation of Land		4,529,000	-	4,529,000
Construction/Renovation of Primary School		12,800,712	51,000	12,851,712
Drilling of hand pump		13,919,808	4,098,186	18,017,994
Renovation of Dispensary Clinic		3,812,333	4,443,167	8,255,500
Construction of Skills Acquisition Centre		924,000	-	924,000
Construction/Provision of Housing		9,396,945	-	9,396,945
Construction/Provision of Office Building		1,900,993	-	1,900,993
Fencing of Graveyard		1,800,000	66,089,526	67,889,526
Cattle Route Demarcation		2,000,000	17,750,000	19,750,000
Construction of Access Road		7,760,750	-	7,760,750
Construction/Provision of Water Facilities		7,500,000	-	7,500,000
Rehabilitation/Repairs-Electricity		500,000	99,836,644	100,336,644
Construction of Feeder Road		1,478,155	-	1,478,155
Renovation of Market		625,000	-	625,000
Construction and Fencing Graveyard		14,903,445	-	14,903,445
Construction/Renovation of Health Facilities		9,645,310	-	9,645,310
Infrastructure		13,164,996	-	13,164,996
Office Furniture		-	3,437,500	3,437,500
Land Purchase		-	400,000	400,000
Purchase of Computers		-	150,000	150,000
Purchase of Motorcycles		-	1,719,000	1,719,000
Stand-By Generator		-	835,000	835,000
Decontamination @ Yankari		-	17,597,965	17,597,965
Purchase of Toyota Hilux		-	39,746,692	39,746,692
Construction of Pit Toilet		-	369,037	369,037
		<u>110,644,447</u>	<u>###,###,###</u>	<u>367,418,164</u>

<b>NOTES</b>	<b>APPENDIX</b>	<b>2019</b>	<b>2018</b>
		<b>N</b>	<b>N</b>
5 DEPOSITS	3	<b><u>45,661,315</u></b>	<b><u>27,968,570</u></b>
6 <u>RESERVES</u>			
Brought Forward		12,304,264	(15,838,211)
Operating Balance for the Year		<u>254,772,460</u>	<u>28,142,475</u>
		<b><u>267,076,724</u></b>	<b><u>12,304,264</u></b>
7 <u>STATUTORY ALLOCATION</u>			
Council and Staff Salaries		<b><u>1,514,649,047</u></b>	<b><u>914,866,113</u></b>
8 <u>OTHER REVENUE</u>			
Internally Generated Revenue		1,738,072	4,443,686
Interested Payment and Dividends		-	-
Miscellaneous		-	-
		<b><u>1,738,072</u></b>	<b><u>4,443,686</u></b>
9 <u>PERSONNEL COST</u>			
Salaries and Wages		902,199,635	600,253,496
Allowances		<u>26,633,500</u>	<u>28,143,600</u>
		<b><u>928,833,135</u></b>	<b><u>628,397,096</u></b>
10 <u>OVERHEAD COST</u>			
10 <u>ALLOWANCES &amp; SOCIAL CONTRIBUTION</u>			
Security Allowance		47,500,000	2,619,237
Honourarium & Sitting Allowance		16,398,905	2,072,674
Welfare Package		26,003,800	11,291,400
Immunization Supervision Allowance		57,750	1,165,000
Disturbance Allowance		<u>526,902</u>	-
<b><i>Sub Total</i></b>		<b><u>90,487,357</u></b>	<b><u>17,148,311</u></b>
10 <u>TRAVEL &amp; TRANSPORT</u>			
Local Travel & Transport: Others		18,213,159	19,528,082
Local Travel & Transport: Training		2,816,500	2,277,125
International Travel & Transport		<u>23,617,200</u>	-
<b><i>Sub Total</i></b>		<b><u>44,646,859</u></b>	<b><u>21,805,207</u></b>

<b>NOTES</b>		<b><u>2019</u></b>	<b><u>2018</u></b>
10.3	<b><u>MATERIALS AND SUPPLIES</u></b>	<b><u>N</u></b>	<b><u>N</u></b>
	Supply of Relief Materials	3,680,000	38,500,000
	Purchase of Agro-Chemicals	22,050,000	1,000,000
	Drugs & Medical Supplies	30,000,000	2,979,000
	Books	-	2,156,825
	Teaching Aids/Instructional Materials	-	1,780,000
	Office Stationeries/Computer Consumables	1,547,832	1,960,000
	Printing of Security Document	-	525,000
	Printing of Non-Security Document	<u>23,642,000</u>	<u>4,669,609</u>
	<b><i>Sub Total</i></b>	<b><u>80,919,832</u></b>	<b><u>53,570,434</u></b>
10.4	<b><u>MISCELLANEOUS EXPENSES</u></b>		
	Security Vote	11,000,000	13,800,000
	Security Services	-	50,662,800
	Security Materials	25,000,000	35,161,000
	Refreshment and Meals	2,470,500	14,776,500
	Financial Assistance	15,793,819	1,322,442
	Hospitality and Entertainment	13,230,116	-
	Telephone and Internet Charges	-	147,000
	Postages and Courier Services	47,750	-
	Water Pollution Control	130,000	-
	Sporting Activities	-	220,000
	Rent	503,000	3,577,000
	Local Training	-	2,175,000
	General Expenses	20,000	-
	Electricity Bills	184,125	130,000
	Bank Charges	46,863	309,905
	Special Days Celebration and Prayer	6,043,000	5,250,000
	Tree Planting	330,000	-
	Cleaning and Sanitation	1,010,000	-
	Advertisement and Publicity	<u>11,527,500</u>	<u>-</u>
	<b><i>Sub Total</i></b>	<b><u>87,336,673</u></b>	<b><u>127,531,647</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

		<b>2019</b>	<b>2018</b>
10.5	<b>MAINTENANCE SERVICES</b>	<b>N</b>	<b>N</b>
	Maintenance of Generator	-	60,000
	Other Maintenance Services	11,422,000	16,111,065
	Maintenance of Office Furniture	-	4,000
	Other Transport Equipment Fuel Cost	-	372,747
	Maintenance of Motor Vehicles	5,403,900	5,532,963
	Other Transport Equipment Maintenance	-	400,000
	Maintenance of Residential Building	2,272,650	6,770,418
	Maintenance of Office Building	4,627,772	1,188,070
	Maintenance of Road	640,000	11,292,500
	Maintenance of Boat	-	514,865
	Plant/Generator Fuel Cost	-	130,000
	Motor Vehicles Fuel Cost	4,313,695	-
	<b>Sub Total</b>	<b>28,680,017</b>	<b>42,376,628</b>
10.6	<b>CONSULTING AND PROFESSIONAL SERVICES</b>		
	Legal Services	7,500	-
	Surveying Services	-	338,000
	Building Consulting	703,286	-
	<b>Sub Total</b>	<b>710,786</b>	<b>338,000</b>
	<b>Grand Total Overhead</b>	<b>332,781,524</b>	<b>262,770,228</b>
	<b>APPENDIX 1</b>	<b>2019</b>	<b>2018</b>
S/N	<b>SCHEDULES OF ADVANCES</b>	<b>N</b>	<b>N</b>
1	SUNDRY PERSONS	-	253,000
2	MUSA MAIGANA IBRAHIM	20,000	-
3	BAYO MOHAMMED DANGO	200,000	-
4	GARBA MOHAMMED J.D.	10,000	-
5	ABDULLAHI UMAR CHINDO	5,000	-
6	BUBA ISAH MASU	5,000	-
7	BUKAR FELFELU	5,000	-
8	MOHAMMED DANASABE	5,000	-
9	YAKUBU GARBA	8,000	-
10	DATTIJO CHIROMA	70,000	-
11	ADAMU H. BABAYO	50,000	-
12	ALH. SHEHU ABDULLAHI	50,000	-
13	AHMED M. YAYA	50,000	-
14	BALA A. GABU	50,000	-
15	ALH. ADAMU NUHU	50,000	-
	<b>Balance Carried Forward</b>	<b>578,000</b>	<b>253,000</b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b><i>APPENDIX 1: CONT'D</i></b>		<b><u>2019</u></b>	<b><u>2018</u></b>
<b><u>SCHEDULES OF ADVANCES</u></b>		<b><u>N</u></b>	<b><u>N</u></b>
	<b><i>Balance Brought Forward</i></b>	<b>578,000</b>	<b>253,000</b>
16	MOHAMMED SANI UMAR	225,000	-
17	YUSUF GARBA	300,000	-
18	ALH. ADO ADAMU	150,000	-
19	ALH. NASIRU ZAKARI	150,000	-
20	MOHAMMED A. I. GARBA	10,000	-
21	YAU ABBA	10,000	-
22	SAIDU Y. GAR	5,000	-
23	IBRAHIM HARDO D.	5,000	-
24	IBRAHIM ABDULKADIR	5,000	-
25	ABDULLAHI TANKO	5,000	-
26	HUSSAINI U.	5,000	-
27	MARGARET BABUJE	5,000	-
		<b><u>1,453,000</u></b>	<b><u>253,000</u></b>
<b><i>APPENDIX 2</i></b>			
<b><u>SCHEDULES OF INVESTMENT</u></b>		<b><u>2019</u></b>	<b><u>2018</u></b>
S/N	<b><u>NAME OF COMPANY</u></b>	<b><u>N</u></b>	<b><u>N</u></b>
1	Urban Development Bank Plc	500,000	-
2	Bauchi State Investment Corporation	100,000	100,000
3	Ashaka Cement Company Plc	300,500	120,000
4	Zaranda Hotel Bauchi	137,420	137,420
5	Arewa Ceramic Ltd	100,000	100,000
6	Kaduna Textile Ltd	245,000	245,000
7	Bauchi Printing and Publishing Ltd	200,000	120,000
8	Federal Savings Bank Plc	570,128	40,000
9	Afribank Plc	10,175,612	10,158,750
10	Unipetrol Plc	435,040	935,000
11	Yankari Savings and Loan Ltd	1,343,990	50,000
12	African Petroleum	10,000	10,000
13	National Oil and Chemical Co. Plc	-	20,000
14	Jaiz Plc	6,248,000	6,248,000
15	Inland Bank Nig. Plc	4,130,389	-
16	Compil Plc	2,000	-
17	Access Bank Plc	1,200,000	-
		<b><u>25,698,079</u></b>	<b><u>18,284,170</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b><i>APPENDIX 3</i></b>			
<b><i>SCHEDULES OF DEPOSITS</i></b>			
<b>S/N</b>	<b>PARTICULARS</b>	<b>2019</b>	<b>2018</b>
		<b>N</b>	<b>N</b>
1	Bauchi Board of Internal Revenue (PAYE)	9,782,470	-
2	Nulge Union Dues	-	475,520
3	N.A.N.N.M Dues	309,281	645,533
4	Medical Health Workers Union	137,397	137,397
5	Federal Inland Revenue VAT AND WHT	33,149,845	20,467,306
6	Yaya Digare	34,285	34,284
7	Bako Natsira	16,447	16,447
8	Adamu Gemu S/Gari	10,727	10,726
9	Tela Noma Yashi	10,726	10,726
10	Dayyabu Zakari	17,048	17,049
11	Sama'ila Lukman	49,838	49,838
12	Alh. Wambai Saleh	38,464	38,465
13	Alh. Babayo Rasha	219,895	219,900
14	Mallam Bako Gwaram	100,000	100,000
15	Ahmed Aminu	50,000	50,000
16	Shehu Ahmed Futuk	50,000	50,000
17	Nuhu Sama'ila	50,000	50,000
18	Saleh Umar	10,000	10,000
19	Shehu Muhammed	3,964	31,964
20	Alh. Isyaku A. Adamu	43,900	43,900
21	Alh. Ibrahim Yusuf	49,920	49,920
22	Yaya Ahmed	10,000	10,000
23	Abubakar Ado	50,000	50,000
24	Sarki Yamman Duguri	-	2,067
25	Isah Sambo	50,000	50,000
26	Alh. Haruna Mai'Awaki	44,550	44,550
27	Babayo Mamuda	28,400	28,400
28	Sarki Yamman Duguri	20,000	20,000
29	Hussaini A. Kirfi	352,068	352,068
30	Iliya Abubakar Abdullahi	2,394	2,394
31	NULGE Motorcycle Loan	444,176	4,900,116
32	Nulge Union Dues	475,520	-
33	Musa Ibrahim	50,000	-
		<b><u>45,661,315</u></b>	<b><u>#####</u></b>

# **BAUCHI LOCAL GOVERNMENT COUNCIL**

## **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

### **CORPORATE INFORMATION**

1. **CHAIRMAN**

Alh. Danbaba Mohammed

2. **HEAD OF ADMINISTRATION**

Alh. Yunusa Abdullahi

3. **TREASURER**

Auwal Magaji Saleh

4. **BANKERS**

Unity Bank Plc  
Fidelity Bank Plc.  
Sterling Bank Plc

5. **AUDITORS**

Messrs Lawyer Ejeheri & Co.,  
(Chartered Accountants),  
Plot 12725, Liberty Boulevard, P. O. Box 5548,  
Jos, Nigeria. Tel. 08034040667.



**REPORT OF THE AUDITORS ON THE ACCOUNTS OF**  
**BAUCHI LOCAL GOVERNMENT COUNCIL**

We have audited the Financial Statements of *Bauchi Local Government Council* for the year ended 31<sup>st</sup> December, 2019 set out on pages 5 – 13, which have been prepared on the basis of accounting policies on page 4.

**RESPECTIVE RESPONSIBILITIES OF THE MANAGEMENT**

The Management is responsible for maintenance of proper books of account and for the preparation of the Financial Statements of the Council. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements whether due to fraud or errors, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstance.

**AUDITORS' RESPONSIBILITY**

Our responsibility is to express an independent opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standard on Auditing. Those Standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatements.

## BASIS OF OPINION

We conducted the audit in accordance with the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda for Local Governments.

An audit includes examination, on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgment made by the *Management* in the preparation of the financial statements and of whether the accounting policies appropriate and are consistently applied by the Council.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement whether caused by fraud or other irregularities or errors. In forming our opinion, we also evaluated the overall adequacy or otherwise of the presentation of information in the financial statements. The financial statements are in agreement with the books of accounts which have been properly kept.

### Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Council as at 31<sup>st</sup> December, 2019 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.

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**J. L. Ejeheri, FCA, FRC/2014/ICAN/00000010249**  
**(Chartered Accountants)**  
**Jos, Nigeria.**

## **SIGNIFICANT ACCOUNTING POLICIES**

1. **Basis of Preparation**

The Financial Statements have been prepared under the historical cost convention and in accordance with IPSAS and other applicable standards.

2. **ACCOUNTING PERIOD**

The Financial Statements is for the accounting period from 01/01/2019 to 31/12/2019.

3. **REPORTING CURRENCY**

The Financial Statements is prepared in Nigerian Naira and is rounded up to the nearest naira.

4. **CASH AND CASH EQUIVALENT**

Cash and cash equivalent represents cash balance on hand and held in bank accounts.

5. **ACCOUNTS RECEIVABLES**

Receivables from exchange transactions consist of staff advances and are recognized as the outstanding balance in the individual advances ledgers. Provision for impairment of receivable is not made as it is expected that all outstanding advances will be retired.

6. **PREPAYMENTS**

Prepayments are expenses paid in advance for service to be rendered. Prepaid expenses for which the full benefits will be derived in the future accounting period are classified under current assets in the Statement for Financial Position.

7. **INVENTORY**

The Local Government does not have any amount to be reported under inventory.

8. **PROPERTY PLANT AND EQUIPMENT (PPE)**

These are assets acquired or constructed and are held for use by the Council from which benefits are derivable beyond a financial year.

9. **DEPOSITS**

Deposits are various deductions made by the Council but were not remitted to the appropriate Government Agencies.

**STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2019**

		<b>2019</b>		<b>2018</b>	
	<b>NOTES</b>	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>
<b>CURRENT ASSETS</b>					
Cash & Cash Equivalent	1	17,197,968		1,898,986	
Receivables	2	<u>26,470,785</u>		<u>20,701,185</u>	
<b>Total Current Assets - A</b>			43,668,753		22,600,171
<b>NON-CURRENT ASSETS</b>					
Investments	3	46,662,979		37,692,216	
Property, Plant & Equipment	4	#####		#####	
<b>Total Non-Current Assets - B</b>			<u>283,090,719</u>		<u>176,569,964</u>
<b>Total Assets C = A + B</b>			<u>326,759,472</u>		<u>199,170,135</u>
<b>CURRENT LIABILITIES</b>					
Deposits	5	97,843,966		24,416,686	
Payables		<u>-</u>		<u>-</u>	
<b>Total Current liabilities - D</b>			97,843,966		24,416,686
<b>NON-CURRENT LIABILITIES</b>					
Public Fund	6	16,687,628		16,687,628	
Long Term Borrowings		<u>-</u>		<u>-</u>	
<b>Total Non-Current liabilities - E</b>			<u>16,687,628</u>		<u>16,687,628</u>
<b>Total liabilities F = D + E</b>			<u>114,531,594</u>		<u>41,104,314</u>
<b>Net Assets G = C - F</b>			<b><u>212,227,878</u></b>		<b><u>158,065,822</u></b>
<b>NET ASSETS/EQUITY</b>					
Capital Grants	7	70,241,438		70,241,438	
Reserves	8	#####		<u>87,824,384</u>	
			<u>212,227,878</u>		<u>158,065,822</u>
) CHAIRMAN					
)					
)					
) TREASURER					
<b>Total Net Assets/Equity H = G</b>			<b><u>212,227,878</u></b>		<b><u>158,065,822</u></b>

The Notes on pages 8 to 11 form an integral part of these Accounts

<b>SUMMARISED STATEMENT OF COMPREHENSIVE INCOME FOR THE</b>					
<b>YEAR ENDED 31ST DECEMBER, 2019</b>					
		{	<u>2019</u>	}	<u>2018</u>
	NOTES	ACTUAL	BUDGET	VARIANCE	ACTUAL
<u>REVENUE</u>		N	N	N	N
Statutory Allocation	9	2,874,776,382	5,194,112,675	(2,319,336,293)	963,009,822
Aid Grants		-	-	-	-
Other Revenue	10	42,639,279	51,500,000	(8,860,721)	16,120,458
<b>Total Revenue (A)</b>		<u>2,917,415,661</u>	<u>5,245,612,675</u>	<u>(2,328,197,014)</u>	<u>979,130,280</u>
<b>LESS: EXPENDITURE</b>					
Salaries	11	2,551,969,490	3,397,896,555	845,927,065	566,406,191
Social Benefits		-	-	-	-
Overhead Cost	12	311,284,115	485,220,906	173,936,791	350,083,419
Grants Contributions		-	-	-	-
<b>Total Expenditure (B)</b>		<u>2,863,253,605</u>	<u>3,883,117,461</u>	<u>1,019,863,856</u>	<u>916,489,610</u>
<b>Surplus from Operating</b>					
<b>Activities (A -B)</b>		<u><b>54,162,056</b></u>	<u><b>1,362,495,214</b></u>	<u><b>1,308,333,158</b></u>	<u><b>62,640,670</b></u>
The Notes on pages 8 to 11 form an integral part of these Accounts					

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

	<b>2019</b>		<b>2018</b>	
CASH FLOW FROM OPERATING ACTIVITIES	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>
<b>Surplus from Operating Activities</b>		54,162,056		62,640,670
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase/Construction of PPE	(97,549,992)		(138,877,748)	
Acquisition of Investments	(8,970,762)		-	
<b>Net Cash from Investing Activities</b>		(106,520,754)		(138,877,748)
CASH FLOW FROM FINANCIAL ACTIVITIES				
Capital Grants Received	-		70,241,438	
<b>Net Cash Flow from Financing Activities</b>		-		70,241,438
<b>Net Cash Flow from all Activities</b>		(52,358,698)		(5,995,641)
NET MOVEMENT IN CURRENT ASSETS/LIABILITIES				
Net Movement in Receivables		(5,769,600)		(7,436,585)
Net Movement in Deposits		73,427,280		14,797,333
		67,657,680		7,360,748
<b>Net Cash Flow from Operating Activities</b>		15,298,982		1,365,107
Cash & Its Equivalent as at - 1/1/2019		1,898,986		533,879
Cash & Its Equivalent as at - 31/12/2019		<b><u>17,197,968</u></b>		<b><u>1,898,986</u></b>
<b>Cash &amp; Its Equivalent as at - 31/12/2019</b>				
Cash Balances		36,017		5,509
Bank Balances		17,161,951		1,893,477
		<b><u>17,197,968</u></b>		<b><u>1,898,986</u></b>

The Notes on pages 8 to 11 form an integral part of these Accounts

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

			As at <u>1/1/2019</u>	Additions	As at <u>31/12/2019</u>
			N	N	N
<b><i>Balance Brought Forward</i></b>			<b>112,613,438</b>	<b>71,194,992</b>	<b>183,808,430</b>
Purchase of Health/Medical Equipment			3,444,000	-	3,444,000
Construction/Provision of Office Building			261,000	-	261,000
Construction/Provision of Residential Building			1,281,000	1,855,000	3,136,000
Renovation of Health Centre			21,198,310	450,000	21,648,310
Purchase of Generator			80,000	-	80,000
Construction of Drainage			-	#####	23,000,000
Construction/Provision of Cemeteries			-	<u>1,050,000</u>	<u>1,050,000</u>
<b><i>Grand Total</i></b>			<b><u>138,877,748</u></b>	<b><u>97,549,992</u></b>	<b><u>236,427,740</u></b>
<b>NOTES</b>		<b>APPENDIX</b>	<b><u>2019</u></b>		<b><u>2018</u></b>
			<b>N</b>		<b>N</b>
5 <u>DEPOSITS</u>		3	<b><u>97,843,966</u></b>		<b><u>24,416,686</u></b>
6 <u>PUBLIC FUND</u>			<b><u>16,687,628</u></b>		<b><u>16,687,628</u></b>
7 <u>CAPITAL GRANT (PARIS CLUB REFUND)</u>			<b><u>70,241,438</u></b>		<b><u>70,241,438</u></b>
8 <u>RESERVES</u>					
Brought Forward			87,824,384		25,183,714
Operating Balance for the Year			<u>54,162,056</u>		<u>62,640,670</u>
			<b><u>141,986,440</u></b>		<b><u>87,824,384</u></b>
9 <u>STATUTORY ALLOCATION</u>					
Council and Staff Salaries			#####		#####
Other Grants			-		<u>15,892,245</u>
			<b><u>2,874,776,382</u></b>		<b><u>963,009,822</u></b>
10 <u>OTHER REVENUE</u>					
Internally Generated Revenue			<b><u>42,639,279</u></b>		<b><u>16,120,458</u></b>
11 <u>PERSONNEL COST</u>					
Salaries and Wages			#####		#####
Allowances			<u>34,286,430</u>		<u>33,848,800</u>
			<b><u>2,551,969,490</u></b>		<b><u>566,406,191</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>		<b><u>2019</u></b>	<b><u>2018</u></b>
		<b><u>N</u></b>	<b><u>N</u></b>
12	<u>OVERHEAD COST</u>		
12.1	<u>ALLOWANCES &amp; SOCIAL CONTRIBUTION</u>		
	Security Allowance	47,640,000	9,060,000
	Honourarium & Sitting Allowance	2,635,500	17,079,940
	Welfare Package	7,850,400	18,878,700
	Immunization Supervision Allowance	4,122,350	2,026,000
	Medical Expenses - Local	<u>60,000</u>	<u>438,000</u>
	<b><i>Sub Total</i></b>	<b><u>62,308,250</u></b>	<b><u>47,482,640</u></b>
12.2	<u>TRAVEL &amp; TRANSPORT</u>		
	Local Travel & Transport: Others	4,043,775	19,835,639
	Local Travel & Transport: Training	750,000	20,687,000
	International Travel & Transport	<u>950,000</u>	<u>-</u>
	<b><i>Sub Total</i></b>	<b><u>5,743,775</u></b>	<b><u>40,522,639</u></b>
12.3	<u>MATERIALS AND SUPPLIES</u>		
	Supply of Relief Materials	25,774,000	106,003,800
	Supply of Working Materials	7,920,766	7,844,260
	Skills Acquisition Materials	-	15,460,700
	Teaching Aid/Instructural Materials	40,000	150,000
	Office Stationeries/Computer Consumables	2,730,000	1,445,000
	Drugs & Medical Supplies	30,617,000	6,243,600
	Printing of Non-Security Document	14,061,750	1,132,000
	Uniform and Other Clothing	<u>30,000</u>	<u>2,864,000</u>
	<b><i>Sub Total</i></b>	<b><u>81,173,516</u></b>	<b><u>141,143,360</u></b>
12.4	<u>MISCELLANEOUS EXPENSES</u>		
	Security Vote	16,100,000	70,310,000
	Refreshment and Meals	3,442,000	17,693,550
	Financial Assistance	25,754,500	2,353,000
	Hospitality and Entertainment	7,080,000	-
	General Expenses	6,391,400	-
	Residential Rent	2,400,000	300,000
	Publicity and Advertisement	540,000	1,444,000
	Sporting Activities	-	200,000
	Logistics Support	41,969,650	-
	Special Days Celebration and Prayer	45,150,000	1,430,000
	Cleaning and Sanitation	260,000	455,000
	Electricity Bills	-	500,000
	Grant to Communities	-	13,745,000
	Bank Charges	<u>42,559</u>	<u>16,531</u>
	<b><i>Sub Total</i></b>	<b><u>149,130,109</u></b>	<b><u>108,447,081</u></b>



**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>		<b>2019</b>	<b>2018</b>
		<b>N</b>	<b>N</b>
12.5	<b>MAINTENANCE SERVICES</b>		
	Maintenance of Generator	81,100	150,000
	Maintenance of Office Equipment	-	236,000
	Other Maintenance	721,000	6,084,350
	Maintenance of Motor Vehicles	4,138,300	3,269,245
	Maintenance of Drainage	-	1,200,000
	Maintenance of Office Building	4,793,900	8,000
	Maintenance of Office Furniture	105,000	45,000
	Maintenance of Market/Public Places	877,600	45,105
	Motor Vehicles Fuel Cost	-	290,000
	<b>Sub Total</b>	<b><u>10,716,900</u></b>	<b><u>11,327,700</u></b>
12.6	<b>CONSULTING AND PROFESSIONAL SERVICES</b>		
	Legal Services	1,171,000	-
	Stock Broker	450,565	-
	Surveying	30,000	960,000
	Medical Consulting	-	60,000
	Engineering Survey	-	140,000
	Revenue Consultant/Committee	560,000	-
	<b>Sub Total</b>	<b><u>2,211,565</u></b>	<b><u>1,160,000</u></b>
	<b>Grand Total Overhead</b>	<b><u>311,284,115</u></b>	<b><u>350,083,420</u></b>
	<b>APPENDIX 1</b>		
S/N	<b>SCHEDULES OF ADVANCES</b>		
1	Sundry Persons 2017	1,833,600	1,833,600
2	Alh. Ghani Shehu	8,190,350	8,190,350
3	Danladi Mohammed	500,000	500,000
4	Babangida Abdullahi	360,000	360,000
5	Hamza Aliyu	42,000	42,000
6	Abdullahi Aliyu	500,000	500,000
	<b>Balance Carried Forward</b>	<b><u>11,425,950</u></b>	<b><u>11,425,950</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b><u>APPENDIX 1: CONT'D</u></b>		<b><u>2019</u></b>	<b><u>2018</u></b>
<b><u>SCHEDULES OF ADVANCES</u></b>		<b><u>N</u></b>	<b><u>N</u></b>
S/N	<b><i>Balance Brought Forward</i></b>	<b>11,425,950</b>	<b>11,425,950</b>
7	Umar Mohammed	500,000	500,000
8	Shehu Yelwa Jahun	8,425,235	8,425,235
9	Sulaiman Abubakar	865,000	350,000
10	Alh. Garba	4,700	-
11	Danjuma Muhammed	1,400	-
12	Garba Yahaya	20,000	-
13	Education Secretary Bauchi LEA	2,082,500	-
14	Babangida Hamidu	20,000	-
15	Umar Ghani	110,000	-
16	Saidu I. Ghani	30,000	-
17	Marwanar Limanci	60,000	-
18	Sectional Head, Rural Water	20,000	-
19	Hon. Labaran Abdullahi	300,000	-
20	Idris Adamu Gulban	700,000	-
21	Alh. Bako G. Gamawa	1,906,000	-
	<b>Grand Total</b>	<b><u>26,470,785</u></b>	<b><u>20,701,185</u></b>
<b><u>APPENDIX 2</u></b>			
<b><u>SCHEDULES OF INVESTMENT</u></b>		<b><u>2019</u></b>	<b><u>2018</u></b>
S/N	<b><u>NAME OF COMPANY</u></b>	<b><u>N</u></b>	<b><u>N</u></b>
1	FCMB ( Inland Bank Plc)	241,707	16,754,231
2	Fidelity (F.S.B. Inland Bank Plc)	390,499	107,600
3	Yankari Savings and Loans	1,477,686	1,477,685
4	Jaiz Plc	12,769,634	8,992,700
5	Forte Oil (African Petroleum Nig. Plc)	267,120	250,000
6	Access Bank Nig Plc	21,388,413	8,000,000
7	Ashaka Cement Nig Limited	1,610,000	1,610,000
8	Conoil (National Oil) Plc	432,000	500,000
9	Intercellular Nig Plc	2,857,142	-
10	Urban Development Bank Plc	500,000	-
11	Sterling Bank Plc	1,970,525	-
12	Bauchi Publishing Printing Co. Limited	200,000	-
13	Diamond Bank of Nig Plc	500,000	-
14	WAPCO	1,902,978	-
15	WAPIC/Insurance	155,275	-
	<b>Grand Total</b>	<b><u>46,662,979</u></b>	<b><u>37,692,217</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b><i>APPENDIX 3</i></b>			
<b><i>SCHEDULES OF DEPOSITS</i></b>			
S/N	<b><u>PARTICULARS</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>
		<b><u>N</u></b>	<b><u>N</u></b>
1	Bauchi State Government (PAYE)	40,241,421	-
2	Union Dues	8,833,153	613,206
3	N.A.N.N.M. Union Dues	-	2,057,947
4	F.M.B.N - NHF Deduction	24,068,702	-
5	Retention - 5% CPD	7,113,457	1,533,030
6	FIRS (WHT)	5,664,129	4,799,964
7	FIRS (5% VAT on Contracts)	<u>11,923,104</u>	<u>15,412,539</u>
	<b>Grand Total</b>	<b><u>97,843,966</u></b>	<b><u>24,416,686</u></b>

# **BOGORO LOCAL GOVERNMENT COUNCIL**

## **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

### **CORPORATE INFORMATION**

1. **CHAIRMAN, CARETAKER COMMITTEE**

Habila Iliya

2. **HEAD OF ADMINISTRATION**

Nehemiah Markus Lusie

3. **DIRECTOR OF FINANCE**

Nasiru Zakare

4. **BANKERS**

First Bank of Nigeria Plc

Fidelity Bank Plc.

5. **AUDITORS**

Messrs Lawyer Ejeheri & Co.,  
(Chartered Accountants),  
Plot 12725, Liberty Boulevard,  
Jos, Nigeria. Tel. 08034040667.

E-mail: johnejeheri@gmail.com

**REPORT OF THE AUDITORS ON THE ACCOUNTS OF**  
**BOGORO LOCAL GOVERNMENT COUNCIL**

We have audited the Financial Statements of *Bogoro Local Government Council* for the year ended 31<sup>st</sup> December, 2019 set out on pages 5 – 10, which have been prepared on the basis of accounting policies on page 4.

**RESPECTIVE RESPONSIBILITIES OF THE MANAGEMENT**

The Management is responsible for maintenance of proper books of account and for the preparation of the Financial Statements of the Council. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements whether due to fraud or errors, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstance.

**AUDITORS' RESPONSIBILITY**

Our responsibility is to express an independent opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standard on Auditing. Those Standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatements.

## BASIS OF OPINION

We conducted the audit in accordance with the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda for Local Governments.

An audit includes examination, on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgment made by the *Management* in the preparation of the financial statements and of whether the accounting policies appropriate and are consistently applied by the Council.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement whether caused by fraud or other irregularities or errors. In forming our opinion, we also evaluated the overall adequacy or otherwise of the presentation of information in the financial statements.

## BASIS OF QUALIFIED OPINION

The Council could not provide some of the financial documents including payment vouchers which we considered material for the purpose of the audit. These were said to have been collected by the Economic and Financial Crimes Commission (EFCC) for an on-going Investigation into the financial transactions of the Council.

### Opinion

In our opinion, in view of the significance and effects of the issues described in the basis of qualified opinion paragraph, the Financial Statements do not give a true and fair view of the financial position of the Council as at 31st December, 2019 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.

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**J. L. Ejeheri, FCA, FRC/2014/ICAN/00000010249**  
**(Chartered Accountants)**  
**Jos, Nigeria.**

## SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation

The Financial Statements have been prepared under the historical cost convention and in accordance with IPSAS and other applicable standards.

2. ACCOUNTING PERIOD

The Financial Statements is for the accounting period from 01/01/2019 to 31/12/2019.

3. REPORTING CURRENCY

The Financial Statements is prepared in Nigerian Naira and is rounded up to the nearest naira.

4. CASH AND CASH EQUIVALENT

Cash and cash equivalent represents cash balance on hand and held in bank accounts.

5. ACCOUNTS RECEIVABLES

Receivables from exchange transactions consist of staff advances and are recognized as the outstanding balance in the individual advances ledgers. Provision for impairment of receivable is not made as it is expected that all outstanding advances will be retired.

6. PREPAYMENTS

Prepayments are expenses paid in advance for service to be rendered. Prepaid expenses for which the full benefits will be derived in the future accounting period are classified under current assets in the Statement for Financial Position.

7. INVENTORY

The Local Government does not have any amount to be reported under inventory.

8. PROPERTY PLANT AND EQUIPMENT (PPE)

These are assets acquired or constructed and are held for use by the Council from which benefits are derivable beyond a financial year.

9. DEPOSITS

Deposits are various deductions made by the Council but were not remitted to the appropriate Government Agencies.

**STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2019**

		<b>2019</b>		<b>2018</b>	
	<b>NOTES</b>	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>
<b>CURRENT ASSETS</b>					
Cash & Cash Equivalent	1	410,809		8,386,327	
Prepayments	2	<u>1,100,500</u>		<u>1,100,500</u>	
<b>Total Current Assets - A</b>			1,511,309		9,486,827
<b>NON-CURRENT ASSETS</b>					
Investments	3	16,600,828		16,600,828	
Property, Plant & Equipment	4	<u>30,908,850</u>		<u>30,908,850</u>	
<b>Total Non-Current Assets - B</b>			<u>47,509,678</u>		<u>47,509,678</u>
<b>Total Assets C = A + B</b>			49,020,987		56,996,505
<b>CURRENT LIABILITIES</b>					
Deposits	5	<u>13,622,912</u>		<u>13,622,912</u>	
<b>Total Current liabilities - D</b>			13,622,912		<u>13,622,912</u>
<b>NON-CURRENT LIABILITIES</b>					
Public Fund	6	<u>79,003,625</u>		#####	
<b>Total Non-Current liabilities - E</b>			<u>79,003,625</u>		<u>79,003,625</u>
<b>Total liabilities F = D + E</b>			92,626,537		92,626,537
<b>Net Assets G = C - F</b>			<b><u>(43,605,550)</u></b>		<b>#####</b>
<b>NET ASSETS/EQUITY</b>					
Capital Grants	7		43,091,215		43,091,215
Accumulated Fund	8		(86,696,765)		(78,721,247)
) CHAIRMAN					
)					
)					
) TREASURER					
<b>Total Net Assets/Equity H = G</b>			<b><u>(43,605,550)</u></b>		<b>#####</b>

The Notes on pages 8 to 10 form an integral part of these Accounts



**SUMMARISED STATEMENT OF COMPREHENSIVE INCOME FOR THE  
YEAR ENDED 31ST DECEMBER, 2019**

	NOTES	{ ACTUAL	<b>2019</b> BUDGET	} VARIANCE	2018 ACTUAL
<b>REVENUE</b>		N	N	N	N
Statutory Allocation	9	909,584,249	N/A	-	416,568,004
Aid Grants		-			-
Other Revenue	10	<u>1,237,323,464</u>	N/A	-	<u>847,648</u>
<i>Total Revenue (A)</i>		<u>2,146,907,713</u>			<u>417,415,652</u>
<b>LESS: EXPENDITURE</b>					
Salaries	11	874,088,391	N/A	-	328,411,267
Social Benefits		-			-
Overhead Cost	12	<u>1,280,794,840</u>	N/A	-	<u>94,637,188</u>
<i>Total Expenditure (B)</i>		<u>2,154,883,231</u>	N/A	-	<u>423,048,455</u>
<i>Deficit for the Year (A-B)</i>		<u>(7,975,518)</u>	N/A	-	<u>(5,632,802)</u>
<b>N/A --- Not Available</b>					
The Notes on pages 8 to 10 form an integral part of these Accounts					

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019**

	<b>2019</b>		<b>2018</b>	
	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>
<i>Deficit for the Year</i>		(7,975,518)		(5,632,802)
<b>Net Movement in Current Assets/Liabilities</b>				
Investories		-		-
Recievables		-		1,050,000
Payables		-		891,743
		-		<u>1,941,743</u>
Net Cash Flow From Operating Activities		(7,975,518)		(3,691,059)
<b>Investing Activities</b>				
Purchase/ Capital Expenditures		-	#####	
Net Cash from investing Activities				(30,908,850)
<b>Financing Activities</b>				
Capital Grants Received		-	#####	
				<u>43,091,215</u>
Net Cash Flow From Operating Activities		(7,975,518)		8,491,306
Cash & Its Equivalent as at - 1/1/2019		<u>8,386,327</u>		<u>(104,979)</u>
<i>Cash &amp; Its Equivalent as at - 31/12/2019</i>		<u>410,809</u>		<u>8,386,327</u>
<b>Cash &amp; Its Equivalent as at - 31/12/2019</b>				
Cash Balances		-		1,084,004
Bank Balances		<u>410,809</u>		<u>7,302,323</u>
		<b><u>410,809</u></b>		<b><u>8,386,327</u></b>

The Notes on pages 8 to 10 form an integral part of these Accounts

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

			<b><u>2019</u></b>	<b><u>2018</u></b>
<b><u>NOTES:</u></b>				
1	<u>Cash and Bank Balances</u>		N	N
	Fidelity Bank Plc (A/C-5030091368)		390,381	-
	First Bank Plc (A/C-2000139537)		13,057	-
	First Bank Plc (A/C-2004482420)		7,371	-
	Bank Balance (Name(s) of bank not stated)		-	7,302,323
	Cash		-	1,084,004
			<b><u>410,809</u></b>	<b><u>8,386,327</u></b>
2	<u>PREPAYMENTS</u>	<b><u>APPENDIX</u></b>		
	Advances		<u>1,100,500</u>	<u>1,100,500</u>
3	<u>INVESTMENTS</u>	1	<u>16,600,828</u>	<u>16,600,828</u>
4	<u>PROPERTY, PLANT &amp; EQUIPMENT</u>	2	<u>30,908,850</u>	<u>30,908,850</u>
5	<u>DEPOSITS</u>	3	<u>13,622,912</u>	<u>13,622,912</u>
6	<u>PUBLIC FUND</u>		<u>79,003,625</u>	<u>79,003,625</u>
7	<u>CAPITAL GRANT</u>			
	Paris club Refund		<u>43,091,215</u>	<u>43,091,215</u>
8	<u>ACCUMULATED FUND</u>			
	Balance brought Forward		(78,721,247)	(73,088,445)
	Deficit for the Year		(7,975,518)	(5,632,802)
			<b><u>(86,696,765)</u></b>	<b><u>(78,721,247)</u></b>
9	<u>STATUTORY ALLOCATION</u>			
	Council and Staff Salaries		<u>909,584,249</u>	<u>416,568,004</u>
			<b><u>909,584,249</u></b>	<b><u>416,568,004</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>		<b>2019</b>	<b>2018</b>
		<b>N</b>	<b>N</b>
10	<b>OTHER REVENUE</b>		
	Internally Generated Revenue	-	847,648
	10% share of state Internal Revenue	174,490	-
	Ministry for Local Government & Chieftaincy Affairs	<u>1,237,148,974</u>	<u>-</u>
		<u>1,237,323,464</u>	<u>847,648</u>
11	<b>PERSONNEL COST</b>		
	Salaries	874,088,391	322,871,267
	Allowances	-	5,540,000
		<u>874,088,391</u>	<u>328,411,267</u>
12	<b>OVERHEAD COST</b>		
	Pension & Gratuity	92,101,760	-
	Bank Charges	18,822	-
	Other Overhead Expenses	<u>1,188,794,840</u>	<u>94,637,188</u>
		<u>1,280,794,840</u>	<u>94,637,188</u>
<b><u>APPENDIX 1</u></b>			
<b><u>SCHEDULES OF INVESTMENT</u></b>		<b><u>2019</u></b>	<b><u>2018</u></b>
S/N	<b><u>NAME OF COMPANY</u></b>	<b><u>N</u></b>	<b><u>N</u></b>
1	African Petroleum Limited	50,000	50,000
2	Ashaka Cement Factory	175,000	175,000
3	Inland Bank Nigeria Limited	1,516,000	1,516,000
4	Urban Development Bank Nigeria Plc	500,000	500,000
5	Bauchi Hotels Limited	118,520	118,520
6	Union Bank Nigeria Plc	183,658	183,658
7	First Bank of Nigeria Plc	100,700	100,700
8	Wasco Cement Company	159,186	159,186
9	FCB International Bank	159,118	159,118
10	Agric Bank (Bauchi)	1,136,045	1,136,045
11	Ja'iz International Plc	4,055,200	4,055,200
12	Intercellular Nigeria Plc	1,190,476	1,190,476
13	Yankari Savings and Loans	1,256,925	1,256,925
14	Bawa Investment	<u>6,000,000</u>	<u>6,000,000</u>
		<b><u>16,600,828</u></b>	<b><u>16,600,828</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b><u>APPENDIX 2</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>N</u></b>	<b><u>N</u></b>
<b><u>PROPERTY, PLANT &amp; EQUIPMENT</u></b>		
Completion of guest house	3,036,972	3,036,972
Drilling of borehole	9,975,000	9,975,000
Hand pump	4,307,692	4,307,692
Purchase of generator	65,000	65,000
Lock up shop	5,033,061	5,033,061
Construction of culvert	1,936,125	1,936,125
Renovation of primary school	1,115,500	1,115,500
Sport equipment	720,000	720,000
Purchase of motor cycle	2,009,500	2,009,500
Construction of BOI S/Complex	2,710,000	2,710,000
	<b><u>30,908,850</u></b>	<b><u>30,908,850</u></b>
<b><u>APPENDIX 3</u></b>		
	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>N</u></b>	<b><u>N</u></b>
<b><u>SCHEDULES OF DEPOSITS</u></b>		
<b><u>PARTICULARS</u></b>		
FIRS - 5% VAT on Contracts	650,598	650,598
Contract Deduction	1,681,634	1,681,634
UBA NULGE Cash Loan	11,290,680	11,290,680
	<b><u>13,622,912</u></b>	<b><u>13,622,912</u></b>

# **DAMBAM LOCAL GOVERNMENT COUNCIL**

## **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

### **CORPORATE INFORMATION**

#### **CHAIRMAN**

AHMED GARBA

#### **HEAD OF ADMINISTRATION**

ALH. MUSA MODIBBO

#### **TREASURER**

ABDULMUTALIB A. MAHMOUD

#### **AUDITORS**

ABDULKADEER MAHMOUD & CO.  
(CHARTERED ACCOUNTANTS)

#### **BANKERS**

FIDELITY BANK  
UNITY BANK

## **REPORT OF THE AUDITORS ON THE ACCOUNTS OF DAMBAM LOCAL GOVERNMENT COUNCIL**

We have audited the Financial Statements of Dambam Local Government Council for the year ended 31stDecember, 2019 set out on pages 7-10, which have been prepared on the basis of significant accounting policies on page 6 and other explanatory notes on pages 11-12.

### **RESPONSIBILITY OF THE MANAGEMENT**

The Management is responsible for maintenance of proper books of account and for the preparation of the Financial Statements of the Council. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements whether due to fraud or errors, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstance.

### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an independent opinion on the financial statements based on our audit .We conducted our audit in accordance with International Standard on Auditing. Those Standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatements.

## **BASIS OF OPINION**

We conducted the audit in accordance with the International Public Sector Accounting Standards and the Financial Memoranda for Local Governments.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgment made by the Management in the preparation of the accounts and of whether the accounting policies appropriate and are consistently applied by the Council.

We planned and performed the audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatements either caused by fraud other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of the financial statements. The financial statements are in agreement with the books of accounts which have been properly kept.

## **OPINION**

In our opinion, Except for effects of the issues raised in the Management letter, the Financial Statements give a true and fair view of the financial position of the Council as at 31 December 2019 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public sector Accounting Standards Board.

**ABDULKADEER MAHMOUD & CO.**  
**(CHARTERED ACCOUNTANTS)**



## **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

### **SIGNIFICANT ACCOUNTING POLICIES**

**1. BASIS OF PREPARATION:**

The Financial Statements have been prepared under the historical cost convention and in accordance with IPSAS and other applicable standards.

**2. ACCOUNTING PERIOD**

The Financial Statements is for the accounting period from 1 January 2019 to 31 December 2019.

**3. REPORTING CURRENCY**

The Financial Statements is prepared in Nigerian Naira and is rounded up to the nearest naira.

**4. CASH AND CASH EQUIVALENT**

Cash and cash equivalent represents cash balance on hand, held in bank accounts.

**5. ACCOUNTS RECEIVABLES**

Receivables from exchange transactions consist of staff advances and are recognized as the outstanding balance in the individual advances ledgers. Provision for impairment of receivable is not made as it is expected that all outstanding advances will be retired.

**6. PREPAYMENTS**

Prepayments are expenses paid in advance for service to be rendered. Prepaid expenses for which the full benefits will be derived in the future accounting periods are classified under current assets in the Statement of Financial Position.

**7. INVENTORY**

The Local Government does not have any amount to be reported under inventory.

**8. PROPERTY PLANT & EQUIPMENT (PPE)**

These are assets acquired or constructed and are held for use by the council from which benefits are derivable beyond a financial year.

**9. DEPOSITS**

Deposits are various deductions made by the Council but were not remitted to the appropriate Government Agencies

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	NOTES	2019 N	2019 N	2018 N	2018 N
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash & Cash Equivalents	5	4,438,771		(8,986)	
Prepayments	6	891,850		-	
Inventories		-		-	
<b>Total Current Assets A</b>			5,330,621		(8,986)
<b>Non-Current Assets</b>					
Investments	7	19,423,568		22,016,383	
Property, Plant & Equipment	8	52,817,315		50,330,390	
Investment Property		-		-	
<b>Total Non Current Assets B</b>			<u>72,240,882</u>		<u>72,346,772</u>
<b>Total Assets C=A+B</b>			<u><b>77,571,504</b></u>		<u><b>72,337,787</b></u>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Deposits	9	27,178,330		24,973,830	
Payables		-		-	
<b>Total Current Liabilities D</b>			27,178,330		24,973,830
<b>Non Current Liabilities</b>					
Public Funds		-		-	
Long Term Borrowings		-		-	
<b>Total Non Current Liabilities E</b>			-		-
<b>Total Liabilities F=D+E</b>			<u>27,178,330</u>		<u>24,973,830</u>
<b>NET ASSETS/EQUITY</b>					
Capital Grants	10	35,564,440		35,564,440	
Reserves	11	14,828,734	50,393,174	11,799,517	47,363,957
<b>Total Net Assets/Equity H=G</b>			<u><b>77,571,504</b></u>		<u><b>72,337,787</b></u>

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**STATEMENTS OF FINANCIAL PERFORMANCE**

2018 ACTUAL N		NOTES	2019 ACTUAL N	BUDGET N	VARIANCE N
<b>REVENUE</b>					
508,378,770	Govt Share of FAAC	1	1,381,117,473	4,317,542,436	(2,936,424,963)
-	Govt Share of VAT	1	-	-	-
-	Tax Revenue	2	-	-	-
-	Non-Tax Revenue	2	-	-	-
-	Investment Income	2	-	-	-
-	Interest Earned	2	-	-	-
-	Aid & Grants		-	-	-
<u>3,479,337</u>	Other Revenue	2	<u>1,780,221</u>	<u>53,780,000</u>	<u>(51,999,779)</u>
<b><u>511,858,107</u></b>	<b>TOTAL REVENUE (a)</b>		<b><u>1,382,897,694</u></b>	<b><u>4,371,322,436</u></b>	<b><u>(2,988,424,742)</u></b>
<b>EXPENDITURE</b>					
389,369,114	Salaries	3	1,004,610,250	864,100,672	(140,509,578)
	Social Benefits			-	-
111,741,317	Overhead Cost	3	375,258,227	1,756,606,106	1,381,347,879
-	Grants & Contributions		-	-	-
-	Depreciation Charges		-	-	-
<u>501,110,431</u>	<b>TOTAL EXPENDITURE(b)</b>		<u>1,379,868,477</u>	<u>2,620,706,778</u>	<u>1,240,838,301</u>
<b>10,747,676</b>	<b>Surplus/(Deficit) from operating Activities for the period C=(a-b)</b>		<b>3,029,217</b>	<b>1,750,615,658</b>	<b>1,747,586,441</b>
-	Gain/Loss on Disposal	22	-	-	-
-	Gain/Loss on Foreign Exchange Transaction	23	-	-	-
-	Share of Surplus/(Deficit) In Assoc. & Joint Venture	24	-	-	-
-	<b>Total Non Operating Revenue or (Expenses)(d)</b>		-	-	-
<b>10,747,676</b>	<b>Surplus/(Deficit)from Ordinary Activities e=(c+d)</b>		<b>3,029,217</b>	<b>1,750,615,658</b>	<b>1,747,586,441</b>
-	Minority Interest Share of Surplus/(Deficit) (f)	25	-	-	-
<b>10,747,676</b>	<b>Net Surplus/(Deficit) for the period g=(e-f)</b>		<b>3,029,217</b>	<b>1,750,615,658</b>	<b>1,747,586,441</b>

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**STATEMENT OF CHANGES IN EQUITY**

	Accumulated Fund =N=	Revaluation Reserve =N=	TOTAL =N=
Balance as at 31 December 2018	11,799,517	-	11,799,517
Surplus /(Deficit) on revaluation	-	-	-
Prior Year Adjustments	-	-	-
Surplus /(Deficit)	<u>3,029,217</u>	<u>-</u>	<u>3,029,217</u>
	<u><b>14,828,734</b></u>	<u><b>-</b></u>	<u><b>14,828,734</b></u>
			-
Balance as at 31 December 2019	<u><b>14,828,734</b></u>	<u><b>-</b></u>	<u><b>14,828,734</b></u>

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

**CONSOLIDATED STATEMENT OF CASH FLOW**

Description	Notes	2019		2018	
		N	N	N	N
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>					
<i>Inflows</i>					
Government Share of FAAC		1,381,117,473		508,378,770	
Government Share of VAT		-		-	
Interest Earned		-		-	
Aid & Grants		-		-	
Other Revenue		<u>1,780,221</u>		<u>3,479,337</u>	
<b>Total inflow from Operating Activities (A)</b>			1,382,897,694		511,858,107
<i>Outflows</i>					
Salaries & Wages		(1,004,610,250)		(389,369,114)	
Social Benefits		-		-	
Overhead Cost		<u>(375,258,227)</u>		<u>(111,741,317)</u>	
<b>Total outflow from operating Activities (B)</b>			(1,379,868,477)		(501,110,431)
<b>Net Cash Inflow/(Outflow) from Operating Activities C=(A+B)</b>			3,029,217		10,747,676
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
Proceeds from Sale of Investment		2,592,815		-	
Dividends Received		-		-	
Purchase/Construction of PPE		(2,486,925)		(50,330,390)	
Purchase/Construction of Investment Property		-		-	
Acquisition of investments		<u>-</u>		<u>-</u>	
<b>Net Cash from Investing Activities</b>			105,890		(50,330,390)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>					
Capital Grants Received		-		35,564,440	
Proceeds from Borrowings		-		-	
Repayment of Borrowings		<u>-</u>		<u>-</u>	
<b>Net Cash Flow from Financing Activities</b>			-		35,564,440
<b>Net Cash flow from all Activities</b>			3,135,107		(4,018,274)
<b>Net Movement in Current Assets / Liabilities</b>					
Net Movement in Inventories			(891,849)		1,986,000
Net Movement in Receivables			<u>2,204,500</u>		<u>1,981,568</u>
Net Movement in Payables			<u>1,312,651</u>		<u>3,967,568</u>
Net Cash Flow from Operating Activities			<b>4,447,758</b>		<b>(50,706)</b>
<b>Cash &amp; Its Equivalent as at 1/1/2019</b>			<u>(8,986)</u>		<u>41,721</u>
<b>Cash &amp; Its Equivalent as at 31/12/2019</b>			<u><b>4,438,771</b></u>		<u><b>(8,986)</b></u>
<b>Cash &amp; its Equivalent as at 31/12 2019</b>					
Cash Balances			-		-
Bank Balances			<u>4,438,771</u>		<u>(8,986)</u>
			<u><b>4,438,771</b></u>		<u><b>8,986</b></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	2019 N	2018 N
<b>NOTE 1 STATUTORY ALLOCATION</b>		
Council and staff salaries	1,381,117,473	508,378,770
	<u>1,381,117,473</u>	<u>508,378,770</u>
 <b>NOTE 9 OTHER REVENUE</b>		
Internally Generated Revenue	1,780,221	3,479,337
10% Share of State Internal Revenue	-	-
	<u>1,780,221</u>	<u>3,479,337</u>
 <b>NOTE 11 PERSONNEL COST</b>		
Staff Salaries & Wages	675,562,079	374,119,402
LEA Staff Salaries	218,950,235	-
Pension & gratuity	101,788,436	-
Allowances	8,309,500	15,249,712
	<u>1,004,610,250</u>	<u>389,369,114</u>
 <b>NOTE 13 OVERHEAD COST</b>		
<i>ALLOWANCES AND SOCIAL CONTRIBUTION</i>		
Security allowance	55,742,823	11,104,000
Grants to community/NGOs/Emirate Co	69,380,628	2,000,000
PHCDA (Agency)	40,515,792	-
Immunization	2,067,135	-
Hajj	14,225,134	-
Joint projects and mandetory payments	81,450,887	-
Contribution to BASUG	16,012,300	-
Honourarium & sitting allowance	7,396,000	3,777,000
Welfare package	4,624,875	14,636,830
Disturbance allowance	624,253	1,573,672
	<u>292,039,828</u>	<u>33,091,502</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	2019 N	2018 N
<i>TRAVEL &amp; TRANSPORT</i>		
Local travel & transport: Others	11,655,260	13,381,181
Local travel & transport: Training	145,000	1,535,000
	<u>11,800,260</u>	<u>14,916,181</u>
<i>MATERIALS AND SUPPLIES</i>		
Relief materials		5,265,000
Purchase of customised bags	3,075,000	-
Purchase of materials		1,411,400
Purchase of exercise books	2,000,000	-
Office stationeries/computer consumables	265,000	4,703,000
Drug and medical supplies		550,900
Printing of non-security document	587,631	923,400
	<u>5,927,631</u>	<u>12,853,700</u>
<i>MISCELLANEOUS EXPENSES</i>		
Security services	13,490,000	8,000,000
Refreshment & Meals	19,814,250	8,604,875
Financial Assistance	1,162,380	1,433,000
Workshop	2,100,000	
Trade Fair	600,000	
Hospitality & entertainment		200,000
Sporting activities	15,000	200,000
Telephone Charges		1,285,000
Uniform & other clothing		1,970,000
Residential rent	150,000	1,070,000
Water rate		100,000
Electricity bills	1,000,000	2,807,000
	<u>38,331,630</u>	<u>25,669,875</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	2019	2018
	N	N
<b><i>MAINTENANCE SERVICES</i></b>		
Maintenance of generator		2,848,000
Generator fuel cost		1,775,000
Maintenance of office furniture		-
Maintenance of communication equipm	58,500	350,000
Other maintenance service	4,759,200	1,930,800
Maintenance of office equipment		2,285,000
Maintenance of motor vehicles	8,721,950	4,720,000
Maintenance of of office building	1,988,800	660,000
Motor vehicle fuel cost	396,000	8,520,564
	<u>15,924,450</u>	<u>23,089,364</u>
<b><i>CONSULTING &amp; PROFESSIONAL SERVICES</i></b>		
Medical consulting		
Surveying services		39,000
Financial consulting		
Information technology consulting	800,000	2,070,000
	<u>800,000</u>	<u>2,109,000</u>
<b>FINANCIAL CHARGES</b>		
10% admin Charges	10,407,357	-
Bank charges	27,071	11,695
	<u>10,434,427</u>	<u>11,695</u>
<b>Total overheads</b>	<u>375,258,227</u>	<u>111,741,317</u>
<b>NOTE 26 CASH &amp; CASH EQUIVALENT</b>		
Bank Balance	4,438,771	(8,986)
Cash	-	-
	<u>4,438,771</u>	<u>(8,986)</u>
<b>NOTE 28 PREPAYMENTS</b>		
Advances	<u>891,850</u>	<u>-</u>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

<b>NOTE 31 INVESTMENTS</b>	<b><u>19,423,568</u></b>	<b><u>22,016,383</u></b>
<b>CAPITAL EXPENDITURE</b>		
Construction of slaughter slab	214,755	-
Motor Vehicle	2,272,170	-
Construction/provision of infrastrucur	2,126,600	2,126,600
Rehabilitation/repairs –water facilities	1,044,000	1,044,000
Rehabilitation/repairs –electricity	989,000	989,000
Purchase of guest house	15,400,000	15,400,000
Purchase of Residential building	3,500,000	3,500,000
Purchase of motor cycles	1,151,269	1,151,269
Purchase of office furniture & fittings	3,600,000	3,600,000
Rehabilitation/repairs–Market/parks	1,019,500	1,019,500
Construction/provision of water faciliti	3,020,000	3,020,000
Rehabilitation/repairs–Agricultural faci	859,021	859,021
Rehabilitation/repairs of residential bu	500,000	500,000
Construction/provision of water–ways	1,375,000	1,375,000
Construction/provision of electricity	2,000,000	2,000,000
Rehabilitation/repairs –Roads	1,500,000	1,500,000
Construction/provision of residential b	9,325,000	9,325,000
Construction/provision of housing	2,351,000	2,351,000
Renovation of market	570,000	570,000
	<b><u>52,817,315</u></b>	<b><u>50,330,390</u></b>
<b>NOTE 35 DEPOSITS</b>	<b><u>27,178,330</u></b>	<b><u>24,973,830</u></b>
<b>NOTE 10 CAPITAL GRANT</b>		
Paris club refund	<b><u>35,564,440</u></b>	<b><u>35,564,440</u></b>
<b>NOTE 11 RESERVES</b>		
Brought Forward	11,799,517	1,051,841
Operating Balance for the Year	3,029,217	10,747,676
	<b><u>14,828,734</u></b>	<b><u>11,799,517.44</u></b>

FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019

APPENDICES

SCHEDULES OF INVESTMENT

APPENDIX 1

S/N	NAME OF COMPANY	AMOUNT (N)
1	Yankari Savings and Loans	133,696
2	Yankari Savings and Loans	1,136,045
3	Zaranda Hotel	350,000
4	Jaiz Bank Nigeria Limited	4,508,882
5	Access Bank Plc	700,000
6	Intercellular Nigeria Plc	1,190,476
7	Inland Bank Plc	111,038
8	Inland Bank Plc	37,013
9	Inland Bank Plc	749,234
10	NAL Merchant Bank Plc	10,000,000
11	Access Bank Plc	100,000
12	Purchase of Shares	<u>3,000,000</u>
		22,016,383
	Less: Shares disposed	<u>(2,592,815)</u>
		<b><u>19,423,568</u></b>

FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019

APPENDICES CONT'D

SCHEDULES OF ADVANCES

APPENDIX 2

S/N	DESCRIPTION	AMOUNT
1	Sundry persons	<u>891,850</u>

SCHEDULES OF DEPOSIT

APPENDIX 3

S/N	PARTICULARS	AMOUNT N
1	5% C.P.D	4,404,223.04
2	5% VAT	2,993,144.87
3	Pay As You Earn (P.A.Y.E.)	5,578,448.16
4	NULGE Union Dues	44,074.32
5	Mortgage	188,496.69
6	MHWUN Union Dues	2,163.00
7	FIRS – WHT	28,000.00
8	NANM Union Dues	90,963.96
9	Staff welfare scheme	474,604.00
10	Loan to Local Government	11,025,954.88
11	Agric loan	330,774.66
12	Motorcycle loan	1,084,455.88
13	Loan from Shira LGA	26,000.00
14	O.V.C	284,191.58
15	Mosque deduction	5,000.00
16	Staff ID cards	259,200
22	N.H.F.	<u>358,634</u>
		<u>27,178,330</u>

**DARAZO LOCAL GOVERNMENT COUNCIL**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

**CORPORATE INFORMATION**

**CHAIRMAN**

ALH. GARA'U ADAMU

**HEAD OF ADMINISTRATION**

IBRAHIM MOHAMMED

**TREASURER**

IBRAHIM MAGAJI

**AUDITORS**

ABDULKADEER MAHMOUD & CO.  
(CHARTERED ACCOUNTANTS)

**BANKERS**

FIDELITY BANK PLC  
FIRST BANK LTD

## **AUDITORS REPORT**

### **REPORT OF THE AUDITORS ON THE ACCOUNTS OF DARAZO LOCAL GOVERNMENT COUNCIL**

We have audited the Financial Statements of Darazo Local Government Council for the year ended 31stDecember, 2019 set out on pages 7-10, which have been prepared on the basis of significant accounting policies on page 6 and other explanatory notes on pages 11-12.

#### **RESPONSIBILITY OF THE MANAGEMENT**

The Management is responsible for maintenance of proper books of account and for the preparation of the Financial Statements of the Council. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements whether due to fraud or errors, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstance.

#### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an independent opinion on the financial statements based on our audit .We conducted our audit in accordance with International Standard on Auditing. Those Standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatements.

## **BASIS OF OPINION**

We conducted the audit in accordance with the International Public Sector Accounting Standards and the Financial Memoranda for Local Governments.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgment made by the Management in the preparation of the accounts and of whether the accounting policies appropriate and are consistently applied by the Council.

We planned and performed the audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatements either caused by fraud other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of the financial statements. The financial statements are in agreement with the books of accounts which have been properly kept.

## **BASIS OF QUALIFIED OPINION**

The Council did not reconcile the Bank Statement with Cash book during the year hence there is difference between the Bank balance and Cash book balance.

## **OPINION**

In our opinion, Except for effects of the issues described in the basis of qualified opinion paragraph, the Financial Statements give a true and fair view of the financial position of the Council as at 31 December 2019 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public sector Accounting Standards Board.

**ABDULKADEER MAHMOUD & CO.**  
**(CHARTERED ACCOUNTANTS)**

# **FINANCIAL STATEMENTS**

## **FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

### **SIGNIFICANT ACCOUNTING POLICIES**

**1. BASIS OF PREPARATION:**

The Financial Statements have been prepared under the historical cost convention and in accordance with IPSAS and other applicable standards.

**2. ACCOUNTING PERIOD**

The Financial Statements is for the accounting period from 1 January 2019 to 31 December 2019.

**3. REPORTING CURRENCY**

The Financial Statements is prepared in Nigerian Naira and is rounded up to the nearest naira.

**4. CASH AND CASH EQUIVALENT**

Cash and cash equivalent represents cash balance on hand, held in bank accounts.

**5. ACCOUNTS RECEIVABLES**

Receivables from exchange transactions consist of staff advances and are recognized as the outstanding balance in the individual advances ledgers. Provision for impairment of receivable is not made as it is expected that all outstanding advances will be retired.

**6. PREPAYMENTS**

Prepayments are expenses paid in advance for service to be rendered. Prepaid expenses for which the full benefits will be derived in the future accounting periods are classified under current assets in the Statement of Financial Position.

**7. INVENTORY**

The Local Government does not have any amount to be reported under inventory.

**8. PROPERTY PLANT & EQUIPMENT (PPE)**

These are assets acquired or constructed and are held for use by the council from which benefits are derivable beyond a financial year.

**9. DEPOSITS**

Deposits are various deductions made by the Council but were not remitted to the appropriate Government Agencies

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	NOTES	2019 N	2019 N	2018 N	2018 N
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash & Cash Equivalents	5	9,740,463		20,781,628	
Prepayments	6	<u>5,378,400</u>		<u>1,130,000</u>	
Total Current Assets	A		15,118,864		21,911,628
<b>Non-Current Assets</b>					
Investments	7	20,842,248		20,842,248	
Property, Plant & Equipment	8	<u>90,642,622</u>		<u>53,407,661</u>	
Total Non Current Assets	B		<u>111,484,870</u>		<u>74,249,909</u>
Total Assets	C=A+B		<u><u>126,603,734</u></u>		<u><u>96,161,537</u></u>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Deposits	9	8,630,675		15,176,227	
Payables		<u>-</u>		<u>-</u>	
Total Current Liabilities	D		8,630,675		15,176,227
<b>Non Current Liabilities</b>					
Long Term Borrowings		-		-	
Total Non Current Liabilities	E		<u>-</u>		<u>-</u>
Total Liabilities	F=D+E		8,630,675		15,176,227
<b>NET ASSETS/EQUITY</b>					
Capital Grants		44,472,316		44,472,316	
Accumulated Surplus/(Deficit)		<u>73,500,743</u>	<u>117,973,059</u>	<u>36,512,995</u>	<u>80,985,311</u>
Total Net Assets/Equity	H=G		<u><u>126,603,734</u></u>		<u><u>96,161,537</u></u>



**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**STATEMENTS OF FINANCIAL PERFORMANCE**

2018		NOTES	2019		VARIANCE
ACTUAL			ACTUAL	BUDGET	
N			N	N	N
<b>REVENUE</b>					
690,130,906	Govt Share of FAAC	1	1,860,365,187	3,524,826,791	(1,664,461,604)
-	Govt Share of VAT	1	-	-	-
-	Tax Revenue	2	-	-	-
-	Non-Tax Revenue	2	-	-	-
-	Investment Income	2	-	-	-
-	Interest Earned	2	-	-	-
-	Aid & Grants	2	-	-	-
<u>5,812,648</u>	Other Revenue	2	<u>6,321,048</u>	<u>37,648,095</u>	<u>(31,327,047)</u>
<b>695,943,554</b>	<b>TOTAL REVENUE (a)</b>		<b>1,866,686,235</b>	<b>3,562,474,886</b>	<b>(1,695,788,651)</b>
<b>EXPENDITURE</b>					
548,808,346	Salaries	3	1,286,543,853	1,243,165,352	(43,378,501)
	Social Benefits			-	-
<u>117,854,516</u>	Overhead Cost	3	<u>543,154,634</u>	<u>1,169,600,000</u>	<u>626,445,366</u>
<b>666,662,862</b>	<b>TOTAL EXPENDITURE(b)</b>		<b>1,829,698,487</b>	<b>2,412,765,352</b>	<b>583,066,865</b>
29,280,692	Surplus/(Deficit) from operating Activities for the period C=(a-b)		36,987,748	1,149,709,534	1,112,721,786
-	Gain/Loss on Disposal	22	-	-	-
-	Gain/Loss on Foreign Exchange Transaction	23	-	-	-
-	Share of Surplus/(Deficit) In Assoc. & Joint Venture	24	-	-	-
-	<b>Total Non Operating Revenue or (Expenses)(d)</b>		-	-	-
29,280,692	Surplus/(Deficit)from Ordinary Activities e=(c+d)		36,987,748	1,149,709,534	1,112,721,786
-	Minority Interest Share of Surplus/(Deficit) (f)	25	-	-	-
<b>29,280,692</b>	<b>Net Surplus/(Deficit) for the period g=(e-f)</b>		<b>36,987,748</b>	<b>1,149,709,534</b>	<b>1,112,721,786</b>

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**STATEMENT OF CHANGES IN EQUITY**

	Accumulated Fund =N=	Revaluation Reserve =N=	TOTAL =N=
Balance as at 31 December 2018	36,512,995	-	36,512,995
Surplus /(Deficit) on revaluation	-	-	-
Prior Year Adjustments	-	-	-
Surplus /(Deficit)	<u>36,987,748</u>	<u>-</u>	<u>36,987,748</u>
	<u><b>73,500,743</b></u>	<u><b>-</b></u>	<u><b>73,500,743</b></u>
			-
Balance as at 31 December 2019	<u><b>73,500,743</b></u>	<u><b>-</b></u>	<u><b>73,500,743</b></u>

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

**CONSOLIDATED STATEMENT OF CASH FLOW**

Description	Notes	2019		2018	
		N	N	N	N
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>					
<i>Inflows</i>					
Government Share of FAAC		1,860,365,187		690,130,906	
Government Share of VAT		-		-	
Interest Earned		-		-	
Aid & Grants		-		-	
Other Revenue		6,321,048		5,812,648	
<b>Total inflow from Operating Activities (A)</b>			1,866,686,235		695,943,554
<i>Outflows</i>					
Salaries & Wages		(1,286,543,853)		(548,808,346)	
Social Benefits		-		-	
Overhead Cost		(543,154,634)		(117,854,516)	
<b>Total outflow from operating Activities (B)</b>			(1,829,698,487)		(666,662,862)
<b>Net Cash Inflow/(Outflow) from Operating Activities C=(A+B)</b>			36,987,748		29,280,692
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
Proceeds from Sale of Investment		-		-	
Dividends Received		-		-	
Purchase/Construction of PPE		(37,234,961)		(53,407,661)	
Purchase/Construction of Investment Property		-		-	
Acquisition of investments		-		-	
<b>Net Cash from Investing Activities</b>			(37,234,961)		(53,407,661)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>					
Capital Grants Received		-		44,472,316	
Proceeds from Borrowings		-		-	
Repayment of Borrowings		-		-	
<b>Net Cash Flow from Financing Activities</b>			-		44,472,316
<b>Net Cash flow from all Activities</b>			(247,213)		20,345,346
<b>Net Movement in Current Assets / Liabilities</b>					
Net Movement in Inventories					
Net Movement in Receivables			(4,248,400)		-
Net Movement in Payables			(6,545,552)		253,963
			(10,793,952)		253,963
Net Cash Flow from Operating Activities			(11,041,165)		20,599,309
<b>Cash &amp; Its Equivalent as at 1/1/2019</b>			20,781,628		182,319
<b>Cash &amp; Its Equivalent as at 31/12/2019</b>			<u>9,740,463</u>		<u>20,781,628</u>
<b>Cash &amp; its Equivalent as at 31/12 2019</b>					
Cash Balances			66,629		1,066
Bank Balances			9,673,834		20,780,562
			<u>9,740,463</u>		<u>20,781,628</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	2019 N	2018 N
<b>NOTE 1 STATUTORY REVENUE</b>		
statutory allocation	1,860,365,187	690,130,906
	<u><b>1,860,365,187</b></u>	<u><b>690,130,906</b></u>
<b>NOTE 2 OTHER REVENUE</b>		
Internally Generated Revenue	5,532,267	5,812,648
10% Share of State Internal Revenue	788,781	-
Sale of shares	-	-
	<u><b>6,321,048</b></u>	<u><b>5,812,648</b></u>
<b>NOTE 3 PERSONNEL COST</b>		
Salaries & Wages	680,640,650	524,542,327
LEA Salaries	447,262,277	
Pension & gratuity	126,086,797	
Allowances	32,554,129	24,266,019
	<u><b>1,286,543,853</b></u>	<u><b>548,808,346</b></u>
<b>NOTE 4 OVERHEAD COST</b>		
<i>ALLOWANCES AND SOCIAL CONTRIBUTION</i>		
Security allowance	41,604,550	24,240,000
Honourarium & sitting allowance	4,613,500	4,921,059
Disturbance Allowance	1,858,134	-
Polio Immunization	2,904,162	-
2019 Hajj	18,041,634	-
Sallah gift	5,000,000	-
Quranic recitation	1,873,000	-
Contribution to Govt. Agencies	113,117,018	-
Hospitality & entertainment	4,955,100	-
Grants to community/NGOs/Emirate cc	34,573,636	29,090,253
	<u><b>228,540,734</b></u>	<u><b>58,251,313</b></u>
<i>TRAVEL &amp; TRANSPORT</i>		
Local travel & transport: Others	14,974,153	8,394,379
Local travel & transport: Training	800,030	2,420,399
International travel & transport	740,000	-
	<u><b>16,514,183</b></u>	<u><b>10,814,778</b></u>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019

	2019	2018
	N	N
<i>MATERIALS AND SUPPLIES</i>		
Relief materials	-	7,500,000
Teaching / Learning Aids	488,000	1,704,360
Uniforms & other clothing	690,000	-
Production of curriculum	29,641,250	-
Purchase of customised bags	3,900,000	-
Purchase of Almanac	333,750	-
Purchase of agro-chemicals & seedling	-	15,000,000
Drug & medical supplies	54,628,050	5,510,000
Office stationeries/computer consum:	282,000	1,308,130
Printing of non-security document	1,015,000	1,463,310
	<u>90,978,050</u>	<u>32,485,800</u>
<i>MISCELLANEOUS EXPENSES</i>		
Security vote	12,000,000	4,250,000
Refreshment & Meals	8,267,800	540,300
Local training	3,850,000	2,911,000
Skills acquisition	-	2,050,000
Mandatory payment	151,669,516	-
10% Admin charges	12,613,982	-
15% Comm dividend	13,008	-
Special days celebration	2,540,000	-
Welfare package	811,350	1,449,500
Advertisement & publicity	-	500,000
Medical expenses	70,000	-
Telephone charges	80,000	-
Electricity bills	129,000	500,000
Bank charges	244,737	165,576
	<u>192,289,393</u>	<u>12,366,376</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	2019 N	2018 N
<b><i>MAINTENANCE SERVICES</i></b>		
Maintenance of generator	109,200	-
Other maintenance services	-	19,500
Maintenance of office furniture	1,269,100	450,000
Maintenance of borehole	7,386,914	-
Maintenance of office equipment	571,000	-
Maintenance of street light	117,000	-
Maintenance of motor vehicles	2,491,010	-
Maintenance of of office building	416,650	2,405,500
Plant/ generator fuel cost	-	152,299
Other transport equipment fuel cost	298,400	-
Motor vehicle fuel cost	77,000	-
	<u>12,736,274</u>	<u>3,027,299</u>
<b><i>CONSULTING &amp; PROFESSIONAL SERVICES</i></b>		
Audit fees	988,000	-
Agricultural consulting	870,000	-
Engineering services	238,000	908,950
	<u>2,096,000</u>	<u>908,950</u>
<b>Total Overhead</b>	<u><b>543,154,634</b></u>	<u><b>117,854,516</b></u>
<b>NOTE 5 CASH &amp; CASH EQUIVALENT</b>		
Bank balance	9,673,834	20,780,562
Cash	66,629	1,066
	<u>9,740,463</u>	<u>20,781,628</u>
<b>NOTE 6 PREPAYMENTS</b>		
Advances	<u>5,378,400</u>	<u>1,130,000</u>
<b>NOTE 7 INVESTMENTS</b>		
	<u>20,842,248</u>	<u>20,842,248</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

**NOTE 8 CAPITAL EXPENDITURE**

<b>Balance b/f</b>	<b>53,407,661</b>	
Construction/ provision of electricity	-	18,029,420
Joint project	5,569,511.22	-
Motor vehicle	2,789,920.00	-
Furniture	4,464,850.00	-
Max Air Contribution	2,850,000.00	-
Construction of market stalls	222,376.00	-
Constuction/provision of housing-4 b	1,844,242.50	-
Completion of primary school	232,550.00	-
Box culvert	612,040.00	-
Construction of power generating plant	1,200,000.00	-
Rehabilitation / repairs of residential I	750,000.00	-
Renovation of Dispensary/maternity	1,654,000.00	-
Purchase of generator	1,500,000.00	-
Purchase of amplifier	600,000.00	-
Purchase of fertilizers	6,500,000.00	-
Completion of jumat mosque	5,412,411.25	-
Purchase of truck	623,060.00	-
Rehabilitation/repairs of water facilities	-	13,986,597
Purchase / acquisition of land	410,000.00	1,708,166
Minor road maintenance	-	3,570,000
Purchase of communication equipment	-	1,000,000
Maintenance of market/public places	-	2,209,504
Construction/provision of roads	-	2,327,600
Construction/ provision of infrastructure	-	6,701,374
Purchase of tricycles	-	3,875,000
	<b><u>90,642,622</u></b>	<b><u>53,407,661</u></b>

**NOTE 9 DEPOSITS** **8,630,675** **15,176,227**

**NOTE 10 CAPITAL GRANT**  
Paris club refund **44,472,316** **44,472,316**

**NOTE 11 RESERVES**  
Brought Forward 36,512,995 7,232,303  
Operating Balance for the Year 36,987,748 29,280,692  
**73,500,743** **36,512,995**

FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019

APPENDICES

SCHEDULES OF INVESTMENT

APPENDIX 1

S/N	NAME OF COMPANY	AMOUNT (N)
1	AfriBank Plc	72,000
2	Union Bank of Nigeria	50,000
3	Savannah Bank Plc	50,000
4	Int Merchant Bank	50,000
5	Kaolin Project	462,024
6	Zaranda Hotels	73,260
7	Ashaka Cement Plc	60,000
8	Inland Bank Plc	1,400,000
9	First Bank Plc	67,430
10	BPPC	200,000
11	Access Bank Plc	950,000
12	Int Bank	12,000,000
13	Total Plc	500
14	JND	5,407,034
		<u>20,842,248</u>

SCHEDULES OF ADVANCES

APPENDIX 2

S/N	DESCRIPTION	AMOUNT
A/1	Aminu Baba	300,000
A/2	Mustapha Shehu Zirami	300,000
A/3	Bello A. Sani	50,000
A/4	Muhammed Adamu Aliya	50,000
A/5	Bappayo Maigari	50,000
A/6	Abubakar Sanda	50,000
A/7	Saidu Idris	20,000
A/8	Usman bello	5,000
A/9	Yusuf B. Santuraki	55,000
A/10	Hussaini Waziri	50,000
A/11	Hussaini Waziri	65,000
A/12	Hussaini Waziri	35,000
	Sundry persons	4,248,400
A/13	Ibrahim Adamu	100,000
		<u>5,378,400</u>



FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019  
APPENDICES CONT'D

SCHEDULES OF DEPOSIT

APPENDIX 3

D/N	PARTICULARS	AMOUNT
D1	NANNM	166,198
D3	5% C P D	6,088,308
D5	5% VAT	469,389
D6	NACHP DUES	397,174
D10	A.H. SHITU	708,333
D11	L.E.A. DARAZO LG	1,050
D12	JOS HAITI	28,353
D14	2% Local Govt Share	186,555
D17	Comm. Health & Tech	<u>585,315</u>
		<u><u>8,630,675</u></u>

# **DASS LOCAL GOVERNMENT COUNCIL**

## **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

### **CORPORATE INFORMATION**

1. **CHAIRMAN**

Alh. Ado Danladi Maigoro

2. **HEAD OF ADMINISTRATION**

Shuaibu Abubakar

3. **TREASURER**

Sani Yusuf

4. **BANKERS**

Unity Bank Plc

Fidelity Bank Plc.

5. **AUDITORS**

Messrs Lawyer Ejeheri & Co.,  
(Chartered Accountants),  
Plot 12725, Liberty Boulevard, P. O. Box 5548,  
Jos, Nigeria. Tel. 08034040667.

**REPORT OF THE AUDITORS ON THE ACCOUNTS OF**  
**DASS LOCAL GOVERNMENT COUNCIL**

We have audited the Financial Statements of *Dass Local Government Council* for the year ended 31<sup>st</sup> December, 2019 set out on pages 5 – 12, which have been prepared on the basis of accounting policies on page 4.

**RESPECTIVE RESPONSIBILITIES OF THE MANAGEMENT**

The Management is responsible for maintenance of proper books of account and for the preparation of the Financial Statements of the Council. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements whether due to fraud or errors, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstance.

**AUDITORS' RESPONSIBILITY**

Our responsibility is to express an independent opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standard on Auditing. Those Standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatements.

## BASIS OF OPINION

We conducted the audit in accordance with the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda for Local Governments.

An audit includes examination, on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgment made by the *Management* in the preparation of the financial statements and of whether the accounting policies appropriate and are consistently applied by the Council.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement whether caused by fraud or other irregularities or errors. In forming our opinion, we also evaluated the overall adequacy or otherwise of the presentation of information in the financial statements. The financial statements are in agreement with the books of accounts which have been properly kept.

### Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Council as at 31<sup>st</sup> December, 2019 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.

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**J. L. Ejeheri, FCA, FRC/2014/ICAN/00000010249**  
**(Chartered Accountants)**  
**Jos, Nigeria.**

## SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation

The Financial Statements have been prepared under the historical cost convention and in accordance with IPSAS and other applicable standards.

2. ACCOUNTING PERIOD

The Financial Statements is for the accounting period from 01/01/2019 to 31/12/2019.

3. REPORTING CURRENCY

The Financial Statements is prepared in Nigerian Naira and is rounded up to the nearest naira.

4. CASH AND CASH EQUIVALENT

Cash and cash equivalent represents cash balance on hand and held in bank accounts.

5. ACCOUNTS RECEIVABLES

Receivables from exchange transactions consist of staff advances and are recognized as the outstanding balance in the individual advances ledgers. Provision for impairment of receivable is not made as it is expected that all outstanding advances will be retired.

6. PREPAYMENTS

Prepayments are expenses paid in advance for service to be rendered. Prepaid expenses for which the full benefits will be derived in the future accounting period are classified under current assets in the Statement for Financial Position.

7. INVENTORY

The Local Government does not have any amount to be reported under inventory.

8. PROPERTY PLANT AND EQUIPMENT (PPE)

These are assets acquired or constructed and are held for use by the Council from which benefits are derivable beyond a financial year.

9. DEPOSITS

Deposits are various deductions made by the Council but were not remitted to the appropriate Government Agencies.

**STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2019**

		<b>2019</b>		<b>2018</b>	
	<b>NOTE</b>	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>
<b>CURRENT ASSETS</b>					
Cash & Cash Equivalent	1	879,794		32,504,072	
Receivables	2	<u>7,580,000</u>		<u>23,045,403</u>	
<b>Total Current Assets - A</b>			8,459,794		55,549,475
<b>NON-CURRENT ASSETS</b>					
Investments	3	17,743,868		17,743,868	
Property, Plant & Equipment	4	<u>116,807,099</u>		<u>64,521,668</u>	
<b>Total Non-Current Assets - B</b>			<u>134,550,967</u>		<u>82,265,536</u>
<b>Total Assets C = A + B</b>			<u>143,010,761</u>		<u>137,815,011</u>
<b>CURRENT LIABILITIES</b>					
Deposits	5	15,336,395		6,186,154	
Payables		<u>-</u>		<u>-</u>	
<b>Total Current liabilities - D</b>			15,336,395		6,186,154
<b>NON-CURRENT LIABILITIES</b>					
Public Fund		-		-	
Long Term Borrowings		<u>-</u>		<u>-</u>	
<b>Total Non-Current liabilities - E</b>			<u>-</u>		<u>-</u>
<b>Total liabilities F = D + E</b>			15,336,395		6,186,154
<b>Net Assets G = C - F</b>			<b><u>127,674,366</u></b>		<b><u>131,628,857</u></b>
<b>NET ASSETS/EQUITY</b>					
Capital Grants	6	29,599,724		29,599,724	
Reserves	7	<u>98,074,642</u>		<u>102,029,132</u>	
			127,674,366		131,628,856
_____ ) CHAIRMAN _____ ) _____ ) _____ ) TREASURER					
<b>Total Net Assets/Equity H = G</b>			<b><u>127,674,366</u></b>		<b><u>131,628,856</u></b>

The Notes on pages 8 to 11 form an integral part of these Accounts



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

	2019	2018
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>	<b>N</b>	<b>N</b>
<b>Surplus(Deficit) from Operating Activities</b>	(2,954,490)	80,224,125
<i>Prior Year Adjustment (Understatement of Reserves brought forward from 2018)</i>	(1,000,000)	-
	(3,954,490)	80,224,125
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Purchase/Construction of PPE	(52,285,431)	(64,521,668)
Acquisition of Investments	-	-
<b>Net Cash from Investing Activities</b>	(52,285,431)	(64,521,668)
<u>CASH FLOW FROM FINANCIAL ACTIVITIES</u>		
Capital Grants Received	-	29,599,724
<b>Net Cash Flow from Financing Activities</b>	-	29,599,724
<b>Net Cash Flow from all Activities</b>	(56,239,921)	45,302,181
	-----	-----
<u>NET MOVEMENT IN CURRENT ASSETS/LIABILITIES</u>		
Net Movement Receivables	15,465,403	(19,789,812)
Net Movement in Deposits	9,150,241	6,186,154
	24,615,644	(13,603,658)
	-----	-----
<b>Net Cash Flow from Operating Activities</b>	(31,624,277)	31,698,523
Cash & Its Equivalent as at - 1/1/2019	32,504,071	805,548
Cash & Its Equivalent as at - 31/12/2019	<b>879,794</b>	<b>32,504,071</b>
<b>Cash &amp; Its Equivalent as at - 31/12/2019</b>		
Cash Balances	-	7,043,555
Bank Balances	879,794	25,460,516
	<b>879,794</b>	<b>32,504,071</b>

The Notes on pages 8 to 11 form an integral part of these Accounts



**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>	<b>APPENDIX</b>	<b>2019</b>		<b>2018</b>
		<b>N</b>		<b>N</b>
<b>1 CASH &amp; CASH EQUIVALENT</b>				
Fidelity Bank - 5030049297		874,971		-
Unity Bank - 0040288125		4,823		7,043,555
Cash		-		<u>24,460,516</u>
Bank Balance		<u>879,794</u>		<u>31,504,071</u>
<b>2 RECEIVABLES</b>				
Advances	1	<u>7,580,000</u>		<u>23,045,403</u>
<b>3 INVESTMENTS</b>				
Investments	2	<u>17,743,868</u>		<u>17,743,868</u>
			As at	As at
<b>4 CAPITAL EXPENDITURE</b>		<u>1/1/2019</u>	<u>Additions</u>	<u>31/12/2019</u>
<b>Property, Plant &amp; Equipment</b>		<b>N</b>	<b>N</b>	<b>N</b>
Rehabilitation/Repairs of Roads		-	2,300,000	2,300,000
Rehabilitation/Repairs of Market/Parks		582,000	-	582,000
Office Furniture		500,000	100,000	600,000
Renovation of Slaughter Slab		-	625,500	625,500
Renovation of Guest House		3,517,441	6,155,000	9,672,441
Fencing and Drilling of hand pump		540,000	143,000	683,000
Purchase of Car		1,500,000	-	1,500,000
Purchase of Motor Cycle		742,000	-	742,000
Supply of Office Equipment		-	110,000	110,000
Rehabilitation of Solar Pumps		-	4,440,000	4,440,000
Construction of Infrastructure		1,000,000	-	1,000,000
Construction of Culvert		-	200,000	200,000
Repairs of Borehole		1,110,000	3,236,000	4,346,000
Rehabilitation/Fencing of Directors House		-	2,643,500	2,643,500
Renovation of Chairman's House		-	3,962,312	3,962,312
Renovation of Staff Quarters		3,145,777	-	3,145,777
Renovation of Chairman's Office & Council Chamber		-	1,933,000	1,933,000
Purchase of Generator		80,000	112,000	192,000
Purchase of 500KVA Transformer		-	3,000,000	3,000,000
Construction/Provision of Cememteries		<u>51,804,450</u>	<u>###</u>	<u>75,129,659</u>
<b>Grand Total</b>		<u>64,521,668</u>	<u>52,285,431</u>	<u>116,807,099</u>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>	<b>APPENDI</b>	<b>2019</b>	<b>2018</b>
		<b>N</b>	<b>N</b>
5 <u>DEPOSITS</u>	3	<b><u>15,336,395</u></b>	<b><u>6,186,154</u></b>
6 <u>CAPITAL GRANT (PARIS CLUB REFUND)</u>		<b><u>29,599,724</u></b>	<b><u>29,599,724</u></b>
7 <u>RESERVES</u>			
Brought Forward		101,029,132	21,805,007
Operating Balance for the Year		(2,954,490)	79,224,125
		<b><u>98,074,642</u></b>	<b><u>101,029,132</u></b>
8 <u>STATUTORY ALLOCATION</u>			
Council and Staff Salaries		951,131,446	459,170,502
Other Grants		-	-
		<b><u>951,131,446</u></b>	<b><u>459,170,502</u></b>
9 <u>OTHER REVENUE</u>			
Internally Generated Revenue		<b><u>1,294,475</u></b>	<b><u>2,285,851</u></b>
10 <u>PERSONNEL COST</u>			
Salaries and Wages		709,940,188	241,639,504
Allowances		44,912,951	15,505,000
		<b><u>754,853,139</u></b>	<b><u>257,144,504</u></b>
11 <u>OVERHEAD COST</u>			
11.1 <u>ALLOWANCES &amp; SOCIAL CONTRIBUTION</u>			
Security Allowance		32,624,085	4,487,000
Honourarium & Sitting Allowance		425,000	162,000
Welfare Package		-	2,898,000
Immunization Supervision Allowance		1,066,954	1,250,000
Medical Expenses - Local		-	25,000
Disturbance Allowance		1,060,000	3,814,836
Sallah Gitfs		6,000,000	3,556,000
<b>Sub Total</b>		<b><u>41,176,039</u></b>	<b><u>16,192,836</u></b>
11.2 <u>TRAVEL &amp; TRANSPORT</u>			
Local Travel & Transport: Others		11,113,400	17,781,997
Local Travel & Transport: Training		2,072,500	853,200
International Travel & Transport		12,456,453	-
<b>Sub Total</b>		<b><u>25,642,353</u></b>	<b><u>18,635,197</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>		<b><u>2019</u></b>	<b><u>2018</u></b>
		<b><u>N</u></b>	<b><u>N</u></b>
<b>11.3</b>	<b><u>MATERIALS AND SUPPLIES</u></b>		
	Supply of Relief Materials	18,169,000	33,341,000
	Supply of Working Materials	4,427,250	-
	Magazines and Periodicals	-	37,000
	Teaching Aid/Instructural Materials	-	-
	Office Stationeries/Computer Consumables	15,001,000	748,104
	Drugs & Medical Supplies	20,822,049	1,766,724
	Printing of Non-Security Document	13,986,500	2,297,000
	Uniform and Other Clothing	-	1,290,000
	Agric. Chemical and Inputs	<u>1,015,500</u>	<u>1,446,000</u>
	<b><i>Sub Total</i></b>	<b><u>73,421,299</u></b>	<b><u>40,925,828</u></b>
<b>11.4</b>	<b><u>MISCELLANEOUS EXPENSES</u></b>		
	Security Vote	12,000,000	17,370,000
	Refreshment and Meals	1,629,500	6,365,117
	Financial Assistance	15,375,000	299,000
	Hospitality and Entertainment	12,059,250	1,865,000
	Residential Rent	280,000	2,440,275
	Publicity and Advertisement	685,000	42,000
	Sporting Activities	-	767,000
	Logistics Support	6,618,510	-
	Special Days Celebration and Prayer	2,970,000	6,550,000
	Electricity Bills	-	540,000
	Grant to Communities	-	4,610,000
	Bank Charges	52,493	469,950
	Local Training	2,274,000	331,000
	Telephone and Internet Charges	-	79,000
	NATA and Fuelling	<u>2,449,500</u>	-
	<b><i>Sub Total</i></b>	<b><u>56,393,253</u></b>	<b><u>41,728,342</u></b>
<b>11.5</b>	<b><u>MAINTENANCE SERVICES</u></b>		
	Maintenance of Generator	121,500	1,001,000
	Other Maintenance	3,500	781,000
	Maintenance of Motor Vehicles	2,240,032	2,834,420
	Maintenance of Office Building	95,000	153,600
	Maintenance of Market/Public Places	-	245,000
	Motor Vehicles Fuel Cost	687,424	409,500
	Minor Road Maintenance	-	350,000
	Maintenancance of Communication Equipment	-	<u>50,000</u>
	<b><i>Sub Total</i></b>	<b><u>3,147,456</u></b>	<b><u>5,824,520</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>		<b>2019</b>	<b>2018</b>
		<b>N</b>	<b>N</b>
11.6	<b>CONSULTING AND PROFESSIONAL SERVICES</b>		
	Legal Services	105,000	-
	Stock Broker	374,467	-
	Architectural Services	-	680,000
	Information Technology Consulting	-	101,000
	Accountant	267,405	-
	<b>Sub Total</b>	<b>746,872</b>	<b>781,000</b>
	<b>Grand Total Overhead</b>	<b>200,527,272</b>	<b>124,087,724</b>
<b>APPENDIX 1</b>			
S/N	<b>SCHEDULES OF ADVANCES</b>		
1	Alh. Ado Danladi Maigizo	400,000	-
2	Alh. Abdukadir Ibrahim	515,000	-
3	Alh. Shuaibu Abubakar Judu (Hon)	145,000	-
4	Sani Yusuf Kirfi	510,000	-
5	Alh. Isah Waziri	590,000	-
6	Ahmed Danladi	200,000	-
7	Haruna Halidu	200,000	-
8	Alh. Juji Bara	200,000	-
9	Alh. Sale Adamu Abubakar	230,000	-
10	Alh. Sani Shehu Shall	60,000	-
11	Samiala Adamu	140,000	-
12	Deputy Director of Finance	30,000	-
13	Alh. Zakari Ibrahim	80,000	-
14	Alh. Aliyu Shuaibu	120,000	-
15	Abdu M. Shehu	20,000	-
16	Garba Dan Azumi	35,000	-
17	Safiyanu Mu'azu	35,000	-
18	Manniru Ibrahim	35,000	-
19	Mohhamed I. Maloka	30,000	-
20	Yakubu Bala Baraza	35,000	-
21	Garba Jinkiri	20,000	-
22	Alh. Garba Rabo	30,000	-
23	Sundry Persons	3,920,000	-
	<b>Grand Total</b>	<b>7,580,000</b>	<b>-</b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b><u>APPENDIX 2</u></b>			
<b><u>SCHEDULES OF INVESTMENT</u></b>			
S/N	NAME OF COMPANY	<b><u>2019</u></b> <b>N</b>	<b><u>2018</u></b> <b>N</b>
1	Sterling Bank of Nigeria Plc	526,315	-
2	Urban Development Bank Plc	500,000	-
3	Zaranda Hotel	112,000	-
4	Access Bank Of Nigeria Plc	2,057,142	-
5	Bauchi Publishing and Printing Company	200,000	-
6	Mal Bank Plc	5,000,000	-
7	Jaiz International Plc	3,265,425	-
8	Inland Bank of Nigeria Plc	3,645,300	-
9	Kaduna Textile Limited	210,000	-
10	Arewa Ceramic Misau	350,000	-
11	Galambi Cattle Ranch	150,000	-
12	Yankari Savings and Loans	1,477,686	-
13	Ashaka Cement Company	250,000	-
	<b>Grand Total</b>	<b><u>17,743,868</u></b>	<b><u>-</u></b>
<b><u>APPENDIX 3</u></b>			
<b><u>SCHEDULES OF DEPOSITS</u></b>			
S/N	<b><u>PARTICULARS</u></b>	<b><u>2019</u></b> <b>N</b>	<b><u>2018</u></b> <b>N</b>
1	Pay As You Earn (PAYE)	15,030,395	-
2	FIRS - WHT	255,000	-
3	BIRS	51,000	-
	<b>Grand Total</b>	<b><u>15,336,395</u></b>	<b><u>-</u></b>

# **GAMAWA LOCAL GOVERNMENT COUNCIL**

## **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

### **CORPORATE INFORMATION**

#### **CHAIRMAN**

ADAMU MOHAMMED LELE

#### **HEAD OF ADMINISTRATION**

ALH DAUDA ADAMU MANAKO

#### **TREASURER**

IBRAHIM UMAR ADAMU

#### **AUDITORS**

ABDULKADEER MAHMOUD & CO.  
(CHARTERED ACCOUNTANTS)

#### **BANKERS**

FIRST BANK OF NIGERIA LTD  
GAMAWA MICROFINANCE BANK LTD

## **AUDITORS REPORT**

### **REPORT OF THE AUDITORS ON THE ACCOUNTS OF GAMAWA LOCAL GOVERNMENT COUNCIL**

We have audited the Financial Statements of Gamawa Local Government Council for the year ended 31stDecember, 2019 set out on pages 7-10, which have been prepared on the basis of significant accounting policies on page 6 and other explanatory notes on pages 11-14.

#### **RESPONSIBILITY OF THE MANAGEMENT**

The Management is responsible for maintenance of proper books of account and for the preparation of the Financial Statements of the Council. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements whether due to fraud or errors, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstance.

#### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an independent opinion on the financial statements based on our audit .We conducted our audit in accordance with International Standard on Auditing. Those Standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatements.

## **BASIS OF OPINION**

We conducted the audit in accordance with the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda for Local Governments.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgment made by the Management in the preparation of the accounts and of whether the accounting policies appropriate and are consistently applied by the Council.

We planned and performed the audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatements either caused by fraud other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of the financial statements. The financial statements are in agreement with the books of accounts which have been properly kept.

## **BASIS OF QUALIFIED OPINION**

The Council did not reconcile the Bank Statement with Cash book during the year hence there is difference between the Bank balance and Cash book balance.

## **OPINION**

In our opinion, Except for effects of the issues described in the basis of qualified opinion paragraph, the Financial Statements give a true and fair view of the financial position of the Council as at 31 December 2019 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public sector Accounting Standards Board.

**ABDULKADEER MAHMOUD & CO.  
(CHARTERED ACCOUNTANTS)**



**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**SIGNIFICANT ACCOUNTING POLICIES**

**1. BASIS OF PREPARATION:**

The Financial Statements have been prepared under the historical cost convention and in accordance with IPSAS and other applicable standards.

**2. ACCOUNTING PERIOD**

The Financial Statements is for the accounting period from 1 January 2019 to 31 December 2019.

**3. REPORTING CURRENCY**

The Financial Statements is prepared in Nigerian Naira and is rounded up to the nearest naira.

**4. CASH AND CASH EQUIVALENT**

Cash and cash equivalent represents cash balance on hand, held in bank accounts.

**5. ACCOUNTS RECEIVABLES**

Receivables from exchange transactions consist of staff advances and are recognized as the outstanding balance in the individual advances ledgers. Provision for impairment of receivable is not made as it is expected that all outstanding advances will be retired.

**6. PREPAYMENTS**

Prepayments are expenses paid in advance for service to be rendered. Prepaid expenses for which the full benefits will be derived in the future accounting periods are classified under current assets in the Statement of Financial Position.

**7. INVENTORY**

The Local Government does not have any amount to be reported under inventory.

**8. PROPERTY PLANT & EQUIPMENT (PPE)**

These are assets acquired or constructed and are held for use by the council from which benefits are derivable beyond a financial year.

**9. DEPOSITS**

Deposits are various deductions made by the Council but were not remitted to the appropriate Government Agencies

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	NOTES	2019 N	2019 N	2018 N	2018 N
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash & Cash Equivalents	5	5,115,817		(5,803,526)	
Prepayments	6	7,127,132		20,454,082	
Inventories		<u>-</u>		<u>-</u>	
<b>Total Current Assets A</b>			<b>12,242,949</b>		<b>14,650,556</b>
<b>Non-Current Assets</b>					
Investments	7	1,735,511		1,735,511	
Property, Plant & Equipment	8	<u>168,784,338</u>		<u>56,773,524</u>	
<b>Total Non Current Assets B</b>			<b><u>170,519,849</u></b>		<b><u>58,509,035</u></b>
<b>Total Assets C=A+B</b>			<b><u>182,762,798</u></b>		<b><u>73,159,592</u></b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Deposits	9	8,990,816		1,659,069	
Payables		<u>-</u>		<u>-</u>	
<b>Total Current Liabilities D</b>			<b>8,990,816</b>		<b>1,659,069</b>
<b>Non Current Liabilities</b>					
Long Term Borrowings		-		-	
<b>Total Non Current Liabilities E</b>			<b><u>-</u></b>		<b><u>-</u></b>
<b>Total Liabilities F=D+E</b>			<b>8,990,816</b>		<b>1,659,069</b>
<b>NET ASSETS/EQUITY</b>					
Capital Grants	10	47,145,867		47,145,867	
Accumulated Surplus/(Deficit)	11	<u>126,626,115</u>	<u>173,771,982</u>	<u>24,354,655</u>	<u>71,500,523</u>
<b>Total Net Assets/Equity H=G</b>			<b><u>182,762,798</u></b>		<b><u>73,159,592</u></b>

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**STATEMENTS OF FINANCIAL PERFORMANCE**

2018 ACTUAL N	NOTES	2019		VARIANCE N	
		ACTUAL N	BUDGET N		
<b>REVENUE</b>					
817,777,158	Govt Share of FAAC	1	1,596,267,145	3,462,697,343	(1,866,430,198)
-	Govt Share of VAT	1	-	-	-
-	Tax Revenue	2	-	-	-
-	Non-Tax Revenue	2	-	-	-
-	Investment Income	2	-	-	-
-	Interest Earned	2	-	-	-
-	Aid & Grants	2	-	33,380,000	(33,380,000)
<u>9,089,673</u>	Other Revenue	2	<u>6,396,910</u>	<u>46,553,750</u>	<u>(40,156,840)</u>
<b>826,866,831</b>	<b>TOTAL REVENUE (a)</b>		<b>1,602,664,055</b>	<b>3,542,631,093</b>	<b>(1,939,967,038)</b>
<b>EXPENDITURE</b>					
506,542,308	Personnel cost	3	1,057,357,281	1,108,281,299	50,924,018
	Social Benefits			-	-
251,650,586	Overhead Cost	4	443,035,315	1,138,921,122	695,885,807
<u>-</u>	Grants & Contributions		<u>-</u>	<u>-</u>	<u>-</u>
<b>758,192,893</b>	<b>TOTAL EXPENDITURE(b)</b>		<b>1,500,392,596</b>	<b>2,247,202,421</b>	<b>746,809,825</b>
68,673,937	Surplus/(Deficit) from operating Activities for the period C=(a-b)		102,271,460	1,295,428,672	1,193,157,212
-	Gain/Loss on Disposal	22	-	-	-
-	Gain/Loss on Foreign Exchange Transaction	23	-	-	-
-	Share of Surplus/(Deficit) In Assoc. & Joint Ven	24	-	-	-
-	<b>Total Non Operating Revenue or (Expenses)(d)</b>		<b>-</b>	<b>-</b>	<b>-</b>
68,673,937	Surplus/(Deficit)from Ordinary Activities e=(c+d)		102,271,460	1,295,428,672	1,193,157,212
-	Minority Interest Share of Surplus/(Deficit) (f)	25	-	-	-
<b>68,673,937</b>	<b>Net Surplus/(Deficit) for the period g=(e-f)</b>		<b>102,271,460</b>	<b>1,295,428,672</b>	<b>1,193,157,212</b>

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**STATEMENT OF CHANGES IN EQUITY**

	<b>Accumulated Fund =N=</b>	<b>Revaluation Reserve =N=</b>	<b>TOTAL =N=</b>
Balance as at 31 December 2018	24,354,655	-	24,354,655
Surplus /(Deficit) on revaluation	-	-	-
Prior Year Adjustments	-	-	-
Surplus /(Deficit)	<u>102,271,460</u>	<u>-</u>	<u>102,271,460</u>
	<u><b>126,626,115</b></u>	<u><b>-</b></u>	<u><b>126,626,115</b></u>
		-	-
Balance as at 31 December 2019	<u><b>126,626,115</b></u>	<u><b>-</b></u>	<u><b>126,626,115</b></u>

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

**CONSOLIDATED STATEMENT OF CASH FLOW**

Description	Notes	2019		2018	
		N	N	N	N
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>					
<i>Inflows</i>					
Government Share of FAAC		1,596,267,145		817,777,158	
Government Share of VAT		-		-	
Interest Earned		-		-	
Aid & Grants		-		-	
Other Revenue		<u>6,396,910</u>		<u>9,089,673</u>	
<b>Total inflow from Operating Activities (A)</b>			1,602,664,055		826,866,831
<i>Outflows</i>					
Salaries & Wages		(1,057,357,281)		(506,542,308)	
Social Benefits		-		-	
Overhead Cost		<u>(443,035,315)</u>		<u>(251,650,586)</u>	
<b>Total outflow from operating Activities (B)</b>			<u>(1,500,392,596)</u>		<u>(758,192,893)</u>
<b>Net Cash Inflow/(Outflow) from Operating Activities C=(A+B)</b>			102,271,460		68,673,937
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
Proceeds from Sale of Investment		-		-	
Dividends Received		-		-	
Purchase/Construction of PPE		(112,010,814)		(56,773,524)	
Purchase/Construction of Investment Property		-		-	
Acquisition of investments		-		-	
<b>Net Cash from Investing Activities</b>			<u>(112,010,814)</u>		<u>(56,773,524)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>					
Capital Grants Received				47,145,867	
Proceeds from Borrowings		-		-	
Repayment of Borrowings		-		-	
<b>Net Cash Flow from Financing Activities</b>			<u>-</u>		<u>47,145,867</u>
<b>Net Cash flow from all Activities</b>			<u>(9,739,354)</u>		<u>59,046,280</u>
<b>Net Movement in Current Assets / Liabilities</b>					
Net Movement in Inventories					
Net Movement in Receivables			13,326,950		(19,981,653)
Net Movement in Payables			<u>7,331,747</u>		<u>(41,398,857)</u>
			20,658,697		(61,380,510)
Net Cash Flow from Operating Activities			<b>10,919,343</b>		<b>(2,334,230)</b>
<b>Cash &amp; Its Equivalent as at 1/1/2019</b>			<u>(5,803,526)</u>		<u>(3,469,296)</u>
<b>Cash &amp; Its Equivalent as at 31/12/2019</b>			<u><b>5,115,817</b></u>		<u><b>(5,803,526)</b></u>
<b>Cash &amp; its Equivalent as at 31/12 2019</b>					
Cash Balances			100		309
Bank Balances			5,115,717		(5,803,835)
Overdraft			-		-
			<u><b>5,115,817</b></u>		<u><b>(5,803,526)</b></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	2019 N	2018 N
<b>NOTE 1 STATUTORY REVENUE</b>		
Statutory allocation	<u>1,596,267,145</u>	<u>817,777,158</u>
	<b><u>1,596,267,145</u></b>	<b><u>817,777,158</u></b>
<b>NOTE 2 OTHER REVENUE</b>		
Internally Generated Revenue	6,396,910	9,089,673
10% Share of State Internal Revenue	-	-
	<u>6,396,910</u>	<u>9,089,673</u>
<b>NOTE 3 PERSONNEL COST</b>		
Salaries & Wages	745,316,274	502,765,808
LEA Salaries	191,850,932	-
Pension & gratuity	114,490,575	-
Allowances	<u>5,699,500</u>	<u>3,776,500</u>
	<b><u>1,057,357,281</u></b>	<b><u>506,542,308</u></b>
<b>NOTE 4 OVERHEAD COST</b>		
<i>ALLOWANCES AND SOCIAL CONTRIBUTION</i>		
Security allowance	45,740,607	16,087,625
Honourarium & sitting allowance	5,726,000	9,343,260
Welfare packages	13,951,000	12,942,889
2019 Hajj	19,082,497	-
Disturbance allowance	195,000	934,436
Immunization supervision allowance	1,086,175	18,315
Medical expenses-local	<u>1,889,000</u>	<u>298,000</u>
	<b><u>87,670,279</u></b>	<b><u>39,624,524</u></b>
<i>TRAVEL &amp; TRANSPORT</i>		
Local travel & transport: Others	14,335,124	14,257,028
Local travel & transport: Training	-	<u>2,612,000</u>
	<b><u>14,335,124</u></b>	<b><u>16,869,028</u></b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	<b>2019</b>	<b>2018</b>
	<b>N</b>	<b>N</b>
<i>MATERIALS AND SUPPLIES</i>		
Relief materials	1,920,000	2,000,000
Agric. chemicals & inputs	5,360,000	1,125,000
Drugs & medical supplies	12,298,500	-
TEACHING AIDS / INSTRUCTION MATERIALS	4,612,500	-
Production of curriculum	29,250,000	-
Exercise book	3,950,000	-
Purchase of customised bags	4,125,000	-
Burial Materials	17,784,840	-
Skills acquisition machines	-	36,100,000
Sanitation materials	-	1,970,000
Office stationeries/computer consumables	550,000	5,170,000
Printing of security document	-	213,330
Printing of non-security document	734,500	3,740,000
	<u><b>80,585,340</b></u>	<u><b>50,318,330</b></u>
<i>MISCELLANEOUS EXPENSES</i>		
Security vote	10,000,000	4,765,800
Refreshment & Meals	39,516,380	23,506,916
SUBSCRIPTION TO PROFESSIONAL BODIES	38,000	-
Mandatory payment	124,310,598	-
10% Admin charges	6,717,417	-
Uniforms & other clothing	630,000	-
Financial Assistance	1,958,000	13,933,375
Sundry expenses	-	6,623,318
Residential rent	1,000,000	832,920
Office/residential rent	-	1,000,000
Postages & courier services	60,000	-
Telephone	-	150,000
Publicity & advertisement	3,064,000	591,700
Local training	2,816,150	1,210,000
Sporting activities	6,130,000	176,000
Sewage charges	-	4,500
Electricity bills	1,350,000	300,000
Water rates	-	119,300
Grant to communities	34,297,264	49,005,265
Special days celebration	3,702,000	2,000,000
	<u><b>235,589,808</b></u>	<u><b>104,219,094</b></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	2019	2018
	N	N
<b><i>MAINTENANCE SERVICES</i></b>		
Other maintenance services	17,371,409	27,340,621
Maintenance of office furniture	75,000	1,277,050
Maintenance of motor vehicles	1,268,000	2,411,900
Maintenance of office building	75,000	1,717,400
Maintenance of residential building	411,000	-
Maintenance of plant/generator	41,500	90,000
Maintenance of graveyard	-	750,000
Maintenance of drainage	-	728,000
Maintenance of IT/Office equipment	550,000	1,007,000
Plant & generator fuel cost	90,000	458,000
Motor vehicle fuel cost	2,128,650	2,202,375
	<u>22,010,559</u>	<u>37,982,346</u>
<b><i>CONSULTING &amp; PROFESSIONAL SERVICES</i></b>		
Agricultural consulting	-	244,000
Medical consulting	-	41,720
Audit fees	1,045,000	-
Financial consulting	-	246,800
ARCHITECTURAL SERVICES	20,000	-
SURVEYING SERVICES	69,500	-
	<u>1,134,500</u>	<u>532,520</u>
Bank charges	<u>1,709,705</u>	<u>2,104,744</u>
<b>Total Overheads</b>	<u>443,035,315</u>	<u>251,650,586</u>
<b>NOTE 5 CASH &amp; CASH EQUIVALENT</b>		
Bank balance	5,115,717	(5,803,835)
Cash	100	309
	<u>5,115,817</u>	<u>(5,803,526)</u>
<b>NOTE 6 PREPAYMENTS</b>		
Advances	<u>7,127,132</u>	<u>20,454,082</u>
<b>NOTE 7 INVESTMENTS</b>	<u>1,735,511</u>	<u>1,735,511</u>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	2019 N	2018 N
<b>NOTE 8 CAPITAL EXPENDITURE</b>		
<b>Balance b/d</b>	56,773,524	
Rehabilitation/repairs of office building	-	3,594,480
Construction/renovation of market stalls	1,000,000	680,000
Construction of lock-up shop	-	1,317,359
Minor road repairs	4,401,500	1,506,750
Construction of maternity	-	22,338,878
Construction of mosque	-	200,000
Renovation of LG HQ	-	603,462
Renovation of govt, lodge	-	1,702,531
Renovation of police station	800,000	-
Rehabilitation/repairs – water facilities	7,300,000	4,800,000
Construction of feeder road	33,000,000	-
Renovation of cattle market	400,000	-
Drainage	7,105,000	-
Construction/Provision of Infrastructures	1,995,000	-
Renovation of palaces	13,400,000	-
Construction of mosque	1,800,000	-
Rehabilitation/repairs of residential building	5,391,950	-
Construction/Provision of Hospitals/Health C	29,755,364	-
Construction of agric shop	-	1,508,000
Earth sandfilling	-	5,900,000
Drilling of borehole	-	200,000
Motor vehicle	-	8,000,000
Construction of fire service	-	1,000,000
Purchase of solar	-	45,430
Renovation of guest house	-	2,656,634
Construction/provision of water facilities	5,662,000	720,000
	<u>168,784,338</u>	<u>56,773,524</u>
<b>NOTE 9 DEPOSITS</b>	<u>8,990,816</u>	<u>1,659,069</u>
<b>NOTE 10 CAPITAL GRANT</b>		
Paris club refund	<u>47,145,867</u>	<u>47,145,867</u>
<b>NOTE 11 RESERVES</b>		
Brought Forward	24,354,655	(44,319,282)
Operating Balance for the Year	<u>102,271,460</u>	<u>68,673,937</u>
	<u>126,626,115</u>	<u>24,354,655</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

**APPENDICES**

**SCHEDULES OF INVESTMENT  
APPENDIX 1**

<b>S/N</b>	<b>NAME OF COMPANY</b>	<b>AMOUNT (N)</b>
1	Inland Bank of Nigeria	600,000
2	Yankari Savings and Loans	267,511
3	Kaduna Textile Nigeria	122,500
4	Bauchi Publishing and Printing	100,000
5	Zaranda Hotels, Bauchi	63,500
6	Ashaka Cement Nigeria	48,000
7	First Bank of Nigeria Plc	40,000
8	Federal Savings Bank	31,500
9	Manto Processing Company	12,500
10	Gamawa Microfinance Bank	450,000
		<u><b>1,735,511</b></u>

**SCHEDULE OF ADVANCES  
APPENDIX 2**

<b>S/N</b>	<b>NAMES</b>	<b>AMOUNT N</b>
14	Sundry persons	<u>7,127,132</u>
		<u><b>7,127,132</b></u>

**SCHEDULES OF DEPOSIT  
APPENDIX 3**

<b>D/N</b>	<b>PARTICULARS</b>	<b>AMOUNT</b>
D10	11% Contract deductions	<u>8,990,816</u>
		<u><b>8,990,816</b></u>

# GANJUWA LOCAL GOVERNMENT COUNCIL

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019

### **CORPORATE INFORMATION**

1. **CHAIRMAN**

Hon. Dayyabu M. Kariya

2. **HEAD OF ADMINISTRATION**

Hon. Ladan Yarima

3. **TREASURER**

Lawal Samaila Boyi

4. **BANKERS**

Unity Bank Plc  
Fidelity Bank Plc.  
FCMB Plc  
Zenith Bank Plc

5. **AUDITORS**

Messrs Lawyer Ejeheri & Co.,  
(Chartered Accountants),  
Plot 12725, Liberty Boulevard, P. O. Box 5548,  
Jos, Nigeria. Tel. 08034040667.

**REPORT OF THE AUDITORS ON THE ACCOUNTS OF**  
**GANJUWA LOCAL GOVERNMENT COUNCIL**

We have audited the Financial Statements of *Ganjuwa Local Government Council* for the year ended 31<sup>st</sup> December, 2019 set out on pages 5 – 13, which have been prepared on the basis of accounting policies on page 4.

**RESPECTIVE RESPONSIBILITIES OF THE MANAGEMENT**

The Management is responsible for maintenance of proper books of account and for the preparation of the Financial Statements of the Council. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements whether due to fraud or errors, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstance.

**AUDITORS' RESPONSIBILITY**

Our responsibility is to express an independent opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standard on Auditing. Those Standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatements.

## BASIS OF OPINION

We conducted the audit in accordance with the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda for Local Governments.

An audit includes examination, on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgment made by the *Management* in the preparation of the financial statements and of whether the accounting policies appropriate and are consistently applied by the Council.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement whether caused by fraud or other irregularities or errors. In forming our opinion, we also evaluated the overall adequacy or otherwise of the presentation of information in the financial statements. The financial statements are in agreement with the books of accounts which have been properly kept.

### Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Council as at 31<sup>st</sup> December, 2019 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.

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**J. L. Ejeheri, FCA, FRC/2014/ICAN/00000010249**  
**(Chartered Accountants)**  
**Jos, Nigeria.**

## **SIGNIFICANT ACCOUNTING POLICIES**

1. **Basis of Preparation**

The Financial Statements have been prepared under the historical cost convention and in accordance with IPSAS and other applicable standards.

2. **ACCOUNTING PERIOD**

The Financial Statements is for the accounting period from 01/01/2019 to 31/12/2019.

3. **REPORTING CURRENCY**

The Financial Statements is prepared in Nigerian Naira and is rounded up to the nearest naira.

4. **CASH AND CASH EQUIVALENT**

Cash and cash equivalent represents cash balance on hand and held in bank accounts.

5. **ACCOUNTS RECEIVABLES**

Receivables from exchange transactions consist of staff advances and are recognized as the outstanding balance in the individual advances ledgers. Provision for impairment of receivable is not made as it is expected that all outstanding advances will be retired.

6. **PREPAYMENTS**

Prepayments are expenses paid in advance for service to be rendered. Prepaid expenses for which the full benefits will be derived in the future accounting period are classified under current assets in the Statement for Financial Position.

7. **INVENTORY**

The Local Government does not have any amount to be reported under inventory.

8. **PROPERTY PLANT AND EQUIPMENT (PPE)**

These are assets acquired or constructed and are held for use by the Council from which benefits are derivable beyond a financial year.

9. **DEPOSITS**

Deposits are various deductions made by the Council but were not remitted to the appropriate Government Agencies.

**STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2019**

		2019		2018	
	NOTES	N	N	N	N
<b>CURRENT ASSETS</b>					
Cash & Cash Equivalent	1	923,231		6,331,012	
Receivables	2	<u>7,056,000</u>		<u>16,474,150</u>	
<b>Total Current Assets - A</b>			7,979,231		22,805,162
<b>NON-CURRENT ASSETS</b>					
Investments	3	20,528,820		8,528,820	
Property, Plant & Equipment	4	<u>43,100,363</u>		<u>17,369,850</u>	
<b>Total Non-Current Assets - B</b>			63,629,183		25,898,670
<b>Total Assets C = A + B</b>			<u>71,608,414</u>		<u>48,703,832</u>
<b>CURRENT LIABILITIES</b>					
Deposits	5	4,708,776		3,251,708	
Payables		<u>-</u>		<u>-</u>	
<b>Total Current liabilities - D</b>			4,708,776		3,251,708
<b>NON-CURRENT LIABILITIES</b>					
Public Fund	6	-		-	
Long Term Borrowings		<u>-</u>		<u>-</u>	
<b>Total Non-Current liabilities - E</b>			-		-
<b>Total liabilities F = D + E</b>			<u>4,708,776</u>		<u>3,251,708</u>
<b>Net Assets G = C - F</b>			<b><u>66,899,638</u></b>		<b><u>45,452,124</u></b>
<b>NET ASSETS/EQUITY</b>					
Capital Grants	7	48,154,548		48,154,548	
Reserves	8	<u>18,745,090</u>		<u>(2,702,424)</u>	
			66,899,638		45,452,124
) CHAIRMAN					
)					
)					
) TREASURER					
<b>Total Net Assets/Equity H = G</b>			<b><u>66,899,638</u></b>		<b><u>45,452,124</u></b>

The Notes on pages 8 to 11 form an integral part of these Accounts





## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

	<b>2019</b>		<b>2018</b>	
CASH FLOW FROM OPERATING ACTIVITIES	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>
<b>Surplus/(Deficit)from Operating Activities</b>		21,447,514		(11,446,174)
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase/Construction of PPE	(25,730,513)		(17,369,850)	
Acquisition of Investments	(12,000,000)		-	
<b>Net Cash from Investing Activities</b>		(37,730,513)		(17,369,850)
CASH FLOW FROM FINANCIAL ACTIVITIES				
Capital Grants Received	-		48,154,548	
<b>Net Cash Flow from Financing Activities</b>		-		48,154,548
<b>Net Cash Flow from all Activities</b>		(16,282,999)		19,338,524
		-----		-----
NET MOVEMENT IN CURRENT ASSETS/LIABILITIES				
Net Movement in Receivables		9,418,150		(14,677,150)
Net Movement in Deposits		1,457,068		1,654,037
		10,875,218		(13,023,113)
		-----		-----
<b>Net Cash Flow from Operating Activities</b>		(5,407,781)		6,315,411
Cash & Its Equivalent as at - 1/1/2019		6,331,012		15,602
Cash & Its Equivalent as at - 31/12/2019		<b>923,231</b>		<b>6,331,012</b>
<b>Cash &amp; Its Equivalent as at - 31/12/2019</b>				
Cash Balances		-		1,913
Bank Balances		923,231		6,329,099
		<b>923,231</b>		<b>6,331,012</b>
The Notes on pages 8 to 11 form an integral part of these Accounts				



**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>	<b>APPENDIX</b>	<b>2019</b>	<b>2018</b>	
		<b>N</b>	<b>N</b>	
5	<u>DEPOSITS</u>	3	<b><u>4,708,776</u></b>	<b><u>3,251,708</u></b>
6	<u>PUBLIC FUND</u>		-	-
7	<u>CAPITAL GRANT (PARIS CLUB REFUND)</u>		<b><u>48,154,548</u></b>	<b><u>48,154,548</u></b>
8	<u>RESERVES</u>			
	Brought Forward		(2,702,424)	8,743,751
	Operating Balance for the Year		<u>21,447,514</u>	<u>(11,446,174)</u>
			<b><u>18,745,090</u></b>	<b><u>(2,702,424)</u></b>
9	<u>STATUTORY ALLOCATION</u>			
	Council and Staff Salaries		1,318,015,080	476,067,543
	Other Grants		-	-
			<b><u>1,318,015,080</u></b>	<b><u>476,067,543</u></b>
10	<u>OTHER REVENUE</u>			
	Internally Generated Revenue		<b><u>2,324,950</u></b>	<b><u>5,416,364</u></b>
11	<u>PERSONNEL COST</u>			
	Salaries and Wages		1,027,756,073	387,826,094
	Allowances		<u>29,448,890</u>	<u>5,350,500</u>
			<b><u>1,057,204,963</u></b>	<b><u>393,176,594</u></b>
12	<u>OVERHEAD COST</u>			
12.1	<u>ALLOWANCES &amp; SOCIAL CONTRIBUTION</u>			
	Security Allowance		62,526,500	12,706,253
	Honourarium & Sitting Allowance		3,764,875	4,630,500
	Welfare Package		50,000	3,585,820
	Immunization Supervision Allowance		900,000	1,000,000
	Medical Expenses - Local		368,200	112,000
	Disturbance Allowance		170,000	-
	Skill Acquisition Programme		<u>900,000</u>	<u>-</u>
	<b><i>Sub Total</i></b>		<b><u>68,679,575</u></b>	<b><u>22,034,573</u></b>
12.2	<u>TRAVEL &amp; TRANSPORT</u>			
	Local Travel & Transport: Others		8,498,750	16,252,113
	Local Travel & Transport: Training		8,980,725	3,719,241
	International Travel & Transport		-	-
	<b><i>Sub Total</i></b>		<b><u>17,479,475</u></b>	<b><u>19,971,355</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>		<b><u>2019</u></b>	<b><u>2018</u></b>
12.3	<b><u>MATERIALS AND SUPPLIES</u></b>	<b><u>N</u></b>	<b><u>N</u></b>
	Instructional Materials	1,930,000	-
	Supply of Relief Materials	6,930,000	-
	Purchase of Agric. Products	526,795	450,000
	Catering Materials	-	22,000
	Office Stationeries/Computer Consumables	301,000	139,000
	Drugs & Medical Supplies	7,784,805	-
	Printing of Non-Security Document	35,545,375	520,000
	Agric. Chemical and Inputs	3,390,000	-
	Printing of Security Document	-	110,000
	Purchase of Working Materials	<u>1,101,000</u>	<u>-</u>
	<b><i>Sub Total</i></b>	<b><u>57,508,975</u></b>	<b><u>1,241,000</u></b>
12.4	<b><u>MISCELLANEOUS EXPENSES</u></b>		
	Security Vote	10,000,000	6,285,000
	Refreshment and Meals	16,296,300	10,788,488
	Financial Assistance	13,182,500	88,500
	Hospitality and Entertainment	19,776,400	4,511,200
	Residential Rent	692,700	2,988,235
	Publicity and Advertisement	375,000	74,000
	Sporting Activities	-	30,000
	Special Days Celebration and Prayer	3,750,000	-
	NATA and Fuelling	18,172,058	-
	Electricity Bills	300,000	200,000
	Grants to Communities	-	8,356,000
	Bank Charges	-	436,577
	Postages and Carrier	-	60,000
	Office Rent	-	562,000
	Christmas Gifts	1,054,000	-
	Sallah Gifts	<u>6,500,000</u>	<u>-</u>
	<b><i>Sub Total</i></b>	<b><u>90,098,958</u></b>	<b><u>34,380,000</u></b>
12.5	<b><u>MAINTENANCE SERVICES</u></b>		
	Maintenance of Street Light	50,000	400,000
	Maintenance of Office Equipment	-	881,000
	Other Maintenance Services	2,520,450	9,997,903
	Maintenance of Motor Vehicles	2,106,000	3,721,388
	Maintenance of Communication Equipment	-	369,500
	Maintenance of Office Building	604,900	2,150,350
	Maintenance of Market/Public Places	-	3,569,469
	Other Transport Fuel Cost	-	48,000
	Motor Vehicles Fuel Cost	<u>-</u>	<u>932,950</u>
	<b><i>Sub Total</i></b>	<b><u>5,281,350</u></b>	<b><u>22,070,559</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>		<b>2019</b>	<b>2018</b>
		<b>N</b>	<b>N</b>
12.6	<b>CONSULTING AND PROFESSIONAL SERVICE</b>		
	Legal Services	989,220	-
	Information Technology Consulting	-	56,000
	Engineering Survey	<u>1,650,000</u>	-
	<b>Sub Total</b>	<u>2,639,220</u>	<u>56,000</u>
	<b>Grand Total Overhead</b>	<b><u>241,687,553</u></b>	<b><u>99,753,487</u></b>
	<b>APPENDIX 1</b>		
S/N	<b>SCHEDULES OF ADVANCES</b>		
1	Alh. Danjuma Inuwa	240,000	240,000
2	Shehu Idris	100,000	100,000
3	Umar Abdullahi	200,000	100,000
4	Aminu Shehu	200,000	97,000
5	Hussaini Usman	197,000	74,000
6	Zubairu Mohammed Ola	174,000	100,000
7	Musa J. Shuaibu	30,000	-
8	Umar M. Kariya	30,000	-
9	Kabiru Dewa	30,000	-
10	Nuhu Umar Saad	10,000	-
11	Aminu A. Gwani	10,000	-
12	Umar M. Abdullahi	10,000	-
13	Lawal I. Sulaiman	10,000	-
14	Yusuf M. Innama	10,000	-
15	Babangida Y. Nasarawa	10,000	-
16	Ibrahim Kanya	10,000	-
17	Rabiu Babaji	10,000	-
18	Idi Danladi Zalanga	10,000	-
19	Ado Rabiu Tulu	10,000	-
20	Alpha Salihu	10,000	-
21	Murtal M. Shehu	10,000	-
22	Mutari Ladan	10,000	-
23	Danjuma Dalla	10,000	-
24	Garba Yusuf Yali	10,000	-
25	Musa Inuwa	10,000	-
26	Abdullahi Dauda	10,000	-
27	Aminu Hamidu	10,000	-
28	Ibrahin Jibo	10,000	-
29	Aliyu Shuaibu	10,000	-
30	Ibrahim Othman Kalasu	<u>10,000</u>	-
	<b>Balance Carried Forward</b>	<b><u>1,411,000</u></b>	<b><u>711,000</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b><i>APPENDIX 1: CONT'D</i></b>		<b><u>2019</u></b>	<b><u>2018</u></b>
<b><u>SCHEDULES OF ADVANCES</u></b>		<b><u>N</u></b>	<b><u>N</u></b>
	<b><i>Balance Brought Forward</i></b>	1,411,000	711,000
31	Muazu Abdu	10,000	-
32	Hulda Barnabas	10,000	-
33	Mohammed Tukur Damma Jami	10,000	-
34	Aliyu Abdullahi	10,000	-
35	Mohammed Lawal Shehu	10,000	-
36	Wada Ubale	200,000	-
37	Babawuro Mohammed	100,000	-
38	Zubairu Alhassan Nasarawa	194,000	-
39	Nasiru Adamu Wailo	195,000	-
40	Isah Soro	200,000	-
41	Safianu Marga	197,000	-
42	Shamiden Ado	100,000	-
43	Umar Adamu Ganjuma	200,000	-
44	Danlami Garba Miya	200,000	-
45	Babangida A. Mailuma	100,000	-
46	Admu Ibrahim Siri	100,000	-
47	Samaila Ibrahim K.	10,000	-
48	Abdullahi Dauda	10,000	-
49	Murtala Adamu	10,000	-
50	Ubale A. Garba	-	-
51	Jibrin Mohammed Inuwa	10,000	-
52	Mohammed Kabir Ishaq	50,000	-
53	Ibrahim Mohammed	100,000	-
54	Gambom Yakubu	100,000	-
55	Abdullahi Yammaza	109,000	-
56	Dayyabu Mohammed	500,000	-
57	Ladan Yarima	150,000	-
58	Lawal Samiala	150,000	-
59	Mustapha Musa Oda	50,000	-
60	Abdullahi D. Adamu	50,000	-
61	Adamu M. Mudi	50,000	-
62	Ibrahim M. Inuwa	50,000	-
63	Abdulahi K. Jalamu	50,000	-
64	Idris M. Dansabe	50,000	-
65	Samaila Abdullahi	50,000	-
66	Sani Abdu Soro	10,000	-
67	Murtala Makali	160,000	-
68	Alti Sabo	10,000	-
69	Hussaina A. Dabo	<u>10,000</u>	<u>-</u>
	<b><i>Balance Carried Forward</i></b>	<b><u>4,986,000</u></b>	<b><u>711,000</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b><u>APPENDIX 1: CONT'D</u></b>		<b><u>2019</u></b>	<b><u>2018</u></b>
<b><u>SCHEDULES OF ADVANCES</u></b>		<b><u>N</u></b>	<b><u>N</u></b>
	<b><i>Balance Brought Forward</i></b>	4,986,000	711,000
70	Maikasawa Yahaya Kawuwa	150,000	-
71	Hon. Abubakar Umar	150,000	-
72	Hon. Dauda Gambo	150,000	-
73	Hon. Ahmed Suleiman	150,000	-
74	Hon. Ahmed Inki Zara	150,000	-
75	Hon. Dahiru Sale	150,000	-
76	Hon. Ibrahim Shehu	150,000	-
77	Hon. Hudu Musa	100,000	-
78	Hon. Yusuf Umar	100,000	-
79	Hon. Lawal Umar	100,000	-
80	Hon. Ahmed Yusuf	100,000	-
81	Hon. Dahiru Lawal	100,000	-
82	Hon. Sani Yau.	100,000	-
83	Auwal Umar Soro	100,000	-
84	Mohammed Nasiru	100,000	-
85	Hon. Rabi'u Usman Ganjuwa	100,000	-
86	Hon. Usman Abdullahi Murbini	100,000	-
87	Others	20,000	-
	<b>Grand Total</b>	<b><u>7,056,000</u></b>	<b><u>711,000</u></b>
<b><u>APPENDIX 2</u></b>			
<b><u>SCHEDULES OF INVESTMENT</u></b>		<b><u>2019</u></b>	<b><u>#####</u></b>
S/N	<b><u>NAME OF COMPANY</u></b>	<b><u>N</u></b>	<b><u>N</u></b>
1	Ashaka Cement Nig Limited	60,000	60,000
2	Kaduna Ttextile Mills Limited	105,000	105,000
3	Bauchi Publishing Printing Co. Limited	100,000	100,000
4	Manto Processing Company	10,000	10,000
5	Zaranda Hotel Bauchi	109,920	109,920
6	Inland Bank Nigeria Plc	1,500,000	1,500,000
7	Arewa Ceramic	350,000	350,000
8	Yankari Financing Agency	50,000	50,000
9	Federal Savings Bank	50,000	50,000
10	First Bank Plc	28,000	28,000
11	Galambi Randing Co. Plc	150,000	150,000
12	Urban Development Bank Plc	500,000	500,000
13	Jaiz International Plc	5,515,900	5,515,900
14	Intercellular Nigeria Plc	<u>12,000,000</u>	-
	<b>Grand Total</b>	<b><u>20,528,820</u></b>	<b><u>8,528,820</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b><i>APPENDIX 3</i></b>			
<b><i>SCHEDULES OF DEPOSITS</i></b>			
S/N	<b>PARTICULARS</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
		<b>N</b>	<b>N</b>
1	5% VAT on Contracts - FIRS	618,393	1,919,670
2	Pay As You Earn (PAYE)	2,824,750	332,038
3	FIRS - WHT	1,000,000	1,000,000
4	BIRS - WHT	265,633	-
	<b>Grand Total</b>	<b><u>4,708,776</u></b>	<b><u>3,251,708</u></b>



**GIADE LOCAL GOVERNMENT COUNCIL**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

**CORPORATE INFORMATION**

**CHAIRMAN**

ABUBAKAR ADAMU SALIHU

**HEAD OF ADMINISTRATION**

USMAN SHEHU ABUBAKAR

**TREASURER**

ADAMU NUHU

**AUDITORS**

ABDULKADEER MAHMOUD & CO.  
(CHARTERED ACCOUNTANTS)

**BANKERS**

FIDELITY BANK PLC.  
FIRST BANK NIG LTD.  
UNITY BANK PLC.

## **AUDITORS REPORT**

### **REPORT OF THE AUDITORS ON THE ACCOUNTS OF GIADE LOCAL GOVERNMENT COUNCIL**

We have audited the Financial Statements of Giade Local Government Council for the year ended 31stDecember, 2019 set out on pages 7-10, which have been prepared on the basis of significant accounting policies on page 6 and other explanatory notes on pages 11-12.

#### **RESPONSIBILITY OF THE MANAGEMENT**

The Management is responsible for maintenance of proper books of account and for the preparation of the Financial Statements of the Council. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements whether due to fraud or errors, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstance.

#### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an independent opinion on the financial statements based on our audit .We conducted our audit in accordance with International Standard on Auditing. Those Standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatements.

## **BASIS OF OPINION**

We conducted the audit in accordance with the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda for Local Governments.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgment made by the Management in the preparation of the accounts and of whether the accounting policies appropriate and are consistently applied by the Council.

We planned and performed the audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatements either caused by fraud other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of the financial statements. The financial statements are in agreement with the books of accounts which have been properly kept.

## **BASIS OF QUALIFIED OPINION**

The Council did not reconcile the Bank Statement with Cash book during the year hence there is difference between the Bank balance and Cash book balance.

## **OPINION**

In our opinion, Except for effects of the issues described in the basis of qualified opinion paragraph, the Financial Statements give a true and fair view of the financial position of the Council as at 31 December 2019 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public sector Accounting Standards Board.

**ABDULKADEER MAHMOUD & CO.  
(CHARTERED ACCOUNTANTS)**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**SIGNIFICANT ACCOUNTING POLICIES**

**1. BASIS OF PREPARATION:**

The Financial Statements have been prepared under the historical cost convention and in accordance with IPSAS and other applicable standards.

**2. ACCOUNTING PERIOD**

The Financial Statements is for the accounting period from 1 January 2019 to 31 December 2019.

**3. REPORTING CURRENCY**

The Financial Statements is prepared in Nigerian Naira and is rounded up to the nearest naira.

**4. CASH AND CASH EQUIVALENT**

Cash and cash equivalent represents cash balance on hand, held in bank accounts.

**5. ACCOUNTS RECEIVABLES**

Receivables from exchange transactions consist of staff advances and are recognized as the outstanding balance in the individual advances ledgers. Provision for impairment of receivable is not made as it is expected that all outstanding advances will be retired.

**6. PREPAYMENTS**

Prepayments are expenses paid in advance for service to be rendered. Prepaid expenses for which the full benefits will be derived in the future accounting periods are classified under current assets in the Statement of Financial Position.

**7. INVENTORY**

The Local Government does not have any amount to be reported under inventory.

**8. PROPERTY PLANT & EQUIPMENT (PPE)**

These are assets acquired or constructed and are held for use by the council from which benefits are derivable beyond a financial year.

**9. DEPOSITS**

Deposits are various deductions made by the Council but were not remitted to the appropriate Government Agencies

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	NOTES	2019 N	2019 N	2018 N	2018 N
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash & Cash Equivalents	5	834,616		6,668,394	
Prepayments	6	2,557,513		2,794,513	
Inventories		-		-	
<b>Total Current Assets A</b>			<b>3,392,129</b>		<b>9,462,907</b>
<b>Non-Current Assets</b>					
Investments	7	20,576,115		20,576,115	
Property, Plant & Equipment	8	69,962,470		35,694,325	
Investment Property		-		-	
<b>Total Non Current Assets B</b>			<b>90,538,585</b>		<b>56,270,440</b>
<b>Total Assets C=A+B</b>			<b>93,930,714</b>		<b>65,733,347</b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Deposits	9	3,827,626		4,721,136	
Payables		-		-	
<b>Total Current Liabilities D</b>			<b>3,827,626</b>		<b>4,721,136</b>
<b>Non Current Liabilities</b>					
Public Funds		-		-	
Long Term Borrowings		-		-	
<b>Total Non Current Liabilities E</b>			<b>-</b>		<b>-</b>
<b>Total Liabilities F=D+E</b>			<b>3,827,626</b>		<b>4,721,136</b>
<b>NET ASSETS/EQUITY</b>					
Capital Grants	10	32,870,862		32,870,862	
Reserves	11	57,232,226	90,103,088	28,141,349	61,012,211
<b>Total Net Assets/Equity H=G</b>			<b>93,930,714</b>		<b>65,733,347</b>

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**STATEMENTS OF FINANCIAL PERFORMANCE**

2018		NOTES	2019		
ACTUAL N			ACTUAL N	BUDGET N	VARIANCE N
<b>REVENUE</b>					
473,343,588	Govt Share of FAAC	1	1,335,472,960	3,616,896,122	(2,281,423,162)
-	Govt Share of VAT	1	-	-	-
-	Tax Revenue	2	-	-	-
-	Non-Tax Revenue	2	-	-	-
-	Investment Income	2	-	-	-
-	Interest Earned	2	-	-	-
-	Aid & Grants		-	24,722,500	(24,722,500)
<u>4,427,868</u>	Other Revenue	2	<u>3,720,127</u>	<u>19,880,416</u>	<u>(16,160,289)</u>
<b>477,771,457</b>	<b>TOTAL REVENUE (a)</b>		<b>1,339,193,087</b>	<b>3,661,499,038</b>	<b>(2,322,305,951)</b>
<b>EXPENDITURE</b>					
391,892,723	Salaries	3	875,881,879	1,044,954,298	169,072,419
	Social Benefits			-	-
80,221,344	Overhead Cost	4	434,220,331	778,550,000	344,329,669
-	Grants & Contributions		-	-	-
<u>472,114,067</u>	<b>TOTAL EXPENDITURE(b)</b>		<u>1,310,102,210</u>	<u>1,823,504,298</u>	<u>513,402,088</u>
Surplus/(Deficit) from operating					
5,657,389	Activities for the period C=(a-b)		29,090,877	1,837,994,740	1,808,903,863
-	Gain/Loss on Disposal	22	-	-	-
-	Gain/Loss on Foreign Exchange	23	-	-	-
-	Share of Surplus/(Deficit) In Asso	24	-	-	-
-	<b>Total Non Operating Revenue or (Expenses)</b>		-	-	-
5,657,389	Surplus/(Deficit)from Ordinary Activities e=(c+d)		29,090,877	1,837,994,740	1,808,903,863
-	Minority Interest Share of Surplu	25	-	-	-
<b>5,657,389</b>	<b>Net Surplus/(Deficit) for the period g=(e-f)</b>		<b>29,090,877</b>	<b>1,837,994,740</b>	<b>1,808,903,863</b>

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**STATEMENT OF CHANGES IN EQUITY**

	Accumulated Fund =N=	Revaluation Reserve =N=	TOTAL =N=
Balance as at 31 December 2018	28,141,349	-	28,141,349
Surplus /(Deficit) on revaluation	-	-	-
Prior Year Adjustments	-	-	-
Surplus /(Deficit)	<u>29,090,877</u>	-	<u>29,090,877</u>
	<u><b>57,232,226</b></u>	<u>-</u>	<u><b>57,232,226</b></u>
			-
Balance as at 31 December 2019	<u><b>57,232,226</b></u>	<u>-</u>	<u><b>57,232,226</b></u>

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

**CONSOLIDATED STATEMENT OF CASH FLOW**

Description	Notes	2019		2018	
		N	N	N	N
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>					
<i>Inflows</i>					
Government Share of FAAC		1,335,472,960		473,343,588	
Government Share of VAT		-		-	
Interest Earned		-		-	
Aid & Grants		-		-	
Other Revenue		<u>3,720,127</u>		<u>4,427,868</u>	
<b>Total inflow from Operating Activities (A)</b>			<b>1,339,193,087</b>		<b>477,771,457</b>
<i>Outflows</i>					
Salaries & Wages		(875,881,879)		(391,892,723)	
Social Benefits		-		-	
Overhead Cost		<u>(434,220,331)</u>		<u>(80,221,344)</u>	
<b>Total outflow from operating Activities (B)</b>			<b>(1,310,102,210)</b>		<b>(472,114,067)</b>
<b>Net Cash Inflow/(Outflow) from Operating Activities C=(A+B)</b>			<b>29,090,877</b>		<b>5,657,389</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
Proceeds from Sale of Investment		-		-	
Dividends Received		-		-	
Purchase/Construction of PPE		(34,268,145)		(35,694,325)	
Purchase/Construction of Investment Property		-		-	
Acquisition of investments		<u>-</u>		<u>-</u>	
<b>Net Cash from Investing Activities</b>			<b>(34,268,145)</b>		<b>(35,694,325)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>					
Capital Grants Received				32,870,862	
Proceeds from Borrowings		-		-	
Repayment of Borrowings		-		-	
<b>Net Cash Flow from Financing Activities</b>			<b>-</b>		<b>32,870,862</b>
<b>Net Cash flow from all Activities</b>			<b>(5,177,268)</b>		<b>2,833,926</b>
<b>Net Movement in Current Assets / Liabilities</b>					
Net Movement in Inventories					(1,314,969)
Net Movement in Receivables			237,000		<u>4,271,576</u>
Net Movement in Payables			<u>(893,510)</u>		<u>2,956,606</u>
			<u>(656,510)</u>		<u>2,956,606</u>
Net Cash Flow from Operating Activities			<b>(5,833,778)</b>		<b>5,790,533</b>
<b>Cash &amp; Its Equivalent as at 1/1/2019</b>			<u>6,668,394</u>		<u>877,861</u>
<b>Cash &amp; Its Equivalent as at 31/12/2019</b>			<u><b>834,616</b></u>		<u><b>6,668,394</b></u>
<b>Cash &amp; its Equivalent as at 31/12 2019</b>					
Cash Balances			342,029		95,997
Bank Balances			492,587		6,572,397
Overdraft			<u>-</u>		<u>-</u>
			<u><b>834,616</b></u>		<u><b>6,668,394</b></u>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	2019 N	2018 N
<b>NOTE 1 STATUTORY REVENUE</b>		
Statutory allocations	1,335,472,960	473,343,588
	<u>1,335,472,960</u>	<u>473,343,588</u>
<b>NOTE 9 OTHER REVENUE</b>		
Internally Generated Revenue	2,506,560	4,427,868
10% Share of State Internal Revenue	1,213,567	-
Sale of shares	-	-
	<u>3,720,127</u>	<u>4,427,868</u>
<b>NOTE 11 PERSONNEL COST</b>		
Salaries & Wages	566,879,876	381,603,223
LEA Salaries	205,422,684	-
Pension & gratuity	87,744,819	-
Allowances	15,834,500	10,289,500
	<u>875,881,879</u>	<u>391,892,723</u>
<b>NOTE 13 OVERHEAD COST</b>		
<i>ALLOWANCES AND SOCIAL CONTRIBUTION</i>		
Security allowance	51,978,170	16,060,000
Honourarium & sitting allowance	9,454,265	10,020,150
Immunization supervision allowance	2,028,365	-
Medical expenses-local	460,830	377,000
2019 Hajj	13,531,225	-
Burial expenses	-	-
Disturbance allowance	450,000	-
	<u>77,902,856</u>	<u>26,457,150</u>
<i>TRAVEL &amp; TRANSPORT</i>		
Local travel & transport: Others	18,398,189	7,990,625
Local travel & transport: Training	340,000	920,610
International travel & transport	-	-
	<u>18,738,189</u>	<u>8,911,235</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	<b>2019</b>	<b>2018</b>
	<b>N</b>	<b>N</b>
<i>MATERIALS AND SUPPLIES</i>		
Relief materials	7,000,000	16,050,930
Field & camping materials supplies	-	15,000
Burial materials	8,039,536	-
Supply of exercise books	2,000,000	-
Production of customized textbook	29,396,800	-
Production of curriculum	14,478,750	-
Purchase of customised bags	2,925,000	-
Drug & medical supplies	24,790,000	1,450,000
Office stationeries/computer consumables	30,000	112,000
Printing of non-security document	790,710	54,000
	<u><b>89,450,796</b></u>	<u><b>17,681,930</b></u>
<i>MISCELLANEOUS EXPENSES</i>		
Security vote	12,000,000	4,000,000
Refreshment & Meals	12,803,060	747,600
Financial Assistance	2,716,000	567,000
Sporting activities	-	670,427
Residential rent	3,500,000	3,191,010
Welfare packages	494,500	2,157,000
Local training	1,890,000	-
Skills acquisition	-	160,000
Water rate	-	252,800
10% Admin charges	9,782,599	-
Mandatory payment	136,601,781	-
Demarcation	3,772,500	-
Production of calandar	800,000	-
Publicity & advertisement	2,490,000	1,210,300
Electricity bills	325,000	350,000
Grant to communities	50,603,636	3,193,630
Special days/celebrations	1,610,750	-
Bank charges	1,672,289	29,032
	<u><b>241,062,116</b></u>	<u><b>16,528,799</b></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	2019 N	2018 N
<b><i>MAINTENANCE SERVICES</i></b>		
Generator fuel cost	-	250,000
Other maintenance	4,146,200	3,231,040
Maintenance of office equipment	-	-
Maintenance of motor vehicles	1,272,300	6,324,750
Minor road maintenance	380,000	-
Maintenance of of office building	248,000	86,440
Maintenance of market/public places	-	750,000
Motor vehicle fuel cost	138,875	-
	<u>6,185,375</u>	<u>10,642,230</u>
<b><i>CONSULTING &amp; PROFESSIONAL SERVICES</i></b>		
Legal services		
Audit fees	741,000	-
Other professional fees	140,000	-
Surveying	-	-
	<u>881,000</u>	<u>-</u>
<b>Total Overhead</b>	<u>434,220,331</u>	<u>80,221,344</u>
<b>NOTE 5 CASH &amp; CASH EQUIVALENT</b>		
Fidelity		
First Bank	-	-
Bank balance	492,587	6,572,397
Cash	342,029	95,997
	<u>834,616</u>	<u>6,668,394</u>
<b>NOTE 6 PREPAYMENTS</b>		
Advances	<u>2,557,513</u>	<u>2,794,513</u>
<b>NOTE 7 INVESTMENTS</b>	<u>20,576,115</u>	<u>20,576,115</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	2019 N	2018 N
<b>NOTE 8 CAPITAL EXPENDITURE</b>		
Balance b/f	35,694,325	
Fencing of cattle market	-	8,319,904
Renovation of council house	-	2,500,000
Construction/drilling of hand pump	-	3,075,000
Renovation of market stall	-	3,042,320
Joint projects	3,900,000	-
Motor vehicle	937,170	-
Furniture	1,525,000	-
Max Air Contribution	2,850,000	-
Box culvert	257,000	-
Construction of drainage	847,200	-
Electrification	20,925,875	-
Renovation of Dispensary/maternity	300,000	-
Construction of lockup shops	2,725,900	4,151,000
Rehabilitation/repairs of agricultural facilities	-	7,193,300
Rehabilitation/repairs of water facilities	-	7,241,300
Construction/provision of housing	-	121,500
Purchase/Acquisition of land	-	50,000
	<u>69,962,470</u>	<u>35,694,325</u>
<b>NOTE 9 DEPOSITS</b>	<u>3,827,626</u>	<u>4,721,136</u>
<b>NOTE 10 CAPITAL GRANT</b>		
Paris club refund	<u>32,870,862</u>	<u>32,870,862</u>
<b>NOTE 11 RESERVES</b>		
Brought Forward	28,141,349	22,483,960
Operating Balance for the Year	<u>29,090,877</u>	<u>5,657,389</u>
	<u>57,232,226</u>	<u>28,141,349</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

**APPENDICES**

**SCHEDULES OF INVESTMENT**

**APPENDIX 1**

<b>S/N</b>	<b>NAME OF COMPANY</b>	<b>AMOUNT (N)</b>
1	FinBank Plc	667,400
3	First Inland Bank Plc	1,497,920
4	F.S.B. Int Bank Plc	329,000
6	Jaiz International Plc	4,338,900
7	Inter Cellular	9,999,998
9	Access Bank (Nig) Plc	800,000
12	Ashaka Cement plc	2,675,258
13	Urban Development Bank	235,000
17	Fidelity Bank Plc	32,639
		<u><u>20,576,115</u></u>

**SCHEDULES OF ADVANCES**

**APPENDIX 2**

<b>S/N</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
A/4	Aminu Bello Personal advance	170,000
A/5	Aminu Abubakar Personal advance	412,888
A/7	Ishyaku Mohammed Wahu Speacial advance	1,374,625
A/8	Kabiru Sule Speacial advance	600,000
		<u><u>2,557,513</u></u>

**SCHEDULES OF DEPOSIT**

**APPENDIX 3**

<b>D/N</b>	<b>PARTICULARS</b>	<b>AMOUNT</b>
D2	CPD 5% Tax on Contract	523,669
D3	Darazo LGA Loan repayment	84,474
D4	Misau LGA Loan repayment	38,201
	Katagum LGA-Loan repayment	25,000
	Bauchi LGA Loan repayment	4,248
	Sundry staff-Social welfare scheme	600
	Sundry persons-Retention	2,482,321
D6	FIRS – WHT	420,000
D10	FIRS – 5% VAT on Contracts	246,917
D30	Sundry persons-gift	2,196
		<u><u>3,827,626</u></u>

**ITAS/GAUDA LOCAL GOVERNMENT COUNCIL**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

**CORPORATE INFORMATION**

**CHAIRMAN**

HON. AHMED ADAMU ITAS

**HEAD OF ADMINISTRATION**

YAKUBU AHMED

**TREASURER**

IBRAHIM MAGAJI

**AUDITORS**

ABDULKADEER MAHMOUD & CO.  
(CHARTERED ACCOUNTANTS)

**BANKERS**

FIDELITY BANK PLC  
FCMB PLC

## **AUDITORS REPORT**

### **REPORT OF THE AUDITORS ON THE ACCOUNTS OF ITAS-GADAU LOCAL GOVERNMENT COUNCIL**

We have audited the Financial Statements of Itas-Gadau Local Government Council for the year ended 31stDecember, 2019 set out on pages 7-10, which have been prepared on the basis of significant accounting policies on page 6 and other explanatory notes on pages 11-12.

#### **RESPONSIBILITY OF THE MANAGEMENT**

The Management is responsible for maintenance of proper books of account and for the preparation of the Financial Statements of the Council. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements whether due to fraud or errors, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstance.

#### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an independent opinion on the financial statements based on our audit .We conducted our audit in accordance with International Standard on Auditing. Those Standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatements.

## **BASIS OF OPINION**

We conducted the audit in accordance with the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda for Local Governments.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgment made by the Management in the preparation of the accounts and of whether the accounting policies appropriate and are consistently applied by the Council.

We planned and performed the audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatements either caused by fraud other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of the financial statements. The financial statements are in agreement with the books of accounts which have been properly kept.

## **BASIS OF QUALIFIED OPINION**

The Council did not reconcile the Bank Statement with Cash book during the year hence there is difference between the Bank balance and Cash book balance.

## **OPINION**

In our opinion, Except for effects of the issues described in the basis of qualified opinion paragraph, the Financial Statements give a true and fair view of the financial position of the Council as at 31 December 2019 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public sector Accounting Standards Board.

**ABDULKADEER MAHMOUD & CO.  
(CHARTERED ACCOUNTANTS)**



## **SIGNIFICANT ACCOUNTING POLICIES**

### **10. BASIS OF PREPARATION:**

The Financial Statements have been prepared under the historical cost convention and in accordance with IPSAS and other applicable standards.

### **11. ACCOUNTING PERIOD**

The Financial Statements is for the accounting period from 1 January 2019 to 31 December 2019.

### **12. REPORTING CURRENCY**

The Financial Statements is prepared in Nigerian Naira and is rounded up to the nearest naira.

### **13. CASH AND CASH EQUIVALENT**

Cash and cash equivalent represents cash balance on hand, held in bank accounts.

### **14. ACCOUNTS RECEIVABLES**

Receivables from exchange transactions consist of staff advances and are recognized as the outstanding balance in the individual advances ledgers. Provision for impairment of receivable is not made as it is expected that all outstanding advances will be retired.

### **15. PREPAYMENTS**

Prepayments are expenses paid in advance for service to be rendered. Prepaid expenses for which the full benefits will be derived in the future accounting periods are classified under current assets in the Statement of Financial Position.

### **16. INVENTORY**

The Local Government does not have any amount to be reported under inventory.

### **17. PROPERTY PLANT & EQUIPMENT (PPE)**

These are assets acquired or constructed and are held for use by the council from which benefits are derivable beyond a financial year.

### **18. DEPOSITS**

Deposits are various deductions made by the Council but were not remitted to the appropriate Government Agencies

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	NOTES	2019		2018	
		N	N	N	N
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash & Cash Equivalents	5	8,001,912		367,411	
Prepayments	6	-		100,000	
Inventories		-		-	
<b>Total Current Assets A</b>			8,001,912		467,411
<b>Non-Current Assets</b>					
Investments	7	7,532,166		7,532,166	
Property, Plant & Equipment	8	99,835,915		32,080,906	
Investment Property		-		-	
<b>Total Non Current Assets B</b>			107,368,081		39,613,072
<b>Total Assets C=A+B</b>			<b>115,369,993</b>		<b>40,080,483</b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Deposits	9	18,532,346		14,355,384	
Payables		-		-	
<b>Total Current Liabilities D</b>			18,532,346		14,355,384
<b>Non Current Liabilities</b>					
Public Funds		-		-	
Long Term Borrowings		-		-	
<b>Total Non Current Liabilities E</b>			-		-
<b>Total Liabilities F=D+E</b>			18,532,346		14,355,384
<b>NET ASSETS/EQUITY</b>					
Capital Grants	10	38,791,730		38,791,730	
Reserves	11	58,045,918	96,837,647	(13,066,631)	25,725,099
<b>Total Net Assets/Equity H=G</b>			<b>115,369,993</b>		<b>40,080,483</b>

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**STATEMENTS OF FINANCIAL PERFORMANCE**

2018			2019		
ACTUAL		NOTES	ACTUAL	BUDGET	VARIANCE
N			N	N	N
<b>REVENUE</b>					
646,363,072	Govt Share of FAAC	1	1,524,312,651	2,774,594,770	(1,250,282,119)
-	Govt Share of VAT	1	-	396,631,259	(396,631,259)
-	Tax Revenue	2	-	-	-
-	Non-Tax Revenue	2	-	-	-
-	Investment Income	2	-	529,640	(529,640)
-	Interest Earned	2	-	-	-
-	Aid & Grants		-	29,260,000	(29,260,000)
	Capital receipts			22,561,000	
<u>2,576,770</u>	Other Revenue	2	<u>1,498,567</u>	<u>7,913,092</u>	<u>(6,414,525)</u>
<b><u>648,939,842</u></b>	<b>TOTAL REVENUE (a)</b>		<b><u>1,525,811,218</u></b>	<b><u>3,231,489,761</u></b>	<b><u>(1,705,678,543)</u></b>
<b>EXPENDITURE</b>					
566,545,735	Salaries	3	1,163,180,666	1,409,842,813	246,662,147
	Social Benefits			-	-
88,755,611	Overhead Cost	4	291,518,004	755,734,261	464,216,257
-	Grants & Contributions		-	-	-
<u>655,301,346</u>	<b>TOTAL EXPENDITURE(b)</b>		<u>1,454,698,669</u>	<u>2,165,577,074</u>	<u>710,878,405</u>
<b>Surplus/(Deficit) from operating Activities for the period C=(a-b)</b>					
<b>(6,361,504)</b>			<b>71,112,548</b>	<b>1,065,912,687</b>	<b>994,800,139</b>
-	Gain/Loss on Disposal		-	-	-
-	Gain/Loss on Foreign Exchange Transaction		-	-	-
-	<b>Total Non Operating Revenue or (Expenses)(</b>		<b>-</b>	<b>-</b>	<b>-</b>
(6,361,504)	Surplus/(Deficit)from Ordinary Activities e=(c+d)		71,112,548	1,065,912,687	994,800,139
<b>(6,361,504)</b>	<b>Net Surplus/(Deficit) for the period g=(e-f)</b>		<b>71,112,548</b>	<b>1,065,912,687</b>	<b>1,065,912,687</b>

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**STATEMENT OF CHANGES IN EQUITY**

	Accumulated Fund =N=	Revaluation Reserve =N=	TOTAL =N=
Balance as at 31 December 2018	(13,066,631)	-	(13,066,631)
Surplus /(Deficit) on revaluation	-	-	-
Prior Year Adjustments	-	-	-
Surplus /(Deficit)	<u>71,112,548</u>	<u>-</u>	<u>71,112,548</u>
	<u><b>58,045,918</b></u>	<u><b>-</b></u>	<u><b>58,045,918</b></u>
			-
Balance as at 31 December 2019	<u><b>58,045,918</b></u>	<u><b>-</b></u>	<u><b>58,045,918</b></u>

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

**CONSOLIDATED STATEMENT OF CASH FLOW**

Description	Notes	2019		2018	
		N	N	N	N
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>					
<i>Inflows</i>					
Government Share of FAAC		1,524,312,651		646,363,072	
Government Share of VAT		-		-	
Interest Earned		-		-	
Aid & Grants		-		-	
Other Revenue		<u>1,498,567</u>		<u>2,576,770</u>	
<b>Total inflow from Operating Activities (A)</b>			<b>1,525,811,218</b>		<b>648,939,842</b>
<i>Outflows</i>					
Salaries & Wages		(1,163,180,666)		(566,545,735)	
Social Benefits		-		-	
Overhead Cost		<u>(291,518,004)</u>		<u>(88,755,611)</u>	
<b>Total outflow from operating Activities (B)</b>			<b>(1,454,698,669)</b>		<b>(655,301,346)</b>
<b>Net Cash Inflow/(Outflow) from Operating Activities C=(A+B)</b>			<b>71,112,548</b>		<b>(6,361,504)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
Proceeds from Sale of Investment		-		-	
Dividends Received		-		-	
Purchase/Construction of PPE		(67,755,009)		(32,080,906)	
Purchase/Construction of Investment Proj		-		-	
Acquisition of investments		<u>-</u>		<u>-</u>	
<b>Net Cash from Investing Activities</b>			<b>(67,755,009)</b>		<b>(32,080,906)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>					
Capital Grants Received		-		38,791,730	
Proceeds from Borrowings		-		-	
Repayment of Borrowings		-		-	
<b>Net Cash Flow from Financing Activities</b>			<b>-</b>		<b>38,791,730</b>
<b>Net Cash flow from all Activities</b>			<b>3,357,539</b>		<b>349,319</b>
<b>Net Movement in Current Assets / Liabilities</b>					
Net Movement in Inventories					
Net Movement in Receivables			100,000		-
Net Movement in Payables			<u>4,176,962</u>		<u>-</u>
			<u>4,276,962</u>		<u>-</u>
Net Cash Flow from Operating Activities			<b>7,634,501</b>		<b>349,319</b>
<b>Cash &amp; Its Equivalent as at 1/1/2019</b>			<u>367,411</u>		<u>18,092</u>
<b>Cash &amp; Its Equivalent as at 31/12/2019</b>			<b><u>8,001,912</u></b>		<b><u>367,411</u></b>
<b>Cash &amp; its Equivalent as at 31/12 2019</b>					
Cash Balances			820		800
Fidelity			6,109,068		
FCMB			1,204,275		
First Bank			687,750		
Bank Balances			<u>-</u>		<u>366,611</u>
			<b><u>8,001,912</u></b>		<b><u>367,411</u></b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	2019 N	2018 N
<b>NOTE 1 STATUTORY ALLOCATION</b>		
Council and staff salaries	1,524,312,651	646,363,072
	<u>1,524,312,651</u>	<u>646,363,072</u>
<b>NOTE 2 OTHER REVENUE</b>		
Internally Generated Revenue	134,460	2,576,770
10% Share of State Internal Revenue	1,364,107	-
Sale of shares	-	-
	<u>1,498,567</u>	<u>2,576,770</u>
<b>NOTE 3 PERSONNEL COST</b>		
Salaries & Wages	815,795,671	565,085,735
LEA Salaries	214,322,008	
Pension & gratuity	115,974,986	
Allowances	17,088,000	1,460,000
	<u>1,163,180,666</u>	<u>566,545,735</u>
<b>NOTE 4 OVERHEAD COST</b>		
<i>ALLOWANCES AND SOCIAL CONTRIBUTION</i>		
Security allowance	21,788,850	5,080,000
Honourarium & sitting allowance	801,250	626,500
Staff training	1,162,500	
Workshop	1,800,000	
Hajj	15,612,952	
Immunisation allowances	2,684,495	
Medical expenses–local	200,000	617,000
Welfare packages	6,038,650	14,882,400
	<u>50,088,698</u>	<u>21,205,900</u>
<i>TRAVEL &amp; TRANSPORT</i>		
Local travel & transport: Others	17,611,982	14,219,549
Local travel & transport: Training	-	-
	<u>17,611,982</u>	<u>14,219,549</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	<b>2019</b>	<b>2018</b>
	<b>N</b>	<b>N</b>
<i>MATERIALS AND SUPPLIES</i>		
Purchase of agro-chemicals & seedli	6,042,137	1,250,000
Relief materials	2,614,000	
Field & camping materials		675,000
Drugs & medical supplies		5,630,000
Production of calander	800,000	
Supply of exercise books	2,000,000	
Production of curriculum	29,250,000	
Purchase of customised bags	3,375,000	
UNIFORMS & OTHER CLOTHING	90,000	
Office stationeries/computer comsu	429,100	283,000
Printing of non-security document	6,476,000	
Printing of security document	-	70,000
	<u><b>51,076,237</b></u>	<u><b>7,908,000</b></u>
<i>MISCELLANEOUS EXPENSES</i>		
Security vote	11,000,000	7,575,000
Refreshment & Meals	11,445,747	10,799,000
Financial Assistance	5,075,895	2,170,000
Hospitality & entertainment		255,000
Telephone		406,000
Publicity & advertisement	500,000	100,000
Postages & courier services		140,000
Newspapers		160,000
MAGAZINES & PERIODICALS	450,000	-
CLEANING & FUMIGATION SERVICES	272,405	
Electricity bills	395,000	1,533,000
SUBSCRIPTION TO PROFESSIONAL BO	495,500	
Budget activities	355,000	
Contribution to other organisations	6,138,849	
Orientation campaign		60,000
Mandatory payment	32,421,782	
Joint project	9,319,769	
Grant to communities	51,218,585	-
10% Admin charges	14,693,705	-
Max air	6,000,000	
Special days celebration	8,012,000	1,005,000
	<u><b>157,794,238</b></u>	<u><b>24,203,000</b></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019  
NOTES TO THE ACCOUNTS**

	2019 N	2018 N
<b><i>MAINTENANCE SERVICES</i></b>		
Maintenance of generator	240,000	4,377,565
Generator fuel cost	200,000	-
Maintenance of office equipment	17,000	-
Maintenance of motor vehicles	3,438,713	4,675,495
Maintenance of markets/public places		326,000
Minor road maintenance	68,000	4,957,258
Other maintenance services	2,825,300	3,522,305
Maintenance of office building	4,158,891	870,500
Motor vehicle fuel cost	933,979	1,481,914
	<u>11,881,883</u>	<u>20,211,037</u>
<b><i>CONSULTING &amp; PROFESSIONAL SERVICES</i></b>		
Legal services		400,000
Agricultural consulting		
Information technology	-	-
	<u>-</u>	<u>400,000</u>
<b>BANK CHARGES</b>	<u>3,064,966</u>	<u>608,125</u>
<b>Total Overhead</b>	<u>291,518,004</u>	<u>88,755,611</u>
<b>NOTE 5 CASH &amp; CASH EQUIVALENT</b>		
Fidelity	6,109,068	
FCMB	1,204,275	
First Bank	687,750	-
Bank balance	-	366,611
Cash	820	800
	<u>8,001,912</u>	<u>367,411</u>
<b>NOTE 6 PREPAYMENTS</b>		
Advances	<u>-</u>	<u>100,000</u>
<b>NOTE 7 INVESTMENTS</b>	<u>7,532,166</u>	<u>7,532,166</u>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	<b>2019</b>	<b>2018</b>
	<b>N</b>	<b>N</b>
<b>NOTE 8 CAPITAL EXPENDITURE</b>		
Balance B/d	32,080,906	-
Motor vehicle	2,272,170	-
Purchase of canoes	1,149,400	-
Construction/provision of residential buildin	10,000,000	-
Construction/provision of electricity	10,000,000	-
CONSTRUCTION/PROVISION OF CEMETERIES	6,968,696	-
Constuction/provision of housing(mosque)	5,020,496	-
Rehabilitation/repairs-Market/parks	510,000	-
Construction/provision of infrastructure	21,371,758	-
Drainage	4,438,090	-
WATER POLLUTION PREVENTION & CONTROL	215,000	-
Furniture	286,000	-
Handpump/well	4,411,200	-
Construction/provision of hospital	-	820,000
Rehabilitation/repair of residential building	-	2,039,190
Drilling & installation of hand pump	-	3,497,600
Rehabilitation/repairs-housing	-	2,023,950
Rehabilitation/repairs-electricity	-	1,301,500
Construction of market stalls	-	4,153,665
Purchase of office furniture	-	1,500,000
Land compensation	162,200	3,804,941
Purchase of residential furniture	-	390,000
Purchase of power solar	-	750,000
Rehabilitation of water facility	950,000	11,000,060
Purchase of submersible pump	-	800,000
	<u><b>99,835,915</b></u>	<u><b>32,080,906</b></u>
<b>NOTE 9 DEPOSITS</b>	<u><b>18,532,346</b></u>	<u><b>14,355,384</b></u>
<b>NOTE 10 CAPITAL GRANT</b>		
Paris club refund	<u><b>38,791,730</b></u>	<u><b>38,791,730</b></u>
<b>NOTE 11 RESERVES</b>		
Brought Forward	(13,066,631)	(6,705,127)
Prior year adjustment-loans & deposit	-	-
Operating Balance for the Year	<u><b>71,112,548</b></u>	<u><b>(6,361,504)</b></u>
	<u><b>58,045,918</b></u>	<u><b>(13,066,631)</b></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

**APPENDICES**

**SCHEDULES OF INVESTMENT**

**APPENDIX 1**

<b>S/N</b>	<b>NAME OF COMPANY</b>	<b>AMOUNT (N)</b>
1	First Bank Plc	62,499
2	Ashaka Cement Plc	125,000
3	Urban Development Bank Ltd	500,000
4	FSB International Bank Ltd	28,125
5	Access Bank Plc	750,000
6	Jaiz International Bank Plc	4,337,400
7	Bauchi Publishing and Printing	200,000
8	FinBank Plc (Inland Bank Plc)	1,187,500
9	Yankari Savings and Loans Ltd	341,642
		<u><b>7,532,166</b></u>

**SCHEDULES OF DEPOSIT**

**APPENDIX 2**

<b>D/N</b>	<b>PARTICULARS</b>	<b>AMOUNT</b>
D14	Retention	94,766
	Contract deductions	4,176,962
D3	NULGE loan	1,220,131
D30	N.H.F.	13,040,487
		<u><b>18,532,346</b></u>

**JAMA'ARE LOCAL GOVERNMENT COOUNCIL**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

**CORPORATE INFORMATION**

**CHAIRMAN**

ALH SAMA'ILA YUSUF JARMA

**HEAD OF ADMINISTRATION**

KABIRU MARAFA

**TREASURER**

AL-MUSTAPHA A. BAWA

**AUDITORS**

Abdulkadeer Mahmoud & Co.  
(Chartered Accountants)

**BANKERS**

First Bank of Nig Ltd  
Fidelity Bank Plc.

## **AUDITORS REPORT**

### **REPORT OF THE AUDITORS ON THE ACCOUNTS OF JAMA'ARE LOCAL GOVERNMENT COUNCIL**

We have audited the Financial Statements of Jama'are Local Government Council for the year ended 31stDecember, 2019 set out on pages 7-10, which have been prepared on the basis of significant accounting policies on page 6 and other explanatory notes on pages 11-12.

#### **RESPONSIBILITY OF THE MANAGEMENT**

The Management is responsible for maintenance of proper books of account and for the preparation of the Financial Statements of the Council. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements whether due to fraud or errors, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstance.

#### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an independent opinion on the financial statements based on our audit .We conducted our audit in accordance with International Standard on Auditing. Those Standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatements.

## **BASIS OF OPINION**

We conducted the audit in accordance with the International Public Sector Accounting Standards and the Financial Memoranda for Local Governments.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgment made by the Management in the preparation of the accounts and of whether the accounting policies appropriate and are consistently applied by the Council.

We planned and performed the audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatements either caused by fraud other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of the financial statements. The financial statements are in agreement with the books of accounts which have been properly kept.

## **BASIS OF QUALIFIED OPINION**

The Council did not reconcile the Bank Statement with Cash book during the year hence there is difference between the Bank balance and Cash book balance.

## **OPINION**

In our opinion, Except for effects of the issues described in the basis of qualified opinion paragraph, the Financial Statements give a true and fair view of the financial position of the Council as at 31 December 2019 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public sector Accounting Standards Board.

**ABDULKADEER MAHMOUD & CO.  
(CHARTERED ACCOUNTANTS)**

## **SIGNIFICANT ACCOUNTING POLICIES**

### **1. BASIS OF PREPARATION:**

The Financial Statements have been prepared under the historical cost convention and in accordance with IPSAS and other applicable standards.

### **2. ACCOUNTING PERIOD**

The Financial Statements is for the accounting period from 1 January 2019 to 31 December 2019.

### **3. REPORTING CURRENCY**

The Financial Statements is prepared in Nigerian Naira and is rounded up to the nearest naira.

### **4. CASH AND CASH EQUIVALENT**

Cash and cash equivalent represents cash balance on hand, held in bank accounts.

### **5. ACCOUNTS RECEIVABLES**

Receivables from exchange transactions consist of staff advances and are recognized as the outstanding balance in the individual advances ledgers. Provision for impairment of receivable is not made as it is expected that all outstanding advances will be retired.

### **6. PREPAYMENTS**

Prepayments are expenses paid in advance for service to be rendered. Prepaid expenses for which the full benefits will be derived in the future accounting periods are classified under current assets in the Statement of Financial Position.

### **7. INVENTORY**

The Local Government does not have any amount to be reported under inventory.

### **8. PROPERTY PLANT & EQUIPMENT (PPE)**

These are assets acquired or constructed and are held for use by the council from which benefits are derivable beyond a financial year.

### **9. DEPOSITS**

Deposits are various deductions made by the Council but were not remitted to the appropriate Government Agencies

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	NOTES	2019		2018	
		N	N	N	N
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash & Cash Equivalents	5	3,256,590		443,206	
Prepayments	6	12,189,679		10,609,679	
Inventories		<u>-</u>		<u>-</u>	
<b>Total Current Assets A</b>			15,446,269		11,052,885
<b>Non-Current Assets</b>					
Investments	7	14,154,624		14,154,624	
Property, Plant & Equipment	8	<u>96,167,926</u>		<u>23,914,831</u>	
<b>Total Non Current Assets B</b>			<u>110,322,550</u>		<u>38,069,455</u>
<b>Total Assets C=A+B</b>			<u><u>125,768,819</u></u>		<u><u>49,122,340</u></u>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Deposits	9	21,138,405		20,479,873	
Payables		<u>-</u>		<u>-</u>	
<b>Total Current Liabilities D</b>			21,138,405		20,479,873
<b>Non Current Liabilities</b>					
Long Term Borrowings		-		-	
<b>Total Non Current Liabilities E</b>			<u>-</u>		<u>-</u>
<b>Total Liabilities F=D+E</b>			21,138,405		20,479,873
<b>NET ASSETS/EQUITY</b>					
Capital Grants	10	31,469,321		31,469,321	
Accumulated Surplus/(Deficit)	11	<u>73,161,092</u>	<u>104,630,414</u>	<u>(2,826,854)</u>	<u>28,642,467</u>
<b>Total Net Assets/Equity H=G</b>			<u><u>125,768,819</u></u>		<u><u>49,122,340</u></u>

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**STATEMENTS OF FINANCIAL PERFORMANCE**

2018 ACTUAL N	NOTES	2019		VARIANCE N	
		ACTUAL N	BUDGET N		
<b>REVENUE</b>					
318,746,190	Govt Share of FAAC	1	950,743,360	2,666,878,230	(1,716,134,870)
-	Govt Share of VAT	1	-	-	-
-	Tax Revenue	2	-	-	-
-	Non-Tax Revenue	2	-	-	-
-	Investment Income	2	-	-	-
-	Interest Earned	2	-	426,780	(426,780)
-	Aid & Grants	2	-	23,540,000	(23,540,000)
<u>3,095,770</u>	Other Revenue	2	<u>2,623,892</u>	<u>6,354,000</u>	<u>(3,730,108)</u>
<b>321,841,959</b>	<b>TOTAL REVENUE (a)</b>		<b>953,367,251</b>	<b>2,697,199,010</b>	<b>(1,743,831,759)</b>
<b>EXPENDITURE</b>					
257,374,124	Personnel cost	3	366,004,804	480,208,604	114,203,800
	Social Benefits			-	-
71,791,505	Overhead Cost	4	511,374,501	964,045,745	452,671,244
-	Grants & Contributions		-	-	-
<u>329,165,629</u>	<b>TOTAL EXPENDITURE(b)</b>		<u>877,379,305</u>	<u>1,444,254,349</u>	<u>566,875,044</u>
(7,323,669)	Surplus/(Deficit) from operating Activities for the period C=(a-b)		75,987,946	1,252,944,661	1,176,956,715
-	Gain/Loss on Disposal	22	-	-	-
-	Gain/Loss on Foreign Exchange Transaction	23	-	-	-
-	Share of Surplus/(Deficit) In Assoc. & Joint Veni	24	-	-	-
-	<b>Total Non Operating Revenue or (Expenses)(d)</b>		-	-	-
(7,323,669)	Surplus/(Deficit)from Ordinary Activities e=(c+d)		75,987,946	1,252,944,661	1,176,956,715
-	Minority Interest Share of Surplus/(Deficit) (f)	25	-	-	-
<b>(7,323,669)</b>	<b>Net Surplus/(Deficit) for the period g=(e-f)</b>		<b>75,987,946</b>	<b>1,252,944,661</b>	<b>1,176,956,715</b>



**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**STATEMENT OF CHANGES IN EQUITY**

	Accumulated Fund =N=	Revaluation Reserve =N=	TOTAL =N=
Balance as at 31 December 2018	(2,826,854)	-	(2,826,854)
Surplus /(Deficit) on revaluation	-	-	-
Prior Year Adjustments	-	-	-
Surplus /(Deficit)	<u>75,987,946</u>	<u>-</u>	<u>75,987,946</u>
	<u><b>73,161,092</b></u>	<u><b>-</b></u>	<u><b>73,161,092</b></u>
			-
Balance as at 31 December 2019	<u><b>73,161,092</b></u>	<u><b>-</b></u>	<u><b>73,161,092</b></u>

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

**CONSOLIDATED STATEMENT OF CASH FLOW**

Description	2019		2018	
	N	N	N	N
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>				
<i>Inflows</i>				
Government Share of FAAC	950,743,360		318,746,190	
Government Share of VAT	-		-	
Interest Earned	-		-	
Aid & Grants	-		-	
Other Revenue	<u>2,623,892</u>		<u>3,095,770</u>	
<b>Total inflow from Operating Activities (A)</b>		953,367,251		321,841,959
<i>Outflows</i>				
Salaries & Wages	(366,004,804)		(257,374,124)	
Social Benefits	-		-	
Overhead Cost	<u>(511,374,501)</u>		<u>(71,791,505)</u>	
<b>Total outflow from operating Activities (B)</b>		<u>(877,379,305)</u>		<u>(329,165,629)</u>
<b>Net Cash Inflow/(Outflow) from Operating Activities C=(A+B)</b>		75,987,946		(7,323,669)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Proceeds from Sale of Investment	-		-	
Dividends Received	-		-	
Purchase/Construction of PPE	(72,253,095)		(23,914,831)	
Purchase/Construction of Investment Property	-		-	
Acquisition of investments	<u>-</u>		<u>-</u>	
<b>Net Cash from Investing Activities</b>		<b>(72,253,095)</b>		<b>(23,914,831)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Capital Grants Received	-		31,469,321	
Proceeds from Borrowings	-		-	
Repayment of Borrowings	-		-	
<b>Net Cash Flow from Financing Activities</b>		-		<b>31,469,321</b>
<b>Net Cash flow from all Activities</b>		<b>3,734,851</b>		<b>230,821</b>
<b>Net Movement in Current Assets / Liabilities</b>				
Net Movement in Inventories				-
Net Movement in Receivables		(1,580,000)		
Net Movement in Payables		<u>658,532</u>		<u>130,000</u>
		<u>(921,468)</u>		<u>130,000</u>
Net Cash Flow from Operating Activities		<b>2,813,384</b>		<b>360,821</b>
<b>Cash &amp; Its Equivalent as at 1/1/2018</b>		<u>443,206</u>		<u>82,385</u>
<b>Cash &amp; Its Equivalent as at 31/12/2018</b>		<u><b>3,256,590</b></u>		<u><b>443,206</b></u>
<b>Cash &amp; its Equivalent as at 31/12 2018</b>				
Cash Balances		863		1,086
Bank Balances		3,255,727		442,120
Overdraft		<u>-</u>		<u>-</u>
		<u><b>3,256,590</b></u>		<u><b>443,206</b></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	2019 N	2018 N
<b>NOTE 1 STATUTORY ALLOCATION</b>		
Council, staff salaries and others	950,743,360	318,746,190
	<u>950,743,360</u>	<u>318,746,190</u>
<b>NOTE 9 OTHER REVENUE</b>		
Internally Generated Revenue	1,106,450	3,095,770
Interest Payment and Dividend	723,215	
10% Share of State Internal Revenue	794,226	-
	<u>2,623,892</u>	<u>3,095,770</u>
<b>NOTE 11 PERSONNEL COST</b>		
Salaries & Wages	293,216,136	257,374,124
Pension & gratuity	12,112,071	
LEA Salaries	52,091,597	
Allowances	8,585,000	-
	<u>366,004,804</u>	<u>257,374,124</u>
<b>NOTE 13 OVERHEAD COST</b>		
<i>ALLOWANCES AND SOCIAL CONTRIBUTION</i>		
Honourarium & sitting allowance	1,413,000	671,000
Security allowances	6,310,000	
Welfare packages	12,758,800	14,628,000
Disturbance allowance	603,000	-
Immunization supervision allowance	1,966,333	1,250,000
Training	3,462,500	
Hajj	12,420,971	
Contribution to other organisations	1,966,000	
Medical expenses-local	295,000	1,347,000
	<u>41,195,604</u>	<u>17,896,000</u>
<i>TRAVEL &amp; TRANSPORT</i>		
Local travel & transport: Others	29,128,575	8,419,611
Local travel & transport: Training	495,000	499,750
	<u>29,623,575</u>	<u>8,919,361</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	<b>2019</b>	<b>2018</b>
	<b>N</b>	<b>N</b>
<i><b>MATERIALS AND SUPPLIES</b></i>		
Books		250,000
Relief materials	870,000	21,600,000
Purchase of agric products	6,750,000	2,764,371
Drugs & medical supplies	7,710,000	650,000
Supply of exercise books	2,000,000	
Production of curriculum	27,495,000	
Purchase of customised bags	2,685,000	
Uniforms & other clothing		-
Production of calander	333,750	
Burial Materials	23,464,492	
Office stationeries/computer comsumables		400,000
Printing of security document	130,000	-
Printing of non-security document	279,500	68,000
	<u><b>71,717,742</b></u>	<u><b>25,732,371</b></u>
<i><b>MISCELLANEOUS EXPENSES</b></i>		
Security vote	8,000,000	8,000,000
Refreshment & Meals	14,574,000	1,952,000
Financial Assistance	2,703,000	600,000
Postages & courier services	50,000	
Sundry expenses		512,750
Residential rent	1,620,000	900,000
Skills programme		150,000
Budget activities	396,000	
Meetings-OVC		100,000
Magazine & priodicals		200,000
Publicity & advertisement	225,000	536,000
Sporting activities		200,000
Hospitality & entertainment		970,000
Electricity bills	310,000	490,000
Max Air	2,850,000	
10% Admin charges	1,721,761	
15% Comm dividend	379,468	
Mandatory payment	299,325,579	
Bank charges	37,504	6,022
Grants to communities/NGOs	20,597,499	
Special days celebration	5,550,000	-
	<u><b>358,339,811</b></u>	<u><b>14,616,772</b></u>
<i><b>MAINTENANCE SERVICES</b></i>		
Other equipment & generator		133,000
Maintenance of plant/generators	165,000	
Maintenance of hand pump/well	685,600	
Minor road repair	847,000	
Other transport equipment fuel cost	15,000	
Plant/generator fuel cost	125,569	480,000
Other maintenance services	152,950	231,000
Balance c/f	<u><b>1,991,119</b></u>	<u><b>844,000</b></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	2019 N	2018 N
<b><i>MAINTENANCE SERVICES Cont.</i></b>		
Balance b/f	1,991,119	844,000
Maintenance of motor vehicles	1,745,000	1,840,000
Maintenance of of office building	-	99,000
Maintenance of street light	-	4,000
Renovation of Emir's Palace	4,500,000	
Maintenance of IT/Office equipment	76,200	-
Maintenance of communication equipment		48,000
Motor vehicle fuel cost	1,323,250	1,614,000
	<u>9,635,569</u>	<u>4,449,000</u>
<b><i>CONSULTING &amp; PROFESSIONAL SERVICES</i></b>		
Agricultural consulting	30,000	130,000
Audit fees	680,200	
Legal fees	100,000	-
Surveying	52,000	48,000
	<u>862,200</u>	<u>178,000</u>
<b>Total Overheads</b>	<u><b>511,374,501</b></u>	<u><b>71,791,505</b></u>

**NOTE 5 CASH & CASH EQUIVALENT**

Fidelity		
First Bank Revenue		
First Bank Main		
Bank balance	3,255,727	442,120
Cash	863	1,086
	<u>3,256,590</u>	<u>443,206</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

<b>NOTE 6</b>	<b>PREPAYMENTS</b>		
	Advances	<u>12,189,679</u>	<u>10,609,679</u>
<b>NOTE 7</b>	<b>INVESTMENTS</b>	<u>14,154,624</u>	<u>14,154,624</u>
<b>NOTE 8</b>	<b>CAPITAL EXPENDITURE</b>		
	Balance B/f	23,914,831	
	Land compensation	930,000	4,719,881
	Motor vehicle	2,437,170	
	Construction/provision of infrastructure	59,462,031	
	Rehabilitation/repairs –water facilities	2,174,000	
	Rehabilitation/repairs –electricity	1,868,000	
	Solar powered borehole & hand pump	-	11,824,450
	Rehabilitation/repairs–Market/parks	1,547,500	
	Renovation of vet. Clinic/slaughter house	-	2,710,102
	Supply of furniture–Council chamber	-	2,920,000
	Electrical reactivation & connection	-	1,690,398
	Joint project	3,834,394	
	Purchase of laptop	-	50,000
		<u>96,167,926</u>	<u>23,914,831</u>
<b>NOTE 9</b>	<b>DEPOSITS</b>	<u>21,138,405</u>	<u>20,479,873</u>
<b>NOTE 10</b>	<b>CAPITAL GRANT</b>		
	Paris club refund	<u>31,469,321</u>	<u>31,469,321</u>
<b>NOTE 11</b>	<b>RESERVES</b>		
	Brought Forward	(2,826,854)	4,496,815
	Operating Balance for the Year	<u>75,987,946</u>	<u>(7,323,669)</u>
		<u>73,161,092</u>	<u>(2,826,854)</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

**APPENDICES**

**SCHEDULES OF INVESTMENT**

**APPENDIX 1**

<b>S/N</b>	<b>NAME OF COMPANY</b>	<b>AMOUNT (N)</b>
1	Inland Bank Plc	5,787,032
2	Zaranda Hotels Ltd	76,300
3	Nigeria Investment Ltd	9,778
4	Ashaka Cement Plc	450,000
5	Bauchi Printing and Publishing Company	200,000
6	Kaduna Textile Ltd	245,000
7	Manto Processing Company	30,000
8	Arewa ceramic Ltd	400,000
9	FSB Int. bank Ltd	193,750
10	Yankari Insurance Ltd	50,000
11	Galambi Ranching Company Ltd	150,000
12	North East Government	9,378
13	Urban Development Bank Ltd	500,000
14	Yankari Savings and Loans Ltd	1,427,686
15	Jaiz International Plc	3,425,700
16	Access Bank Plc	<u>1,200,000</u>
		<u><b>14,154,624</b></u>

**SCHEDULES OF ADVANCES**

**APPENDIX 2**

<b>S/N</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
A/1	Sundry persons	<u><b>12,189,679</b></u>

NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019  
 APPENDICES CONT'D.

SCHEDULES OF DEPOSIT

APPENDIX 3

D/N	PARTICULARS	AMOUNT
D/1	C.P.D	1,353,355
D/3	PAYE Deductions	(860,722)
D/4	NULGE Dues	1,897,409
D/5	WithHolding Tax (State)	665,082
D/6	MHWUN Dues	391,896
D/7	5% Value Added Tax	4,670,319
D/11	Jummai Auduwa	81,857
D/15	5% WithHolding Tax (FIRS)	2,929,221
D/16	Brixman Construction-Retention	389,930
D/17	Alh. Adamu-Retention	38,930
D/19	Ministry of Housing and Environment	20,000
D/20	Retention	875,415
D/21	National Housing Fund	8,255,295
D/22	10% Salary Deduction	12,122
D/23	NANNM Dues	168,280
D/25	OVC Contribution	<u>250,016</u>
		<b><u>21,138,405</u></b>



**KATAGUM LOCAL GOVERNMENT COUNCIL**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.

**CORPORATE INFORMATION**

**CHAIRMAN**  
MOHAMMED HASSAN

**HEAD OF ADMINISTRATION**  
MOHAMMED BELLO MAGAMA

**TREASURER**  
MOHAMMED ABDULLAHI

**AUDITORS**  
ABDULKADEER MAHMOUD & CO.  
(CHARTERED ACCOUNTANTS)

**BANKERS**  
FIDELITY BANK PLC  
FCMB PLC

## **AUDITORS REPORT**

### **REPORT OF THE AUDITORS ON THE ACCOUNTS OF KATAGUM LOCAL GOVERNMENT COUNCIL**

We have audited the Financial Statements of KATAGUM LOCAL GOVERNMENT COUNCIL for the year ended 31stDecember, 2019 set out on pages 7-10, which have been prepared on the basis of significant accounting policies on page 6 and other explanatory notes on pages 11-12.

#### **RESPONSIBILITY OF THE MANAGEMENT**

The Management is responsible for maintenance of proper books of account and for the preparation of the Financial Statements of the Council. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements whether due to fraud or errors, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstance.

#### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an independent opinion on the financial statements based on our audit .We conducted our audit in accordance with International Standard on Auditing. Those Standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatements.

## **BASIS OF OPINION**

We conducted the audit in accordance with the International Public Sector Accounting Standards and the Financial Memoranda for Local Governments.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgment made by the Management in the preparation of the accounts and of whether the accounting policies appropriate and are consistently applied by the Council.

We planned and performed the audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatements either caused by fraud other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of the financial statements. The financial statements are in agreement with the books of accounts which have been properly kept.

## **BASIS OF QUALIFIED OPINION**

The Council did not reconcile the Bank Statement with Cash book during the year hence there is difference between the Bank balance and Cash book balance.

## **OPINION**

In our opinion, Except for effects of the issues described in the basis of qualified opinion paragraph, the Financial Statements give a true and fair view of the financial position of the Council as at 31 December 2019 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public sector Accounting Standards Board.

**ABDULKADEER MAHMOUD & CO.**  
**(CHARTERED ACCOUNTANTS)**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**SIGNIFICANT ACCOUNTING POLICIES**

**1. BASIS OF PREPARATION:**

The Financial Statements have been prepared under the historical cost convention and in accordance with IPSAS and other applicable standards.

**2. ACCOUNTING PERIOD**

The Financial Statements is for the accounting period from 1 January 2019 to 31 December 2019.

**3. REPORTING CURRENCY**

The Financial Statements is prepared in Nigerian Naira and is rounded up to the nearest naira.

**4. CASH AND CASH EQUIVALENT**

Cash and cash equivalent represents cash balance on hand, held in bank accounts.

**5. ACCOUNTS RECEIVABLES**

Receivables from exchange transactions consist of staff advances and are recognized as the outstanding balance in the individual advances ledgers. Provision for impairment of receivable is not made as it is expected that all outstanding advances will be retired.

**6. PREPAYMENTS**

Prepayments are expenses paid in advance for service to be rendered. Prepaid expenses for which the full benefits will be derived in the future accounting periods are classified under current assets in the Statement of Financial Position.

**7. INVENTORY**

The Local Government does not have any amount to be reported under inventory.

**8. PROPERTY PLANT & EQUIPMENT (PPE)**

These are assets acquired or constructed and are held for use by the council from which benefits are derivable beyond a financial year.

**9. DEPOSITS**

Deposits are various deductions made by the Council but were not remitted to the appropriate Government Agencies

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	NOTES	2019 N	2019 N	2018 N	2018 N
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash & Cash Equivalents	5	16,165,666		1,897,161	
Prepayments	6	5,946,000		19,587,468	
Inventories		<u>-</u>		<u>-</u>	
Total Current Assets	A		22,111,666		21,484,629
<b>Non-Current Assets</b>					
Investments	7	24,061,452		24,061,452	
Property, Plant & Equipment	8	66,044,951		31,129,242	
Investment Property		<u>-</u>		<u>-</u>	
Total Non Current Assets	B		<u>90,106,403</u>		<u>55,190,694</u>
Total Assets C=A+B			<u><u>112,218,070</u></u>		<u><u>76,675,323</u></u>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Deposits	9	3,247,200		15,528,214	
Payables		<u>-</u>		<u>-</u>	
Total Current Liabilities	D		3,247,200		15,528,214
<b>Non Current Liabilities</b>					
Public Funds		-		-	
Long Term Borrowings		<u>-</u>		<u>-</u>	
Total Non Current Liabilities	E		<u>-</u>		<u>-</u>
Total Liabilities F=D+E			3,247,200		15,528,214
<b>NET ASSETS/EQUITY</b>					
Capital Grants	10	48,050,468		48,050,468	
Reserves	11	<u>60,920,402</u>	<u>108,970,870</u>	<u>13,096,641</u>	<u>61,147,109</u>
Total Net Assets/Equity H=G			<u><u>112,218,070</u></u>		<u><u>76,675,323</u></u>

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**STATEMENTS OF FINANCIAL PERFORMANCE**

2018 ACTUAL N	NOTES	2019		VARIANCE N	
		ACTUAL N	BUDGET N		
<b>REVENUE</b>					
639,292,910	Govt Share of FAAC	1	2,208,109,881	6,503,438,344	(4,295,328,463)
-	Govt Share of VAT	1	-	-	-
-	Tax Revenue	2	-	-	-
-	Non-Tax Revenue	2	-	-	-
-	Investment Income	2	-	-	-
-	Interest Earned	2	-	-	-
-	Aid & Grants		-	23,210,000	(23,210,000)
<u>16,268,447</u>	Other Revenue	3	<u>6,483,750</u>	<u>93,978,215</u>	<u>(87,494,465)</u>
<b>655,561,357</b>	<b>TOTAL REVENUE (a)</b>		<b>2,214,593,631</b>	<b>6,620,626,559</b>	<b>(4,406,032,928)</b>
<b>EXPENDITURE</b>					
416,469,698	Salaries	11	1,594,336,995	1,198,728,600	(395,608,395)
	Social Benefits	12		-	-
237,254,646	Overhead Cost	13	572,432,875	2,871,753,304	2,299,320,429
-	Grants & Contributions	14	-	-	-
<u>653,724,344</u>	<b>TOTAL EXPENDITURE(b)</b>		<u>2,166,769,870</u>	<u>4,070,481,904</u>	<u>1,903,712,034</u>
	Surplus/(Deficit) from operating				
1,837,012	Activities for the period C=(a-b)		47,823,761	2,550,144,655	2,502,320,894
-	Gain/Loss on Disposal	22	-	-	-
-	Gain/Loss on Foreign Exchange Transactic	23	-	-	-
-	Share of Surplus/(Deficit) In Assoc. & Joint	24	-	-	-
-	<b>Total Non Operating Revenue or (Expenses)(d)</b>		-	-	-
1,837,012	Surplus/(Deficit)from Ordinary Activities e=(c+d)		47,823,761	2,550,144,655	2,502,320,894
-	Minority Interest Share of Surplus/(Deficit	25	-	-	-
<b>1,837,012</b>	<b>Net Surplus/(Deficit) for the period g=(e-f)</b>		<b>47,823,761</b>	<b>2,550,144,655</b>	<b>2,502,320,894</b>

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**STATEMENT OF CHANGES IN EQUITY**

	<b>Accumulated</b>	<b>Revaluation</b>	<b>TOTAL</b>
	<b>Fund</b>	<b>Reserve</b>	
	<b>=N=</b>	<b>=N=</b>	<b>=N=</b>
Balance as at 31 December 2018	13,096,641	-	13,096,641
Surplus /(Deficit) on revaluation	-	-	-
Prior Year Adjustments	-	-	-
Surplus /(Deficit)	<u>47,823,761</u>	<u>-</u>	<u>47,823,761</u>
	<u><b>60,920,402</b></u>	<u><b>-</b></u>	<u><b>60,920,402</b></u>
		-	-
Balance as at 31 December 2019	<u><b>60,920,402</b></u>	<u><b>-</b></u>	<u><b>60,920,402</b></u>

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

**CONSOLIDATED STATEMENT OF CASH FLOW**

Description	Notes	2019		2018	
		N	N	N	N
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>					
<i>Inflows</i>					
Government Share of FAAC		2,208,109,881		639,292,910	
Government Share of VAT		-		-	
Interest Earned		-		-	
Aid & Grants		-		-	
Other Revenue		<u>6,483,750</u>		<u>16,268,447</u>	
<b>Total inflow from Operating Activities (A)</b>			2,214,593,631		655,561,357
<i>Outflows</i>					
Salaries & Wages		(1,594,336,995)		(416,469,698)	
Social Benefits		-		-	
Overhead Cost		<u>(572,432,875)</u>		<u>(237,254,646)</u>	
<b>Total outflow from operating Activities (B)</b>			<u>(2,166,769,870)</u>		<u>(653,724,344)</u>
<b>Net Cash Inflow/(Outflow) from Operating Activities C=(A+B)</b>			47,823,761		1,837,012
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
Proceeds from Sale of Investment		-		-	
Dividends Received		-		-	
Purchase/Construction of PPE		(34,915,709)		(31,129,242)	
Purchase/Construction of Investment Property		-		-	
Acquisition of investments		<u>-</u>		<u>-</u>	
<b>Net Cash from Investing Activities</b>			<b>(34,915,709)</b>		<b>(31,129,242)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>					
Capital Grants Received		-		48,050,468	
Proceeds from Borrowings		-		-	
Repayment of Borrowings		<u>-</u>	<u>-</u>	<u>-</u>	<u>48,050,468</u>
<b>Net Cash Flow from Financing Activities</b>			<b>-</b>		<b>48,050,468</b>
<b>Net Cash flow from all Activities</b>			<b>12,908,052</b>		<b>18,758,238</b>
<b>Net Movement in Current Assets / Liabilities</b>					
Net Movement in Inventories					
Net Movement in Receivables			13,641,468		(19,587,468)
Net Movement in Payables			<u>(12,281,014)</u>		<u>2,662,178</u>
			1,360,453		(16,925,289)
Net Cash Flow from Operating Activities			<b>14,268,505</b>		<b>1,832,948</b>
<b>Cash &amp; Its Equivalent as at 1/1/2019</b>			<u>1,897,161</u>		<u>64,213</u>
<b>Cash &amp; Its Equivalent as at 31/12/2019</b>			<b><u>16,165,666</u></b>		<b><u>1,897,161</u></b>
<b>Cash &amp; its Equivalent as at 31/12 2019</b>					
Cash Balances			150		113,384
Bank Balances			<u>16,165,516</u>		<u>1,783,778</u>
			<b><u>16,165,666</u></b>		<b><u>1,897,161</u></b>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	<b>2019</b>	<b>2018</b>
	<b>N</b>	<b>N</b>
<b>NOTE 1 STATUTORY REVENUE</b>		
Statutory allocation	<u>2,208,109,881</u>	<u>639,292,910</u>
	<b><u>2,208,109,881</u></b>	<b><u>639,292,910</u></b>
<b>NOTE 9 OTHER REVENUE</b>		
Internally Generated Revenue	<u>6,483,750</u>	<u>16,268,447</u>
	<b><u>6,483,750</u></b>	<b><u>16,268,447</u></b>
<b>NOTE 11 PERSONNEL COST</b>		
Salaries & Wages	676,636,275	400,134,698
LEA Salaries	760,075,670	-
Pension & gratuity	130,606,300	-
Allowances	<u>27,018,750</u>	<u>16,335,000</u>
	<b><u>1,594,336,995</u></b>	<b><u>416,469,698</u></b>
<b>NOTE 13 OVERHEAD COST</b>		
<i>ALLOWANCES AND SOCIAL CONTRIBUTION</i>		
Security allowance	44,422,000	7,145,000
Honourarium & sitting allowance	650,000	-
Hospitality & entertainment	-	10,832,000
Immunization supervision	2,932,404	-
Medical expenses-local	6,066,274	627,500
Welfare packages	750,500	14,489,250
Disturbance allowance	<u>901,117</u>	<u>901,642</u>
	<b><u>55,722,295</u></b>	<b><u>33,995,392</u></b>
<i>TRAVEL &amp; TRANSPORT</i>		
Local travel & transport: Others	13,026,220	16,220,228
Local travel & transport: Training	-	2,238,000
International travel & transport	<u>3,150,000</u>	<u>-</u>
	<b><u>16,176,220</u></b>	<b><u>18,458,228</u></b>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019

	2019	2018
	N	N
<i>MATERIALS AND SUPPLIES</i>		
Relief materials	-	5,456,840.00
Teaching Aid/ instructional mate	32,036,520	2,670,000.00
Field materials supply	-	354,000.00
Drugs & medical supplies	49,102,000	1,577,500.00
Office stationeries/computer cor	3,048,500	119,776.00
Purchase of agro-chemicals and	30,780,000	-
Purchase of customised bags	3,967,500	-
Purchase of fertilizers	15,200,000	-
Production of Almanac	333,750	-
Burial materials	8,192,089	-
Max Air	2,850,000	-
Printing of security document	-	-
Printing of non-security documei	2,916,900	-
	<u>148,427,259</u>	<u>10,178,116</u>
<i>MISCELLANEOUS EXPENSES</i>		
Security vote	10,000,000	7,674,000
Refreshment & Meals	28,065,774	21,571,450
Financial Assistance	18,256,000	-
Sporting activities	-	-
General expenses	-	-
Residential rent	-	400,000
Bank charges	-	-
Publicity & advertisement	342,000	60,000
Postage & courier service	-	-
Local training and workshop	6,678,500	-
Mandatory payment	111,277,294	-
10% Admin charges	12,840,446	-
MAGAZINES & PERIODICALS	371,000	-
Water rate	-	6,900,500
Cleaning & fumigation	2,005,000	-
Electricity bills	260,000	332,763
Grant to communities	111,066,269	84,881,160
Bank charges	260,903	382,818
Special days celebration	1,391,250	-
	<u>302,814,436</u>	<u>122,202,691</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	2019	2018
	N	N
<b><i>MAINTENANCE SERVICES</i></b>		
Maintenance of generator	166,050	-
Maintenance of communication equipment	-	1,400,000
Other transport equipment fuel cost		70,000
Other maintenance	5,380,000	21,704,596
Evacuation of drainage	29,410,000	-
Maintenance of handpump/well	3,846,200	-
Maintenance of office equipment	-	-
Minor road maintenance	2,254,000	12,605,000
Maintenance of office furniture	-	-
Plant/generator fuel cost	24,500	-
Maintenance of motor vehicles	1,984,200	600,300
Maintenance of office building	893,000	57,300
Maintenance of market/public places	-	4,107,424
Motor vehicle fuel cost	1,673,615	5,945,600
	<u>45,631,565</u>	<u>46,490,220</u>
<b><i>CONSULTING &amp; PROFESSIONAL SERVICES</i></b>		
Information technology consulting		
Legal services	1,206,000	680,000
Agricultural services	650,000	2,100,000
Audit	1,005,100	
Consultancy fees	800,000	3,150,000
Engineering services	-	-
	<u>3,661,100</u>	<u>5,930,000</u>
Total Overhead	<u>572,432,875</u>	<u>237,254,646</u>
<b>NOTE 5 CASH &amp; CASH EQUIVALENT</b>		
Bank balance	16,165,516	1,783,778
Cash	150	113,384
	<u>16,165,666</u>	<u>1,897,161</u>
<b>NOTE 6 PREPAYMENTS</b>		
Advances	<u>5,946,000</u>	<u>19,587,468</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	<b>2019</b>	<b>2018</b>
	<b>N</b>	<b>N</b>
<b>NOTE 7 INVESTMENTS</b>	<b><u>24,061,452</u></b>	<b><u>24,061,452</u></b>
<b>NOTE 8 CAPITAL EXPENDITURE</b>		
Balance b/d	31,129,242	-
Construction of water facilities	-	26,140,290
Purchase of canoe	-	371,000
Purchase of office furniture and fitting	256,300	-
Construction/provision of infrastructure	2,561,866	-
Renovation of health centre	4,286,826	-
Rehabilitation/repairs -water facilities	6,878,500	-
Electrification	8,971,000	-
Culvert	4,023,140	-
Construction of shop	-	684,307
Supply of literite	-	2,000,000
Construction of market stalls	-	1,171,371
Motor vehicle	2,272,170	-
Joint project	5,665,907	-
Rehabilitation/repairs of residential bu	-	562,274
Purchase of sport equipment	-	200,000
	<b><u>66,044,951</u></b>	<b><u>31,129,242</u></b>
<b>NOTE 9 DEPOSITS</b>	<b><u>3,247,200</u></b>	<b><u>15,528,214</u></b>
<b>NOTE 10 CAPITAL GRANT</b>		
Paris club refund	<b><u>48,050,468</u></b>	<b><u>48,050,468</u></b>
<b>NOTE 11 RESERVES</b>		
Brought Forward	13,096,641	11,259,629
Provision of infrastructure written off	-	-
Operating Balance for the Year	<b><u>47,823,761</u></b>	<b><u>1,837,012</u></b>
	<b><u>60,920,402</u></b>	<b><u>13,096,641</u></b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

**APPENDICES**

**SCHEDULE OF INVESTMENT**

**APPENDIX 1**

<b>S/N</b>	<b>NAME OF COMPANY</b>	<b>AMOUNT (N)</b>
1	Sterling Bank	1,263,157
2	Yankari Savings and Loans	50,000
3	Yankari Savings and Loans	267,391
4	Yankari Savings and Loans	24,250
5	Intercellular	2,857,142
6	Jaiz International Bank	5,857,142
7	Access Bank Plc	2,000,000
8	Sterling Bank Plc	2,400,000
9	Urban Devt. Bank	500,000
10	First Inland Bank Plc	607,500
11	Inland Bank Plc	100,000
12	Inland Bank Plc	100,000
13	Inland Bank Plc	92,000
14	Inland Bank Plc	540,000
15	Inland Bank Plc	460,000
16	Inland Bank Plc	455,625
17	Inland Bank Plc	2,949,047
18	Inland Bank Plc	60,000
19	Inland Bank Plc	400,000
20	Fidelity Bank Plc	488,858
21	Ashaka Cement Company	200,000
22	FSB International Plc	200,000
23	FSB International Bank	50,000
24	Access Bank Plc	2,000,000
25	Bauchi Hotel	139,340
		<b><u>24,061,452</u></b>

**SCHEDULES OF ADVANCES**

**APPENDIX 2**

<b>S/N</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
2	Mohammed Garba Akali	1,090,467
4	Adamu Ibrahim	2,135,754
5	Mohammed Buhari	1,610,000
7	Bala Azarema	395,000
8	Adamu Ibrahim Neyeyu	24,779
9	Adamu carpenta	345,000
11	Sagir Haruna Madach	345,000
		<b><u>5,946,000</u></b>

**SCHEDULES OF DEPOSIT**

**APPENDIX 3**

<b>S/N</b>	<b>PARTICULARS</b>	<b>AMOUNT</b>
1	CPD 5% Tax on Contract	3,247,200
		<b><u>3,247,200</u></b>

## **KIRFI LOCAL GOVERNMENT COUNCIL**

### **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

#### **CORPORATE INFORMATION:**

##### **1. CHAIRMAN**

- i. Alh. Mannu Abubakar Ginga (2018 - July, 2019)
- ii. Alh. Yakubu Bala Dansidi (Ag. Chairman, July, 2019 – Oct. 2019)
- iii. Alh. Bappeh Abdu Bara (Ag. Chairman, Oct. 2019 – Oct. 2020)

##### **2. HEAD OF ADMINISTRATION:**

Alh. Yakubu Bala Dansidi

##### **3. TREASURER**

Alh. Wadata Adamu Gadau

##### **4. BANKERS**

Unity Bank Plc.

Fidelity Bank Plc.

##### **5. AUDITORS**

Messrs Lawyer Ejeheri & Co,

(Chartered Accountants)

Plot 12725, Liberty Boulevard, P. O. Box 5548,

Jos, Nigeria. Tel. 08034040667

**REPORT OF THE AUDITORS ON THE ACCOUNTS OF**  
**KIRFI LOCAL GOVERNMENT COUNCIL**

We have audited the Financial Statements of *Kirfi Local Government Council* for the year ended 31<sup>st</sup> December, 2019 set out on pages 5 – 16, which have been prepared on the basis of accounting policies on page 4.

**RESPECTIVE RESPONSIBILITIES OF THE MANAGEMENT**

The Management is responsible for maintenance of proper books of account and for the preparation of the Financial Statements of the Council. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements whether due to fraud or errors, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstance.

**AUDITORS' RESPONSIBILITY**

Our responsibility is to express an independent opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standard on Auditing. Those Standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatements.

## BASIS OF OPINION

We conducted the audit in accordance with the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda for Local Governments.

An audit includes examination, on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgment made by the *Management* in the preparation of the financial statements and of whether the accounting policies appropriate and are consistently applied by the Council.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement whether caused by fraud or other irregularities or errors. In forming our opinion, we also evaluated the overall adequacy or otherwise of the presentation of information in the financial statements. The financial statements are in agreement with the books of accounts which have been properly kept.

### Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Council as at 31<sup>st</sup> December, 2019 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.

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**J. L. Ejeheri, FCA, FRC/2014/ICAN/00000010249**  
**(Chartered Accountants)**  
**Jos, Nigeria.**





<b>SUMMARISED STATEMENT OF COMPREHENSIVE INCOME FOR THE</b>						
<b>YEAR ENDED 31ST DECEMBER, 2019</b>						
			{ <u>2 0 1 9</u> }			2018
	NOTES	ACTUAL	BUDGET	VARIANCE	ACTUAL	
REVENUE		N	N	N	N	
Statutory Allocation	7	856,785,269	2,369,304,493	(1,512,519,224)	399,587,099	
Aid Grants		-	17,780,950	(17,780,950)	-	
Other Revenue	8	<u>8,494,300</u>	<u>12,326,148</u>	<u>(3,831,848)</u>	<u>4,047,512</u>	
<b>Total Revenue (A)</b>		<u>865,279,569</u>	<u>2,399,411,591</u>	<u>(1,534,132,022)</u>	<u>403,634,611</u>	
<b>LESS: EXPENDITURE</b>						
Salaries	9	651,659,348	687,319,035	(35,659,687)	240,244,301	
Social Benefits		-	-	-	-	
Overhead Cost	10	191,730,517	1,439,360,698	(1,247,630,181)	156,596,414	
Grants Contributions		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
<b>Total Expenditure (B)</b>		<u>843,389,865</u>	<u>2,126,679,733</u>	<u>(1,283,289,868)</u>	<u>396,840,715</u>	
<b>Surplus/(Deficit) from</b>						
<b>Operating Activities (A - B)</b>		<u>21,889,704</u>	<u>272,731,858</u>	<u>(250,842,154)</u>	<u>6,793,896</u>	
The Notes on pages 8 to 10 form an integral part of these Accounts						

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019**

	<b>2019</b>		<b>2018</b>	
	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>				
<b>Surplus from Operating Activities</b>		21,889,704		6,793,896
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>				
Purchase/Construction of PPE	(17,859,144)		(30,707,293)	
Acquisition of Investments	(12,380,952)		-	
<b>Net Cash from Investing Activities</b>		(30,240,096)		(30,707,293)
<u>CASH FLOW FROM FINANCIAL ACTIVITIES</u>				
Capital Grants Received	-		43,275,810	
<b>Net Cash Flow from Financing Activities</b>		-		43,275,810
<b>Net Cash Flow from all Activities</b>		(8,350,392)		19,362,413
<u>NET MOVEMENT IN CURRENT ASSETS/LIABILITIES</u>				
Net Movement Receivables		(2,601,455)		(4,487,085)
Net Movement in Deposits		5,849,555		(6,403,392)
		3,248,100		(10,890,477)
<b>Net Cash Flow from Operating Activities</b>		(5,102,292)		8,471,936
Cash & Its Equivalent as at - 1/1/2019		9,322,502		850,566
Cash & Its Equivalent as at - 31/12/2019		<b>4,220,210</b>		<b>9,322,502</b>
<b>Cash &amp; Its Equivalent as at - 31/12/2019</b>				
<i>Cash Balances</i>		-		(712,534)
<i>Bank Balances</i>		4,220,210		10,035,036
		<b>4,220,210</b>		<b>9,322,502</b>

The Notes on pages 8 to 10 form an integral part of these Accounts

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>	<b>APPENDIX</b>	<b>2019</b>		<b>2018</b>
<b>1</b>	<b>CASH &amp; CASH EQUIVALENT</b>	<b>N</b>		<b>N</b>
	Fidelity Bank - 5030026096	3,880,462		-
	Unity Bank - 0026209296	24,289		-
	Unity Bank - 0015012198	315,459		-
	Cash	-		(712,534)
	Bank Balance	-		<u>10,035,036</u>
		<u>4,220,210</u>		<u>9,322,502</u>
<b>2</b>	<b>RECEIVABLES</b>			
	Advances	<u>11,436,167</u>	1	<u>8,834,711</u>
<b>3</b>	<b>INVESTMENTS</b>			
	Investments	<u>20,289,607</u>	2	<u>7,908,655</u>
		As at		As at
<b>4</b>	<b>CAPITAL EXPENDITURE</b>	<u>1/1/2019</u>	Additions	<u>31/12/2019</u>
	Capital Infrastructure	12,331,297	-	12,331,297
	Renovation of Mosque	4,345,312	2,901,812	7,247,124
	Construction of PHC	2,541,668	3,136,931	5,678,599
	Re-activation Ofs/Pump	1,269,900	600,000	1,869,900
	Construction of D/Heads office	650,000	3,540,000	4,190,000
	Land Compensation	2,301,440	-	2,301,440
	Renovation of Toilet	250,000	-	250,000
	Lab Furniture	500,000	-	500,000
	Office Furniture	-	476,090	476,090
	Construction/Provision of Water-ways	140,000	70,000	210,000
	Rehabilitation/Repairs-Roads	2,385,000	-	2,385,000
	Construction of Stalls	6,066,430	-	6,066,430
	Construction of Dispensary	6,034,100	-	6,034,100
	Purchase of Laptop	105,554	40,000	145,554
	Renovation of Market	1,040,000	-	1,040,000
	Construction/Provisions of Housing	2,071,090	6,334,310	8,405,400
	Rehabilitation/Repairs-Electricity	900,000	520,000	1,420,000
	Purchase of Motor Cycles	106,800	240,000	346,800
		<u>43,038,591</u>	<u>17,859,143</u>	<u>60,897,734</u>
		<b>2019</b>		<b>2018</b>
		<b>N</b>		<b>N</b>
<b>5</b>	<b>DEPOSITS</b>	<u>37,572,575</u>	3	<u>31,723,020</u>
<b>6</b>	<b>RESERVES</b>			
	Brought Forward	10,394,490		3,600,594
	Operating Balance for the Year	<u>21,889,704</u>		<u>6,793,896</u>
		<u>32,284,194</u>		<u>10,394,490</u>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>		<b><u>2019</u></b>	<b><u>2018</u></b>
7	<b><u>STATUTORY ALLOCATION</u></b>	<b><u>N</u></b>	<b><u>N</u></b>
	Council and Staff Salaries	<u>856,785,269</u>	<u>399,587,099</u>
		<b><u>856,785,269</u></b>	<b><u>399,587,099</u></b>
8	<b><u>OTHER REVENUE</u></b>		
	Internally Generated Revenue	8,494,300	4,047,512
	10% Share of State Internal Revenue	-	-
	Sale of Shares	-	-
		<b><u>8,494,300</u></b>	<b><u>4,047,512</u></b>
9	<b><u>PERSONNEL COST</u></b>		
	Salaries and Wages	645,768,372	226,493,301
	Allowances	<u>5,890,976</u>	<u>13,751,000</u>
		<b><u>651,659,348</u></b>	<b><u>240,244,301</u></b>
10	<b><u>OVERHEAD COST</u></b>		
10	<b><u>ALLOWANCES &amp; SOCIAL CONTRIBUTION</u></b>		
	Security Allowance	20,409,250	3,270,000
	Honourarium & Sitting Allowance	6,530,000	90,000
	Welfare Package	800,000	300,000
	Immunization Supervision Allowance	-	1,910,000
	Disturbance Allowance	<u>647,000</u>	<u>648,855</u>
	<b><i>Sub Total</i></b>	<b><u>28,386,250</u></b>	<b><u>6,218,855</u></b>
10	<b><u>TRAVEL &amp; TRANSPORT</u></b>		
	Local Travel & Transport: Others	20,203,305	12,914,796
	Local Travel & Transport: Training	3,452,500	700,000
	International Travel & Transport	<u>1,190,000</u>	-
	<b><i>Sub Total</i></b>	<b><u>24,845,805</u></b>	<b><u>13,614,796</u></b>
10	<b><u>MATERIALS AND SUPPLIES</u></b>		
	Supply of Relief Materials	5,106,000	-
	Supply of Working Materials	14,506,250	-
	Skills Acquisition Materials	-	904,350
	Learning Aid	-	470,000
	Purchase of Agro-Chemical & Seedling	3,917,900	5,100,000
	Office Stationeries/Computer Consumables	702,000	1,031,000
	Drugs & Medical Supplies	19,000,000	15,401,910
	Printing of Non-Security Document	<u>4,216,725</u>	<u>1,372,000</u>
	<b><i>Sub Total</i></b>	<b><u>47,448,875</u></b>	<b><u>24,279,260</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>		<b><u>2019</u></b>	<b><u>2018</u></b>
		<b>N</b>	<b>N</b>
10.4	<b><u>MISCELLANEOUS EXPENSES</u></b>		
	Security Vote	37,000,000	64,250,000
	Refreshment and Meals	5,687,500	14,308,366
	Financial Assistance	4,591,489	842,153
	Hospitality and Entertainment	13,816,367	3,670,000
	Sporting Activities	940,000	850,000
	Enlightenment	380,000	850,000
	Workshop	-	2,340,000
	Tree Planting	1,901,750	300,000
	Postages and Courier Services	-	115,000
	Logistics Support	11,209,000	-
	Special Days Celebration and Prayer	3,450,000	-
	Rent	486,000	3,046,000
	Cleaning and Sanitation	375,000	-
	Electricity Bills	100,000	500,000
	Grant to Communities	-	10,400,000
	Bank Charges	<u>37,489</u>	<u>25,584</u>
	<b><i>Sub Total</i></b>	<b><u>79,974,595</u></b>	<b><u>101,497,103</u></b>
10.5	<b><u>MAINTENANCE SERVICES</u></b>		
	Maintenance of Generator	5,000	30,000
	Maintenance of Office Equipment	916,500	-
	Other Maintenance	203,400	3,509,000
	Maintenance of Motor Vehicles	3,605,877	2,150,300
	Maintenance of Drainage	-	2,042,000
	Maintenance of Office Building	-	1,891,000
	Plant/Generator Fuel Cost	-	170,000
	Motor Vehicles Fuel Cost	<u>5,660,273</u>	<u>594,100</u>
	<b><i>Sub Total</i></b>	<b><u>10,391,050</u></b>	<b><u>10,386,400</u></b>
10.6	<b><u>CONSULTING AND PROFESSIONAL SERVICES</u></b>		
	Legal Services	60,000	-
	Stock Broker	623,942	-
	Surveying	-	<u>600,000</u>
	<b><i>Sub Total</i></b>	<b><u>683,942</u></b>	<b><u>600,000</u></b>
	<b><i>Grand Total Overhead</i></b>	<b><u>191,730,517</u></b>	<b><u>156,596,414</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>APPENDIX 1</b>		<b>2019</b>	<b>2018</b>
S/N	<b>SCHEDULES OF ADVANCES</b>	<b>N</b>	<b>N</b>
1	Usman Idriss Shall	50,000	50,000
2	Garba M. Bara	50,000	50,000
3	Adamu Baba Garba	86,500	86,500
4	Adamu Baba Garba	464,731	464,731
5	Baba M. Musa	285,000	-
6	Musa Garba Bara	102,500	-
7	Abdullahi A. Tata	2,737,000	-
8	Musa Garba	2,906,300	-
9	Ubayo Dodo	45,000	-
10	Alh. Usman Wanka	10,000	10,000
11	Lawal Lado	5,000	5,000
12	Abdullahi A. Barde	35,000	35,000
13	Ahmed Adamu	5,000	5,000
14	Lawal Lado	275,000	275,000
15	Mal. Ado Sani	10,000	10,000
16	Alh. Adamu M. Cheledi	200,000	200,000
17	Alh. Adamu Aliyu	150,000	150,000
18	Saminu M. Gidado	50,000	50,000
19	Aminu Mohammed Gidadi	50,000	50,000
20	Mohammed Hussaini	10,000	10,000
21	Umaru Baba	265,736	265,736
22	Adamu Bello	500,000	-
23	Ibrahim Inuwa	203,400	-
24	Alh. Bappa Abdu Bara	300,000	-
25	Ibrahim Inuwa	70,000	-
26	Adamu Bello Badara	120,000	-
27	Bappah A. Bara	300,000	-
28	Suleiman A Cheledi	200,000	-
29	Abdullahi A. Mato	30,000	-
30	Ibrahim Iliya	30,000	-
31	Ibrahim S. Lomi	30,000	-
32	Isah Aska	30,000	-
33	Danjuma Yusuf	30,000	-
34	Ahmed Haladu Suleiman	30,000	-
35	Hassan Tela	30,000	-
36	Abubakar Bello Mohammed	30,000	-
37	Yayajo Musa	30,000	-
38	Adamu A. Babayo	-	88,581
39	Adamu M. Cheledi	-	116,240
40	Alh. Ibrahim Galadima	-	100,000
41	Abdullahi D. Barde	-	70,000
	<b>Balance Carried Forward</b>	<b>9,756,167</b>	<b>2,091,788</b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b><i>APPENDIX 1: CONT'D</i></b>		<b><u>2019</u></b>	<b><u>2018</u></b>
<b><u>SCHEDULES OF ADVANCES</u></b>		<b><u>N</u></b>	<b><u>N</u></b>
S/N	<b><i>Balance Brought Forward</i></b>	<b>9,756,167</b>	<b>2,091,788</b>
42	Musa Garba	30,000	-
43	Bubabkar M. Usman	30,000	-
44	Adamu Liman	30,000	-
45	Abbas A. Umar	30,000	-
46	Yakubu Bala	150,000	-
47	Alh. Uba Iliya	10,000	-
48	Alh. Yakubu Umar	10,000	-
49	Alh. Usman Yunusa	10,000	-
50	Bello Sule	10,000	-
51	Alh. Adamu Zailani	10,000	-
52	Hassan Sale	10,000	-
53	Alh. Mohammed Abdullahi	10,000	-
54	Adamu Muazu	50,000	-
55	Alh. Yusuf Aliyu Badar	10,000	-
56	Bala Mohammed Ahmad	50,000	-
57	Sani Adamu Mohammed	20,000	-
58	Mohammed Bello Kaloma	20,000	-
59	Bala Arab Suleiman	20,000	-
60	Musa Ladan	10,000	-
61	Danjuma B. Matala	10,000	-
62	Danjuma Jabir	20,000	-
63	Wadata Adamu G.	150,000	-
64	Bakoji Ladan	40,000	-
65	Adamu A. Adamu	30,000	-
66	Lawal Laddo	20,000	-
67	Yusuf Abubakar	20,000	-
68	Sa'adu Isah	50,000	-
69	Sule Usmad	10,000	-
70	Abdulaziz Adamu	15,000	-
71	Sule Wanka	15,000	-
72	Abbas Yusuf	15,000	-
73	Mohammed Tukur	15,000	-
74	Yakubu Atiku	15,000	-
75	Lamaran Maikudi	15,000	-
76	Yau Adamu	15,000	-
77	Ali Maikudi	15,000	-
78	Musa Mohammed Yaja	15,000	-
79	Adamu Wudil	-	40,000
80	Mohammed B. Bara	-	50,000
81	Ibrahim K. Abubakar	-	50,000
82	Dalhatu Husaini	-	<u>50,000</u>
<b><i>Balance Carried Forward</i></b>		<b><u>10,761,167</u></b>	<b><u>2,281,788</u></b>



**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b><i>APPENDIX 1: CONT'D</i></b>		<b><u>2019</u></b>	<b><u>2018</u></b>
<b><u>SCHEDULES OF ADVANCES</u></b>		<b><u>N</u></b>	<b><u>N</u></b>
S/N	<b><i>Balance Brought Forward</i></b>	<b>10,761,167</b>	<b>2,281,788</b>
83	Bala Ladan	15,000	-
84	Umaru Baba	60,000	-
85	Mohammed Yaya Kaloma	10,000	-
86	Bala Mohammed	10,000	-
87	Alh. Aliyu Badara	10,000	-
88	Lawal Baba Ibrahim	50,000	-
89	Aishatu Adamu	10,000	-
90	Abdullahi Othman	10,000	-
91	Halima Mohammed	10,000	-
92	Wada Mohammed Attahiru	10,000	-
93	Samaila Atiku	10,000	-
94	Kawuji Yusuf	10,000	-
95	Adamu Umar	10,000	-
96	Adamu Babayo	50,000	-
97	Mohammed Inuwa	10,000	-
98	Yabuku Baba	10,000	-
99	Ahmed Zailani	10,000	-
100	Garba Bara	10,000	-
101	Juji Ali	10,000	-
102	Shayibu Sabo	10,000	-
103	Musa I. Mohammed	10,000	-
104	Umar Isiyaku	50,000	-
105	Adamu Nuhu	50,000	-
106	Mohammed Adamu	10,000	-
107	Mohammed Majidadi	10,000	-
108	Idris Yayani	10,000	-
109	Danjuma Yusuf	10,000	-
110	Habiba Mohammed	10,000	-
111	Aminu Yau	10,000	-
112	Ubayo Mohammed	50,000	-
113	Sale Musa	10,000	-
114	Jamila Jumba	10,000	-
115	Jummai Jarma	10,000	-
116	Isa Umar	10,000	-
117	Abdulkadir Usman	50,000	-
118	Kawuji Garba	10,000	-
119	Adamu Baba	10,000	-
120	Mohammed K. Adamu	10,000	-
	<b><i>Balance Carried Forward</i></b>	<b>11,436,167</b>	<b>2,281,788</b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b><i>APPENDIX 1: CONT'D</i></b>		<b><u>2019</u></b>	<b><u>2018</u></b>
<b><u>SCHEDULES OF ADVANCES</u></b>		<b><u>N</u></b>	<b><u>N</u></b>
S/N	<b><i>Balance Brought Forward</i></b>	<b>11,436,167</b>	<b>2,281,788</b>
121	Maikudi Abubakar	-	50,000
122	Musa Yahaya	-	50,000
123	Sirajo Sarki	-	50,000
124	Ahmed Musa	-	50,000
125	Salihu Inuwa	-	50,000
126	Abubakar Y. Tafida	-	50,000
127	Ibrahim M. Aliyu	-	50,000
128	Baba Umar Tubule	-	50,000
129	Adamu Kaddih	-	50,000
130	Abdullahi Inuwa	-	325,000
131	Aishatu Adamu	-	393,000
132	Sundry Pension	-	5,562,084
	<b><i>Grand Total</i></b>	<b><u>11,436,167</u></b>	<b><u>9,011,872</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b><i>APPENDIX 2</i></b>			
<b><i>SCHEDULES OF INVESTMENT</i></b>			
<b>S/N</b>	<b>NAME OF COMPANY</b>	<b>2019</b>	<b>2018</b>
		<b>N</b>	<b>N</b>
1	Access Bank Plc	1,317,714	1,317,714
2	Fin Bank Plc	1,500,000	1,500,000
3	Jaiz Plc	3,821,200	3,821,200
4	Intercellular	2,380,952	-
5	NAL Bank	10,000,000	-
6	Yankari Savings and Loans	<u>1,269,741</u>	<u>1,269,741</u>
		<b><u>20,289,607</u></b>	<b><u>7,908,655</u></b>
<b><i>APPENDIX 3</i></b>			
<b><i>SCHEDULES OF DEPOSITS</i></b>			
<b>S/N</b>	<b>PARTICULARS</b>	<b>2019</b>	<b>2018</b>
		<b>N</b>	<b>N</b>
1	Local Government Pension Board	63,694	63,694
2	Bauchi State Government 5%	(664,538)	#####
3	Federal Inalnd Revenue 5%	8,097,537	7,206,163
4	Bauchi State Government (PAYE)	1,000,095	438,158
5	Bauchi State Government (WHT)	42,600	242,600
6	NULGE Kirfi Branch	2,847,118	4,303,462
7	Medical and Health-Check Off Dues	6,583,710	4,404,952
8	F.M.B.N.-NHF Deduction	14,089,072	11,107,416
9	F.M.B.N.N.M-Check Off Dues	52,353	52,353
10	Kirfi Local Government - Loan to Alh. Danl	720,180	720,180
11	Mohammed S. Dembori 10% Retention	117,940	117,940
12	Ubayo Lomi-10% Retention	46,800	46,800
13	Alh. Sale Umar 10% Retention	46,700	46,700
14	Retention	117,940	117,940
15	Staff Co-Operative	19,759	19,759
16	Alh. Bako Abdu	49,800	49,800
17	Alh. Sabo Kafin Iya	3,924	3,924
18	Alh. Ibrahim Wanka	48,400	48,400
19	Adamu Hamidu	24,365	24,365
20	Chindo Sharfuri	46,000	46,000
21	Alh. Ibrahim Kafinta	132,924	132,924
22	Alh. Sale Tubule	251,000	251,000
23	Alh. Mustapha Bara	32,105	32,105
24	Abdu Ajiya	74,514	74,514
25	Alh. Manzo Basa	45,050	45,050
26	Mohammed Dankasa	10,000	10,000
27	M. Hashimu Dewu	186,913	186,913
28	Nasiru I. Wanka	48,800	48,800
29	Ibrahim Dewu	38,913	38,913
30	Alh. Ibrahim Wanka	38,126	38,126
31	Abdullahi M. Lomi	<u>15,000</u>	<u>15,000</u>
	<b><i>Balance Carried Forward</i></b>	<b><u>34,226,794</u></b>	<b><u>28,378,039</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b><i>APPENDIX 3: CONT'D</i></b>			
<b><i>SCHEDULES OF DEPOSITS</i></b>			
<b><i>PARTICULARS</i></b>		<b><i>2019</i></b>	<b><i>2018</i></b>
		<b><i>₦</i></b>	<b><i>₦</i></b>
S/N	<b><i>Balance Brought Forward</i></b>	<b><i>34,226,794</i></b>	<b><i>28,378,039</i></b>
32	Alh. Garba Kafinta	45,275	45,275
33	Alh. Gambo Wanka	31,400	31,400
34	Alh. Majidadi Dewu	27,926	27,926
35	Sahara Photos	6,750	6,750
36	Alh. Danladi Bara	32,969	32,969
37	Alh. Idi Musa	124,711	124,711
38	Alh. Ibrahim Yusuf	227,950	227,950
39	Nasiru M. Wanka	45,000	45,000
40	Alh. Abdllahi Danladi	227,942	227,942
41	Alh. Danladi Bara	479,393	479,393
42	Alh. Danladi Bara	585,625	585,625
43	Alh. Sani Umar	227,942	227,942
44	Deputy for Local Government	128,000	128,000
45	Works and Housing Kirfi	112,500	112,500
46	Suleiman Aminu	125,000	125,000
47	Baba Chinnaka	125,000	125,000
48	Musa Lomi	181,487	181,487
49	Musa Umar	225,000	225,000
50	NUT Kirfi Branch	25,000	25,000
51	NUT Kirfi Branch	5,000	5,000
52	Ahlan Wasahalan Nigeria	70,000	70,000
53	Ahlan Wasahalan Nigeria	70,800	70,000
54	Alkaleri Local Government	15,111	15,111
55	Ahlan Wasahalan N. S.	200,000	200,000
	<b><i>Grand Total</i></b>	<b><i>37,572,575</i></b>	<b><i>31,723,020</i></b>

**MISAU LOCAL GOVERNMENT COUNCIL**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

**CORPORATE INFORMATION**

**CHAIRMAN**

ALH. MOHAMMED YARO GWARAM

**HEAD OF ADMINISTRATION**

MUHAMMED A. KAFIROMI

**TREASURER**

BALA MUHAMMED OTHMAN

**AUDITORS**

Abdulkadeer Mahmood & Co.  
(Chartered Accountants)

**BANKERS**

FIDELITY BANK PLC.  
FIRST BANK NIG LTD.

## **AUDITORS REPORT**

### **REPORT OF THE AUDITORS ON THE ACCOUNTS OF MISAU LOCAL GOVERNMENT COUNCIL**

We have audited the Financial Statements of Misau Local Government Council for the year ended 31stDecember, 2019 set out on pages 7-10, which have been prepared on the basis of significant accounting policies on page 6 and other explanatory notes on pages 11-16.

#### **RESPONSIBILITY OF THE MANAGEMENT**

The Management is responsible for maintenance of proper books of account and for the preparation of the Financial Statements of the Council. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements whether due to fraud or errors, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstance.

#### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an independent opinion on the financial statements based on our audit .We conducted our audit in accordance with International Standard on Auditing. Those Standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatements.

## **BASIS OF OPINION**

We conducted the audit in accordance with the International Public Sector Accounting Standards and the Financial Memoranda for Local Governments.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgment made by the Management in the preparation of the accounts and of whether the accounting policies appropriate and are consistently applied by the Council.

We planned and performed the audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatements either caused by fraud other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of the financial statements. The financial statements are in agreement with the books of accounts which have been properly kept.

## **BASIS OF QUALIFIED OPINION**

The Council did not reconcile the Bank Statement with Cash book during the year hence there is difference between the Bank balance and Cash book balance.

## **OPINION**

In our opinion, Except for effects of the issues described in the basis of qualified opinion paragraph, the Financial Statements give a true and fair view of the financial position of the Council as at 31 December 2019 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public sector Accounting Standards Board.

**ABDULKADEER MAHMOUD & CO.**  
**(CHARTERED ACCOUNTANTS)**

## **SIGNIFICANT ACCOUNTING POLICIES**

### **1. BASIS OF PREPARATION:**

The Financial Statements have been prepared under the historical cost convention and in accordance with IPSAS and other applicable standards.

### **2. ACCOUNTING PERIOD**

The Financial Statements is for the accounting period from 1 January 2019 to 31 December 2019.

### **3. REPORTING CURRENCY**

The Financial Statements is prepared in Nigerian Naira and is rounded up to the nearest naira.

### **4. CASH AND CASH EQUIVALENT**

Cash and cash equivalent represents cash balance on hand, held in bank accounts.

### **5. ACCOUNTS RECEIVABLES**

Receivables from exchange transactions consist of staff advances and are recognized as the outstanding balance in the individual advances ledgers. Provision for impairment of receivable is not made as it is expected that all outstanding advances will be retired.

### **6. PREPAYMENTS**

Prepayments are expenses paid in advance for service to be rendered. Prepaid expenses for which the full benefits will be derived in the future accounting periods are classified under current assets in the Statement of Financial Position.

### **7. INVENTORY**

The Local Government does not have any amount to be reported under inventory.

### **8. PROPERTY PLANT & EQUIPMENT (PPE)**

These are assets acquired or constructed and are held for use by the council from which benefits are derivable beyond a financial year.

### **9. DEPOSITS**

Deposits are various deductions made by the Council but were not remitted to the appropriate Government Agencies



**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	NOTES	2019 N	2019 N	2018 N	2018 N
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash & Cash Equivalents	5	(909,704)		4,025,420	
Receivables	6	<u>-</u>		<u>5,091,785</u>	
Total Current Assets A			(909,704)		9,117,205
<b>Non-Current Assets</b>					
Investments	7	10,260,201		10,260,201	
Property, Plant & Equipment	8	<u>97,289,657</u>		<u>30,866,544</u>	
Total Non Current Assets B			107,549,858		41,126,745
<b>Total Assets C=A+B</b>			<b><u>106,640,155</u></b>		<b><u>50,243,950</u></b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Deposits	9	7,833,828		<u>8,833,828</u>	
Total Current Liabilities D			7,833,828		8,833,828
<b>Non Current Liabilities</b>					
Long Term Borrowings		<u>-</u>		<u>-</u>	
Total Non Current Liabilities E			<u>-</u>		<u>-</u>
<b>Total Liabilities F=D+E</b>			<b><u>7,833,828</u></b>		<b><u>8,833,828</u></b>
<b>Net Assets G=C-F</b>			<b><u>98,806,327</u></b>		<b><u>41,410,122</u></b>
<b>NET ASSETS/EQUITY</b>					
Capital Grants	10	41,107,430		41,107,430	
Reserves	11	<u>57,698,896</u>		<u>302,692</u>	
			98,806,327		41,410,122
<b>Total Net Assets/Equity H=G</b>			<b><u>98,806,327</u></b>		<b><u>41,410,122</u></b>

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**STATEMENTS OF FINANCIAL PERFORMANCE**

	NOTES	ACTUAL ₦	BUDGET ₦	VARIANCE ₦
<b>REVENUE</b>				
Govt Share of FAAC	1	1,655,540,949	3,177,517,353	(1,521,976,404)
Aid & Grants		-	-	-
Debt Forgiveness		-	-	-
Other Revenue	2	<u>2,899,429</u>	<u>8,173,911</u>	<u>(5,274,482)</u>
<b>TOTAL REVENUE (a)</b>		<u><b>1,658,440,378</b></u>	<u><b>3,185,691,264</b></u>	<u><b>(1,527,250,886)</b></u>
<b>EXPENDITURE</b>				
Salaries	3	1,180,715,150	1,040,945,401	(139,769,749)
Overhead Cost	4	<u>420,329,023</u>	<u>1,658,883,838</u>	<u>1,238,554,815</u>
<b>TOTAL EXPENDITURE(b)</b>		<u><b>1,601,044,173</b></u>	<u><b>2,699,829,239</b></u>	<u><b>1,098,785,066</b></u>
<b>Surplus/(Deficit) from operating Activities for the period C=(a-b)</b>		<b>57,396,205</b>	<b>485,862,025</b>	<b>428,465,820</b>
<b>Surplus/(Deficit)from Ordinary Activities e=(c+d)</b>		<b>57,396,205</b>	<b>485,862,025</b>	<b>428,465,820</b>
<b>Minority Interest Share of Surplus/(Deficit) (f)</b>		<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Surplus/(Deficit) for the period g=(e-f)</b>		<u><b>57,396,205</b></u>	<u><b>485,862,025</b></u>	<u><b>428,465,820</b></u>

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**STATEMENT OF CHANGES IN EQUITY**

	Accumulated Fund N	Revaluation Reserve N	TOTAL N
Balance as at 31 December 2018	302,692	-	302,692
Surplus /(Deficit) on revaluation	-	-	-
Prior Year Adjustments	-	-	-
Surplus /(Deficit)	<u>57,396,205</u>	<u>-</u>	<u>57,396,205</u>
	<u><u>57,698,896</u></u>	<u><u>-</u></u>	<u><u>57,698,896</u></u>
		-	-
Balance as at 31 December 2019	<u><u>57,698,896</u></u>	<u><u>-</u></u>	<u><u>57,698,896</u></u>

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**  
**CONSOLIDATED STATEMENT OF CASH FLOW**

Description	Notes	2019		2018	
		N	N	N	N
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>					
<i>Inflows</i>					
Government Share of FAAC	1	1,655,540,949		483,616,900	
Government Share of VAT		-		-	
Tax Revenue		-		-	
Other Revenue	2	2,899,429		4,398,733	
Transfer from other Govt Entities		-		-	
<b>Total inflow from Operating Activities (A)</b>		<b>1,658,440,378</b>		<b>488,015,633</b>	
<i>Outflows</i>					
Salaries & Wages	3	(1,180,715,150)		(344,936,803)	
Social Benefits		-		-	
Overhead Cost	4	(420,329,023)		(149,341,431)	
Finance Cost		-		-	
<b>Total outflow from operating Activities (B)</b>		<b>(1,601,044,173)</b>		<b>(494,278,234)</b>	
<b>Net Cash Inflow/(Outflow) from Operating Activities C=(A+B)</b>			<b>57,396,205</b>		<b>(6,262,601)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
Dividends Received		-		-	
Purchase/Construction of PPE	8	(66,423,113)		(30,866,544)	
Acquisition of investments		-		-	
<b>Net Cash from Investing Activities</b>			<b>(66,423,113)</b>		<b>(30,866,544)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>					
Capital Grants Received	10	-		41,107,430	
Proceeds from Borrowings		-		-	
Repayment of Borrowings		-		-	
<b>Net Cash Flow from Financing Activities</b>			<b>-</b>		<b>41,107,430</b>
<b>Net Cash flow from all Activities</b>			<b>(9,026,908)</b>		<b>3,978,285</b>
<b>Net Movement in Current Assets / Liabilities</b>					
Net Movement in Receivables			5,091,785		(1,187,869)
Net Movement in Payables			(1,000,000)		1,088,565
			4,091,785		(99,304)
<b>Cash &amp; Its Equivalent as at 1st January</b>			<b>4,025,420</b>		<b>146,439</b>
<b>Cash &amp; Its Equivalent as at 31st December</b>			<b>(909,704)</b>		<b>4,025,420</b>
<b>Cash &amp; its Equivalent as at 31/12 2019</b>					
Cash Balances			2,073		-
Bank Balances			(911,777)		4,025,420
			<b>(909,704)</b>		<b>4,025,420</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	2019 N	2018 N
<b>1 STATUTORY ALLOCATION</b>		
Council and staff salaries	1,655,540,949	483,616,900
Other grants	-	-
	<u><u>1,655,540,949</u></u>	<u><u>483,616,900</u></u>
<b>2 OTHER REVENUE</b>		
Internally Generated Revenue	1,914,170	3,678,003
Miscellaneous	-	-
Interest Payment and Dividends	681,461	-
10% Share of State Internal Revenue	303,798	720,730
Sale of shares	-	-
	<u><u>2,899,429</u></u>	<u><u>4,398,733</u></u>
<b>3 PERSONNEL COST</b>		
Salaries & Wages	581,224,677	344,936,803
LEA Salaries	450,369,463	-
Pension & gratuity	121,431,810	-
Allowances	27,689,200	-
	<u><u>1,180,715,150</u></u>	<u><u>344,936,803</u></u>
<b>4 OVERHEAD COST ALLOWANCES AND SOCIAL CONTRIBUTION</b>		
Security allowance	14,408,500	-
Sallah Gift Allowance	5,955,000	1,270,000
NYSC Allowance	-	-
Honourarium & sitting allowance	7,275,000	2,790,000
Medical Expenses –Local	-	-
Immunization	1,811,350	-
Welfare packages	6,034,750	9,027,000
Disturbance allowance	630,000	1,192,231
	<u><u>36,114,600</u></u>	<u><u>14,279,231</u></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	<b>2019</b>	<b>2018</b>
	<b>N</b>	<b>N</b>
<b><i>TRAVEL &amp; TRANSPORT</i></b>		
Local travel & transport: Others	17,611,632	19,857,381
Local travel & transport: Training	2,424,600	2,272,000
International travel & transport: Training	-	-
International travel & transport	-	-
	<u><b>20,036,232</b></u>	<u><b>22,129,381</b></u>
<b><i>MATERIALS AND SUPPLIES</i></b>		
Books	1,805,000	-
Office stationeries/computer consumables	4,824,800	2,414,400
Printing of non-security document	738,750	600,000
Production of calendar	333,750	-
Production of curriculum	27,495,000	-
Purchase of customised bags	3,251,625	-
Relief materials	503,920	-
Purchase of agro chemicals	48,000,000	-
Burial Materials	7,588,136	-
Field materials services	-	288,115
Drugs & medical supplies	9,616,000	1,900,000
	<u><b>104,156,981</b></u>	<u><b>5,202,515</b></u>
<b><i>MISCELLANEOUS EXPENSES</i></b>		
Security vote	11,750,000	17,796,756
Refreshment & Meals	9,922,610	940,000
Financial Assistance	3,329,769	7,251,529
Electricity bills	200,500	980,000
Bank charges	22,027	14,291
10% Admin charges	11,994,751	-
15% Comm dividend	1,986,277	-
Uniform & Protective Clothing	-	750,000
Workshop	2,400,000	-
Mandatory payments	113,348,488	-
Sewage charges	25,000	-
Hospitality & entertainment	-	14,480,904
Internet charges	-	-
Office rent	-	2,679,000
Residential rent	-	-
Budget activities	250,000	-
2019 Hajj	17,000,770	-
Grant to community	79,084,144	6,510,000
Water rate	-	-
Vehicle hire	-	2,000,000
Publicity and advertisement	740,000	-
Medical expenses	398,000	545,000
NYSC Allowance	-	9,450,000
Local training	-	638,000
Other Dues	-	2,880,190
SPECIAL DAYS/CELEBRATIONS	250,000	-
Quranic Recitation	-	-
	<u><b>252,702,337</b></u>	<u><b>66,915,670</b></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	2019 N	2018 N
<b>MAINTENANCE SERVICES</b>		
Maintenance of generator	8,000	683,000
Other maintenance	1,729,650	3,462,500
Maintenance of office furniture	-	138,945
Other transport equipment fuel cost	-	-
Minor road maintenance	110,000	-
Renovation of market	-	980,000
Purchase of Motorcycle	-	4,038,000
Land Compensation	-	2,345,000
Maintenance of Residential Building	765,000	5,920,581
Maintenance of minor Roads	-	-
Maintenance of motor vehicles	1,116,080	3,061,100
Maintenance of office equipment	-	250,000
Maintenance of of office building	1,213,000	16,922,508
Motor vehicle fuel cost	820,000	2,188,000
Plant fuel cost	256,144	205,000
	<u>6,017,874</u>	<u>40,194,634</u>
<b>CONSULTING &amp; PROFESSIONAL SERVICES</b>		
Legal services	100,000	300,000
Surveying	-	120,000
Audit fees	931,000	-
Information technology consulting	20,000	-
Financial Consulting	250,000	-
Engineering service	-	200,000
	<u>1,301,000</u>	<u>620,000</u>
<b>Total Overhead</b>	<u>420,329,023</u>	<u>149,341,431</u>
<b>5 CASH &amp; CASH EQUIVALENT</b>		
First Bank	-	-
Fidelity	-	-
Bank Balance	(911,777)	4,025,419.7
Cash	2,073	-
	<u>(909,704)</u>	<u>4,025,420</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	2019 N	2018 N
<b>6 PREPAYMENTS/RECEIVABLES</b>		
Advances	<u>-</u>	<u>5,091,785</u>
<b>7 INVESTMENTS</b>	<u>10,260,201</u>	<u>10,260,201</u>
<b>8 CAPITAL EXPENDITURE</b>		
Balance b/f	30,866,544	
Construction of building	-	14,737,744
construction of culvert	1,500,000	-
CONSTRUCTION / PROVISION OF AGRICULTURAL	23,000,000	-
CONSTRUCTION / PROVISION OF HOSPITALS / H	25,000,000	-
Rehabilitation/repairs -electricity	4,953,750	-
PURCHASE / ACQUISITION OF LAND	250,000	-
PURCHASE OF COMPUTER PRINTERS	500,000	-
PURCHASE OF SECURITY EQUIPMENT	129,000	-
PURCHASE OF POWER GENERATING SET	90,000	-
Motor vehicle	2,272,170	-
Max Air	2,850,000	-
Purchase of canoes	500,000	-
Joint project	5,248,193	-
Furniture	130,000	-
Construction of Water facilities	-	1,167,800
Construction of Drainage	-	3,697,000
Rehabilitation of Sporting facility	-	3,000,000
Purchase of Generator	-	7,670,000
Purchase of office Furniture	-	120,000
Rehabilitation of hand pump	-	474,000
	<u>97,289,657</u>	<u>30,866,544</u>
<b>9 DEPOSITS</b>	<u>7,833,828</u>	<u>8,833,828</u>
<b>10 CAPITAL GRANT</b>		
Paris Club refund	<u>41,107,430</u>	<u>41,107,430</u>
<b>11 RESERVES</b>		
Brought Forward	302,692	6,565,293
Operating Balance for the Year	<u>57,396,205</u>	<u>(6,262,601)</u>
	<u>57,698,896</u>	<u>302,691.52</u>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019  
APPENDIX 1**

**SCHEDULES OF INVESTMENT**

<b>S/N</b>	<b>COMPANY</b>	<b>₦</b>
1	Arewa Ceramics Ltd.	500,000
2	Urban Development Bank	500,000
3	Yankari Savings & Loan	1,343,817
4	Ashaka Cement Plc	99,375
5	Jaiz International Plc.	4,402,400
6	Access Bank Plc.	1,068,571
7	Bauchi Printing and Publishing Company	200,000
8	Zaranda Hotel Bauchi	62,000
9	Kaduna Textiles	245,000
10	Daar Communication Plc.	400,000
11	Misau Basic Ternarry	560,000
12	Yankari Spring water	141,617
13	Bauchi State Investment and Prop. Dev. Co.	93,250
14	Manto Processing Company Ltd.	57,609
15	Galambi Ranching Co. Ltd.	79,500
16	FBN Plc.	164,062
17	UBA Plc.	231,750
18	UBN Plc.	100,000
19	Zenith Bank	11,250
		<u><u>10,260,201</u></u>

NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019  
 APPENDIX 2

SCHEDULES OF DEPOSIT

S/N	PARTICULARS	AMOUNT
1	PAYE Deductions	478,355
2	Contract deductions	(4,333,589)
3	Development Levy	128,920
4	Withholdind Tax	537,011
5	NULGE Monthly Contribution	920,926
6	NANNM Monthly Contribution	76,935
7	Sundry Contractors	(476,728)
8	MHWU Monthly Contibutions	2,250,214
9	Federal Inland Revenue Service	1,367,863
10	Welfare Scheme	1,375,378
11	Union Bank farming Loan	1,127,464
12	Contibution to ANPP Secretariate	52,178
13	First Bank MHWUWUN	18,749
14	National Housing Fund	3,221,586
15	B.S. Multi-Project	212,885
16	Sulhat Standard	675,680
17	MAVAN I Global Ltd	200,000
	<b>Total</b>	<b><u>7,833,828</u></b>

## NINGI LOCAL GOVERNMENT COUNCIL

### FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019

#### CORPORATE INFORMATION

1. CARE-TAKER CHAIRMAN

Alh Saleh Abdu Nasaru

2. HEAD OF ADMINISTRATION

Alh. Ado Adama

3. TREASURER

Alh. Abdulmutalab Abba Mahmud

4. BANKS

First Bank Plc

Fidelity Bank Plc

UBA Plc

5. AUDITORS

Messrs Lawyer Ejeheri & Co.,

(Chartered Accounts),

Plot 12725, Liberty Boulevard, P. O. Box 5548,

Jos, Nigeria, Tel. 080340667

## MANAGEMENT

The Management is responsible for maintenance of proper books of account and for the preparation of the Financial Statements of the Council. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements whether due to fraud or errors, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstance.

## AUDITORS' RESPONSIBILITY

Our responsibility is to express an independent opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standard on Auditing. Those Standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatements.

## BASIS OF OPINION

We conducted the audit in accordance with the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda for Local Governments.

An audit includes examination, on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgment made by the *Management* in the preparation of the financial statements and of whether the accounting policies appropriate and are consistently applied by the Council.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement whether caused by fraud or other irregularities or errors. In forming our opinion, we also evaluated the overall adequacy or otherwise of the presentation of information in the

financial statements. The financial statements are in agreement with the books of accounts which have been properly kept.

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Council as at 31<sup>st</sup> December, 2019 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.

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**J. L. Ejeheri, FCA, FRC/2014/ICAN/00000010249**  
*(Chartered Accountants)*  
*Jos, Nigeria.*

**STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2019**

		2019		2018	
	NOTES	N	N	N	N
<b>CURRENT ASSETS</b>					
Cash & Cash Equivalent	1	10,896,777		17,026,731	
Receivables	2	<u>30,934,693</u>		<u>23,513,932</u>	
<b>Total Current Assets - A</b>			41,831,470		40,540,663
<b>NON-CURRENT ASSETS</b>					
Investments	3	45,158,900		3,630,641	
Property, Plant & Equipment	4	<u>65,709,775</u>		<u>55,363,436</u>	
<b>Total Non-Current Assets - B</b>			<u>110,868,675</u>		<u>58,994,077</u>
<b>Total Assets C = A + B</b>			<u>152,700,145</u>		<u>99,534,740</u>
<b>CURRENT LIABILITIES</b>					
Deposits	5	26,047,979		10,252,482	
Payables		<u>-</u>		<u>-</u>	
<b>Total Current liabilities - D</b>			26,047,979		10,252,482
<b>NON-CURRENT LIABILITIES</b>					
Public Fund	6	-		-	
Long Term Borrowings		<u>-</u>		<u>-</u>	
<b>Total Non-Current liabilities - E</b>			<u>-</u>		<u>-</u>
<b>Total liabilities F = D + E</b>			<u>26,047,979</u>		<u>10,252,482</u>
<b>Net Assets G = C - F</b>			<b><u>126,652,166</u></b>		<b><u>89,282,258</u></b>
<b>NET ASSETS/EQUITY</b>					
Capital Grants	7	60,333,058		60,333,058	
Reserves	8	<u>66,319,108</u>		<u>28,949,200</u>	
			126,652,166		89,282,258
) CHAIRMAN					
)					
)					
) TREASURER					
<b>Total Net Assets/Equity H = G</b>			<b><u>126,652,166</u></b>		<b><u>89,282,258</u></b>

The Notes on pages 8 to 11 form an integral part of these Accounts

<b>SUMMARISED STATEMENT OF COMPREHENSIVE INCOME FOR THE</b>						
<b>YEAR ENDED 31ST DECEMBER, 2019</b>						
			{	<u>2019</u>	}	<u>2018</u>
	NOTES	<u>ACTUAL</u>		<u>BUDGET</u>	<u>VARIANCE</u>	<u>ACTUAL</u>
<u>REVENUE</u>		N		N	N	N
Statutory Allocation	9	1,467,411,208		3,332,868,201	(1,865,456,993)	687,449,443
Aid Grants		-		-	-	-
Other Revenue	10	125,558,579		135,437,264	(9,878,685)	2,737,034
<b><i>Total Revenue (A)</i></b>		<u>1,592,969,787</u>		<u>3,468,305,465</u>	<u>(1,875,335,678)</u>	<u>690,186,477</u>
<b><u>LESS: EXPENDITURE</u></b>						
Salaries	11	1,272,526,322		1,070,477,988	(202,048,334)	460,483,289
Social Benefits		-		-	-	-
Overhead Cost	12	283,073,557		1,345,637,881	1,062,564,324	209,313,046
Grants Contributions		-		-	-	-
<b><i>Total Expenditure (B)</i></b>		<u>1,555,599,879</u>		<u>2,416,115,869</u>	<u>860,515,990</u>	<u>669,796,335</u>
<b><i>Surplus from Operating</i></b>						
<b><i>Activities (A -B)</i></b>		<b><u>37,369,908</u></b>		<b><u>1,052,189,596</u></b>	<b>#####</b>	<b><u>20,390,142</u></b>
The Notes on pages 8 to 11 form an integral part of these Accounts						

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

	<b>2019</b>		<b>2018</b>	
CASH FLOW FROM OPERATING ACTIVITIES	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>
<b>Surplus from Operating Activities</b>		37,369,908		20,390,142
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase/Construction of PPE	(10,346,339)		(55,363,436)	
Acquisition of Investments	(41,528,259)		-	
<b>Net Cash from Investing Activities</b>		(51,874,598)		(55,363,436)
CASH FLOW FROM FINANCIAL ACTIVITIES				
Capital Grants Received	-		60,333,058	
<b>Net Cash Flow from Financing Activities</b>		-		60,333,058
<b>Net Cash Flow from all Activities</b>		(14,504,690)		25,359,764
		-----		-----
NET MOVEMENT IN CURRENT ASSETS/LIABILITIES				
Net Movement in Receivables		(7,420,761)		(11,989,441)
Net Movement in Deposits		15,795,497		2,667,243
		8,374,736		(9,322,197)
		-----		-----
<b>Net Cash Flow from Operating Activities</b>		(6,129,954)		16,037,566
Cash & Its Equivalent as at - 1/1/2019		17,026,731		989,165
Cash & Its Equivalent as at - 31/12/2019		<b><u>10,896,777</u></b>		<b><u>17,026,731</u></b>
<b>Cash &amp; Its Equivalent as at - 31/12/2019</b>				
Cash Balances		-		61,694
Bank Balances		10,896,777		16,965,037
		<b><u>10,896,777</u></b>		<b><u>17,026,731</u></b>

The Notes on pages 8 to 11 form an integral part of these Accounts



**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>	<b>APPENDIX</b>	<b>2019</b>		<b>2018</b>
		<b>N</b>		<b>N</b>
<b>1 CASH &amp; CASH EQUIVALENT</b>				
Fidelity Bank - 5030054725		9,942,578		-
first Bank - 2021151127		510,577		-
United Bank for Africa - 1000064681		443,622		-
Cash		-		61,694
Bank Balance (Bank (s) 2018 not specified)		-		<u>16,965,037</u>
		<u>10,896,777</u>		<u>17,026,731</u>
<b>2 RECEIVABLES</b>				
Advances	1	<u>30,934,693</u>		<u>23,513,932</u>
<b>3 INVESTMENTS</b>				
Investments	2	<u>45,158,900</u>		<u>3,630,641</u>
			As at	As at
<b>4 CAPITAL EXPENDITURE</b>		<u>1/1/2019</u>	<u>Additions</u>	<u>31/12/2019</u>
<b>Property, Plant &amp; Equipment</b>		<b>N</b>	<b>N</b>	<b>N</b>
Construction/Provision of Hospital/Health Cer		3,844,250	300,000	4,144,250
Rehabilitation/Repairs of Residential Building		445,282	-	445,282
Construction/Provision of Infrastructure		849,250	2,486,339	3,335,589
Rehabilitation of Feeder Roads		510,000	431,000	941,000
Rehabilitation/Repairs of Market/Parks		10,888,513	-	10,888,513
Construction/Provision of Water Facilities		7,679,350	1,118,000	8,797,350
Rehabilitation/Repairs - Water way		3,169,915	-	3,169,915
Rehabilitation/Repairs of Electricity		8,916,480	646,000	9,562,480
Rehabilitation of hand pump boreholes		-	1,970,000	1,970,000
Construction/Provision of Public School Centr		7,892,988	-	7,892,988
Purchase of Office Furniture		-	1,245,000	1,245,000
Land Compensation		1,900,000	-	1,900,000
Construction of Culvert		-	900,000	900,000
Purchase of Generator		-	350,000	350,000
Construction of Drainage		980,600	900,000	1,880,600
Construction/Provision of Cemeteries		<u>8,286,808</u>	-	<u>8,286,808</u>
<b>Grand Total</b>		<b><u>55,363,436</u></b>	<b>#####</b>	<b><u>65,709,775</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>	<b>APPENDIX</b>	<b>2019 N</b>	<b>2018 N</b>	
5	<u>DEPOSITS</u>	3	<b><u>26,047,979</u></b>	<b><u>10,252,482</u></b>
6	<u>PUBLIC FUND</u>		-	-
7	<u>CAPITAL GRANT (PARIS CLUB REFUND)</u>		<b><u>60,333,058</u></b>	<b><u>60,333,058</u></b>
8	<u>RESERVES</u>			
	Brought Forward		28,949,200	8,559,058
	Operating Balance for the Year		<u>37,369,908</u>	<u>20,390,142</u>
			<b><u>66,319,108</u></b>	<b><u>28,949,200</u></b>
9	<u>STATUTORY ALLOCATION</u>			
	Council and Staff Salaries		1,467,411,208	687,449,443
	Other Grants		-	-
			<b><u>1,467,411,208</u></b>	<b><u>687,449,443</u></b>
10	<u>OTHER REVENUE</u>			
	Internally Generated Revenue		<b><u>125,558,579</u></b>	<b><u>2,737,034</u></b>
11	<u>PERSONNEL COST</u>			
	Salaries and Wages		1,239,088,622	447,187,289
	Allowances		<u>33,437,700</u>	<u>13,296,000</u>
			<b><u>1,272,526,322</u></b>	<b><u>460,483,289</u></b>
12	<u>OVERHEAD COST</u>			
12.1	<u>ALLOWANCES &amp; SOCIAL CONTRIBUTION</u>			
	Security Allowance		-	5,972,980
	Honourarium & Sitting Allowance		290,000	4,148,536
	Welfare Package		5,934,050	6,021,000
	Immunization Supervision Allowance		-	1,750,000
	Grants to Communities/NGO		-	3,173,764
	Disturbance Allowance		<u>300,000</u>	-
	<b>Sub Total</b>		<b><u>6,524,050</u></b>	<b><u>21,066,280</u></b>
12.2	<u>TRAVEL &amp; TRANSPORT</u>			
	Local Travel & Transport: Others		36,606,000	11,090,470
	Local Travel & Transport: Training		3,150,500	-
	International Travel & Transport		<u>680,000</u>	-
	<b>Sub Total</b>		<b><u>40,436,500</u></b>	<b><u>11,090,470</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>		<b>2019</b>	<b>2018</b>
		<b>N</b>	<b>N</b>
12.3	<b><u>MATERIALS AND SUPPLIES</u></b>		
	Supply of Books/Bags	31,150,000	-
	Purchase of Seedlings	13,100,000	-
	Supply of Relief Materials	32,662,000	56,530,000
	Teaching Aid/Instructural Materials	-	1,100,000
	Office Stationeries/Computer Consumables	-	1,893,850
	Drugs & Medical Supplies	68,899,200	18,410,000
	Printing of Non-Security Document	2,126,000	2,254,000
	Agric. Chemical and Inputs	<u>1,712,000</u>	<u>20,730,000</u>
	<b><i>Sub Total</i></b>	<b><u>149,649,200</u></b>	<b><u>100,917,850</u></b>
12.4	<b><u>MISCELLANEOUS EXPENSES</u></b>		
	Security Vote	9,000,000	12,140,000
	Refreshment and Meals	20,233,500	5,254,200
	Financial Assistance	6,661,500	3,387,000
	Magazines and Periodicals	-	3,510,000
	Residential Rent	-	15,053,750
	Publicity and Advertisement	560,000	730,000
	Sporting Activities	-	1,630,000
	Security Services	12,565,000	12,397,200
	Special Days Celebration and Prayer	-	7,980,000
	NATA and Fuelling	9,897,250	-
	Electricity Bills	-	500,000
	Uniforms and Other Clothing	2,360,000	-
	Bank Charges	9,099	81,389
	Medical Expenses	198,000	81,000
	Cleaning and Fumigation	500,000	50,000
	Telephone	-	1,493,000
	Sallah Gifts	8,730,000	-
	Stationery and Office Consumables	<u>150,000</u>	<u>-</u>
	<b><i>Sub Total</i></b>	<b><u>70,864,349</u></b>	<b><u>64,287,539</u></b>
12.5	<b><u>MAINTENANCE SERVICES</u></b>		
	Maintenance of Generator	50,000	-
	Other Maintenance	11,869,980	3,543,900
	Maintenance of Motor Vehicles	1,050,000	1,220,000
	Minor Road Maintenance	1,873,000	2,899,700
	Maintenance of Office Building	-	875,000
	Maintenance of Office Furniture	150,000	1,095,000
	Maintenance of Market/Public Places	-	1,545,307
	Motor Vehicles Fuel Cost	<u>-</u>	<u>727,000</u>
	<b><i>Sub Total</i></b>	<b><u>14,992,980</u></b>	<b><u>11,905,907</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>		<b>2019</b>	<b>2018</b>
12.6	<b>CONSULTING AND PROFESSIONAL SERVICES</b>	<b>N</b>	<b>N</b>
	Legal Services	200,000	-
	Stock Broker	406,478	-
	Information Technology Consulting	-	45,000
	<b>Sub Total</b>	<b>606,478</b>	<b>45,000</b>
	<b>Grand Total Overhead</b>	<b>283,073,557</b>	<b>209,313,046</b>
<b>APPENDIX 1</b>			
S/N	<b>SCHEDULES OF ADVANCES</b>		
1	Khadija Musa	91,268	1,503,508
2	Lawal Garba	-	322,200
3	Danladi Umar	-	313,500
4	Usman Saleh	5,855,000	-
5	Abubakar Aliyu	5,088,545	423,635
6	Usman Sule	6,815,000	-
7	Mato Dan Azumi	-	50,000
8	Salisu Shuaibu	-	140,000
9	Sundry Persons	1,120,000	5,326,791
10	Musa Adamu Lawan	1,300,000	50,000
11	Ali Saleh	1,318,200	-
12	Bala Aadmu Gwada	6,361,680	15,384,299
13	Abubakar Aliyu	2,985,000	-
		<b>30,934,693</b>	<b>23,513,932</b>
<b>APPENDIX 2</b>			
<b>SCHEDULES OF INVESTMENT</b>		<b>2019</b>	<b>2018</b>
S/N	<b>NAME OF COMPANY</b>	<b>N</b>	<b>N</b>
1	Ashaka Cement Nig Limited	50,000	187,500
2	Inland Bank Nigeria Plc	21,860,000	1,687,500
3	Bauchi Publishing Printing Co. Limited	200,000	200,000
4	Urban Development Bank Plc	500,000	500,000
5	Galambi Randing Co. Plc	-	100,000
6	Yankari Savings and Loans	1,186,045	150,000
7	Arewa Ceramics Misau	-	350,000
8	Zaranda Hotel Bauchi	-	103,500
9	F.S.B. Int Bank Plc	266,736	107,141
10	Kaduna Ttextile Mills Limited	-	245,000
11	Intercellular Nigeria Plc	11,999,996	-
	<b>Balance Carried Forward</b>	<b>36,062,777</b>	<b>3,630,641</b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b><u>APPENDIX 2: CONT'D</u></b>		<b><u>2019</u></b>	<b><u>2018</u></b>
<b><u>SCHEDULES OF INVESTMENTS</u></b>		<b><u>N</u></b>	<b><u>N</u></b>
	<b><i>Balance Brought Forward</i></b>	36,062,777	3,630,641
12	Access Bank Nig Plc	1,885,714	-
13	Fidelity Bank Plc	163,687	-
14	Jaiz International Plc	6,329,900	-
15	Niger Delta Power Holding Co. Limited	<u>716,822</u>	-
	<b>Grand Total</b>	<b><u>45,158,900</u></b>	<b><u>3,630,641</u></b>
<b><u>APPENDIX 3</u></b>		<b><u>2019</u></b>	<b><u>2018</u></b>
<b><u>SCHEDULES OF DEPOSITS</u></b>		<b><u>N</u></b>	<b><u>N</u></b>
S/N	<b><u>PARTICULARS</u></b>		
1	Bauchi State Government (PAYE)	14,399,867	1,199,989
2	Nulge Union Dues	1,522,071	126,839
3	M.H.W.U.N Union Dues	1,966,071	163,632
4	5% Tax on Contracts	3,670,960	2,552,460
5	15% Tax on R/House	821,125	580,035
6	N.A.M.N.M Union Dues	31,415	31,414
7	FIRS	3,484,835	2,779,235
8	Hajj Operation	46,977	46,977
9	The Chairman Nulge Agric Loan	67,311	67,311
11	Abba Ibrahim Motor Cycle	24,865	24,865
12	Ibrahim Danladi Motor Cycle	7,482	7,482
13	Yakubu Musa	<u>5,000</u>	<u>5,000</u>
	<b>Grand Total</b>	<b><u>26,047,979</u></b>	<b><u>7,585,239</u></b>

**SHIRA LOCAL GOVERNMENT COUNCIL**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

**CORPORATE INFORMATION**

**CHAIRMAN**

AHMED ABDULHAMID BELI

**HEAD OF ADMINISTRATION**

HUSSAINI I ABBAS

**TREASURER**

BALA IDRIS USMAN

**AUDITORS**

ABDULKADEER MAHMOUD & CO.  
(CHARTERED ACCOUNTANTS)

**BANKERS**

FCMB PLC

FIRST BANK LTD

FUDELITY BANK PLC

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**CORPORATE INFORMATION**

**CHAIRMAN**

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(CHARTERED ACCOUNTANTS)

**BANKERS**

FCMB PLC  
FIRST BANK LTD  
FUDELITY BANK PLC

## **AUDITORS REPORT**

### **REPORT OF THE AUDITORS ON THE ACCOUNTS OF SHIRA LOCAL GOVERNMENT COUNCIL**

We have audited the Financial Statements of SHIRA LOCAL GOVERNMENT COUNCIL for the year ended 31stDecember, 2019 set out on pages 7-10, which have been prepared on the basis of significant accounting policies on page 6 and other explanatory notes on pages 11-12.

#### **RESPONSIBILITY OF THE MANAGEMENT**

The Management is responsible for maintenance of proper books of account and for the preparation of the Financial Statements of the Council. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements whether due to fraud or errors, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstance.

#### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an independent opinion on the financial statements based on our audit .We conducted our audit in accordance with International Standard on Auditing. Those Standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatements.



## **BASIS OF OPINION**

We conducted the audit in accordance with the International Public Sector Accounting Standards and the Financial Memoranda for Local Governments.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgment made by the Management in the preparation of the accounts and of whether the accounting policies appropriate and are consistently applied by the Council.

We planned and performed the audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatements either caused by fraud other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of the financial statements. The financial statements are in agreement with the books of accounts which have been properly kept.

## **BASIS OF QUALIFIED OPINION**

The Council did not reconcile the Bank Statement with Cash book during the year hence there is difference between the Bank balance and Cash book balance.

## **OPINION**

In our opinion, Except for effects of the issues described in the basis of qualified opinion paragraph, the Financial Statements give a true and fair view of the financial position of the Council as at 31 December 2019 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public sector Accounting Standards Board.

**ABDULKADEER MAHMOUD & CO.  
(CHARTERED ACCOUNTANTS)**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**SIGNIFICANT ACCOUNTING POLICIES**

**1. BASIS OF PREPARATION:**

The Financial Statements have been prepared under the historical cost convention and in accordance with IPSAS and other applicable standards.

**2. ACCOUNTING PERIOD**

The Financial Statements is for the accounting period from 1 January 2019 to 31 December 2019.

**3. REPORTING CURRENCY**

The Financial Statements is prepared in Nigerian Naira and is rounded up to the nearest naira.

**4. CASH AND CASH EQUIVALENT**

Cash and cash equivalent represents cash balance on hand, held in bank accounts.

**5. ACCOUNTS RECEIVABLES**

Receivables from exchange transactions consist of staff advances and are recognized as the outstanding balance in the individual advances ledgers. Provision for impairment of receivable is not made as it is expected that all outstanding advances will be retired.

**6. PREPAYMENTS**

Prepayments are expenses paid in advance for service to be rendered. Prepaid expenses for which the full benefits will be derived in the future accounting periods are classified under current assets in the Statement of Financial Position.

**7. INVENTORY**

The Local Government does not have any amount to be reported under inventory.

**8. PROPERTY PLANT & EQUIPMENT (PPE)**

These are assets acquired or constructed and are held for use by the council from which benefits are derivable beyond a financial year.

**9. DEPOSITS**

Deposits are various deductions made by the Council but were not remitted to the appropriate Government Agencies

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	NOTES	2019 N	2019 N	2018 N	2018 N
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash & Cash Equivalents	6	(67,476,187)		914,316	
Receivables		-		-	
Prepayments	7	-		1,221,265	
Inventories		-		-	
<b>Total Current Assets A</b>			(67,476,187)		2,135,581
<b>Non-Current Assets</b>					
Long Term Loans		-		-	
Investments	8	20,538,355		20,538,355	
Provision of Infrastructure	5	49,221,441		27,840,725	
Investment Property		-		-	
Intangible Assets		-		-	
<b>Total Non Current Assets B</b>			69,759,796		48,379,080
<b>Total Assets C=A+B</b>			<b><u>2,283,609</u></b>		<b><u>50,514,660</u></b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Deposits	9	3,028,104		5,385,375	
Short Term Loan & DebtS		-		-	
Payables		-		-	
<b>Total Current Liabilities D</b>			3,028,104		5,385,375
<b>Non Current Liabilities</b>					
Public Funds		-		-	
Long Term Provisions		-		-	
Long Term Borrowings		-		-	
<b>Total Non Current Liabilities E</b>			-		-
<b>Total Liabilities F=D+E</b>			<u>3,028,104</u>		<u>5,385,375</u>
<b>Net Assets G=C-F</b>			<b><u>(744,495)</u></b>		<b><u>45,129,285</u></b>
<b>NET ASSETS/EQUITY</b>					
Capital Grants	10	40,585,202		40,585,202	
Reserves		-		-	
Accumulated Surplus/(Deficit)	11	(41,329,698)		4,544,083	
<b>Total Net Assets/Equity H=G</b>			<b><u>(744,496)</u></b>		<b><u>45,129,285</u></b>

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**STATEMENTS OF FINANCIAL PERFORMANCE**

2018		NOTES	2019		VARIANCE
ACTUAL			ACTUAL	BUDGET	
N			N	N	N
<b>REVENUE</b>					
411,885,157	Govt Share of FAAC	1	1,262,083,682	2,392,022,184	(1,129,938,502)
2,605,854	Other Revenue	2	2,846,868	38,747,000	(35,900,132)
-	Transfer from other Govt Entities		-	-	-
<b>414,491,011</b>	<b>TOTAL REVENUE (a)</b>		<b>1,264,930,549</b>	<b>2,430,769,184</b>	<b>(1,165,838,635)</b>
<b>EXPENDITURE</b>					
356,285,310	Salaries	3	902,527,658	705,966,781	(196,560,877)
	Social Benefits			-	-
72,233,970	Overhead Cost	4	415,075,337	1,177,972,636	762,897,299
-	Bad debt Charges		-	-	-
-	Public Debt charges		-	-	-
-	Transfer to Other Govt Entities		-	-	-
<b>428,519,279</b>	<b>TOTAL EXPENDITURE(b)</b>		<b>1,317,602,995</b>	<b>1,883,939,417</b>	<b>566,336,422</b>
	Surplus/(Deficit) from operating Activities for the period C=(a-b)		(52,672,446)	546,829,767	599,502,213
	- Gain/Loss on Disposal		-	-	-
	- Gain/Loss on Foreign Exchange Transaction		-	-	-
	- Share of Surplus/(Deficit) In Assoc. & Joint Venture		-	-	-
	- <b>Total Non Operating Revenue or (Expenses)(d)</b>		-	-	-
(14,028,268)	Surplus/(Deficit)from Ordinary Activities e=(c+d)		(52,672,446)	546,829,767	599,502,213
	- Minority Interest Share of Surplus/(Deficit) (f)		-	-	-
<b>(14,028,268)</b>	<b>Net Surplus/(Deficit) for the period g=(e-f)</b>		<b>(52,672,446)</b>	<b>546,829,767</b>	<b>599,502,213</b>

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**STATEMENT OF CHANGES IN EQUITY**

	Accumulated Fund =N=	Revaluation Reserve =N=	TOTAL =N=
Balance as at 31 December 2018	4,544,083	-	4,544,083
Surplus /(Deficit) on revaluation	-	-	-
Prior Year Adjustments	6,798,665	-	-
Surplus /(Deficit)	<u>(52,672,446)</u>	<u>-</u>	<u>(52,672,446)</u>
	<u><b>(41,329,698)</b></u>	<u><b>-</b></u>	<u><b>(41,329,698)</b></u>
		-	-
Balance as at 31 December 2019	<u><b>(41,329,698)</b></u>	<u><b>-</b></u>	<u><b>(41,329,698)</b></u>

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

**CONSOLIDATED STATEMENT OF CASH FLOW**

Description	Notes	2019		2018	
		N	N	N	N
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>					
<i>Inflows</i>					
Government Share of FAAC		1,262,083,682		411,885,157	
Other Revenue		2,846,868		2,605,854	
Transfer from other Govt Entities		-		-	
<b>Total inflow from Operating Activities (A)</b>		<u>1,264,930,549</u>		<u>414,491,011</u>	
<i>Outflows</i>					
Salaries & Wages		(902,527,658)		(356,285,310)	
Social Benefits		-		-	
Overhead Cost		(415,075,337)		(72,233,970)	
Finance Cost		-		-	
<b>Total outflow from operating Activities (B)</b>		<u>(1,317,602,995)</u>		<u>(428,519,279)</u>	
<b>Net Cash Inflow/(Outflow) from Operating Activities C=(A+B)</b>			(52,672,446)		(14,028,268)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
Purchase/Construction of PPE		(21,380,716)		-	
Purchase/Construction of Investment Property		-		(27,840,725)	
Acquisition of investments		-		-	
<b>Net Cash from Investing Activities</b>			<b>(21,380,716)</b>		<b>(27,840,725)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>					
Capital Grant					
<b>Net Cash Flow from Financing Activities</b>					<b>40,585,202</b>
<b>Net Cash flow from all Activities</b>			<b>(74,053,162)</b>		<b>(1,283,790)</b>
<b>Net Movement in Current Assets / Liabilities</b>					
Prior year adjustment			6,798,665		
Net Movement in Receivables			1,221,265		23,953.09
Net Movement in Payables			(2,357,271)		<u>969,092.84</u>
			<u>5,662,659</u>		<u>993,046</u>
<b>Cash &amp; Its Equivalent as at 1st January</b>			<u>914,316</u>		<u>1,205,060</u>
<b>Cash &amp; Its Equivalent as at 31st December</b>			<u><b>(67,476,187)</b></u>		<u><b>914,316</b></u>
<b>Cash &amp; its Equivalent as at 31/12 2019</b>					
Cash Balances			-		-
Bank Balances			(67,476,187)		<u>914,316</u>
			<u><b>(67,476,187)</b></u>		<u><b>914,316</b></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	<b>2019</b>	<b>2018</b>
	<b>N</b>	<b>N</b>
<b>NOTE 1 STATUTORY ALLOCATION</b>		
Council and staff salaries	<u>1,262,083,682</u>	<u>411,885,157</u>
	<b><u>1,262,083,682</u></b>	<b><u>411,885,157</u></b>
<b>NOTE 2 OTHER REVENUE</b>		
Fines, Fees and Licenses	-	2,195,854
Earnings and Sales	1,701,765	410,000
Share of IGR	1,145,103	
Miscellaneous	-	-
	<u>2,846,868</u>	<u>2,605,854</u>
<b>NOTE 3 PERSONNEL COST</b>		
Salaries & Wages	587,861,158	356,285,310
Pension and gratuity	113,633,451	-
LEA salaries	182,294,448	-
Allowances	<u>18,738,600</u>	<u>-</u>
	<b><u>902,527,658</u></b>	<b><u>356,285,310</u></b>
<b>NOTE 4 OVERHEAD COST</b>		
<b>ALLOWANCES AND SOCIAL CONTRIBUTION</b>		
Security allowance	25,501,000	-
Sallah Gift Allowance		3,900,000
Immunization supervision allowance	2,747,227	-
Honourarium & sitting allowance	10,874,900	-
Vehicle Hire	-	892,000
Pilgrimage/ Hajj	17,176,861	-
Other Dues	-	100,000
Welfare packages	9,565,000	1,437,000
Mandatory payments	138,931,445	-
Grants to communities/NGOs	39,962,870	-
Disturbance allowance	<u>280,596</u>	<u>2,236,706</u>
	<b><u>245,039,899</u></b>	<b><u>8,565,706</u></b>
<b>TRAVEL &amp; TRANSPORT</b>		
Local travel & transport: Others	18,402,011	10,626,546
Local travel & transport: Training	<u>213,500</u>	<u>-</u>
	<b><u>18,615,511</u></b>	<b><u>10,626,546</u></b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	<b>2019</b>	<b>2018</b>
	<b>₦</b>	<b>₦</b>
<i>MATERIALS AND SUPPLIES</i>		
Magazines & periodicals	-	50,000
Purchase of agro-chemicals	19,071,000	-
Teaching aid/instructional materials	33,911,000	-
Office stationeries/computer consumables	1,466,700	70,254
Printing of security document	750,000	-
Printing of non-security document	1,322,500	40,000
Uniforms & other clothing	20,000	-
Field materials services	50,000	33,000
Burial Materials	3,639,208	-
Drugs & medical supplies	-	362,971
	<u><b>60,230,408</b></u>	<u><b>556,225</b></u>
<i>MISCELLANEOUS EXPENSES</i>		
Security vote	13,000,000	8,539,000
Refreshment & Meals	23,139,304	1,551,638
Financial Assistance	4,930,650	6,202,400
Electricity bills	286,000	370,000
Telephone charges	25,500	15,000
Bank charges	2,194,542	232,086
Cleaning fumigation	20,000	-
Budget activities	92,100	-
Hospitality & entertainment	-	1,991,000
Immunization Support	-	1,350,000
Sitting allowance	-	1,721,953
Residential rent	-	290,000
Sporting Activities	-	200,000
Publicity & advertisement	711,250	148,000
Medical expenses	241,497	177,900
Newspapers	-	153,000
Local training	2,600,000	100,000
Postages & courier services	20,000	-
Entertainment	-	7,366,260
	<u><b>47,260,843</b></u>	<u><b>30,408,237</b></u>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	2019 N	2018 N
<b><i>MAINTENANCE SERVICES</i></b>		
Maintenance of Markets/Public Places	200,000	2,853,370
Maintenance of generator	1,248,000	21,900
Other maintenance	6,920,234	1,510,940
maintenance of Furniture	250,000	-
Maintenance of Communication Equipt	-	10,000
Construction/Provision of Electricity	-	4,564,991
Road Maintenance	5,603,720	-
Maintenance of motor vehicles	3,055,870	2,848,000
Maintenance of office equipment	319,500	-
Maintenance of of office building	5,602,220	1,848,577
Maintenance of Residential Building	-	2,959,265
Motor vehicle fuel cost	60,500	3,171,000
Plant fuel cost	939,802	297,509
	<u>24,199,846</u>	<u>20,085,552</u>
<b><i>CONSULTING &amp; PROFESSIONAL SERVICES</i></b>		
Legal services	-	1,861,720
Financial Consulting	18,524,830	-
Audit fees	893,000	-
Information technology consulting	-	-
Medical consulting	311,000	-
Engineering service	-	129,982
	<u>19,728,830</u>	<u>1,991,702</u>
<b>Total Overhead</b>	<u>415,075,337</u>	<u>72,233,970</u>

**NOTE 5 PROVISION OF INFRASTRUCTURES**

<b>Balance b/f</b>	27,840,725	
Renovation of building	-	3,452,120
Construction / provision of health centre	4,182,800	-
Rehabilitation of water facilities	1,668,000	-
Construction / provision of infrastructure	2,889,900	-
Joint project	7,755,000	-
Motor vehicle	1,335,000	-
Max air	2,850,000	-
Rehabilitation of hand pump	700,016	24,388,605
	<u>49,221,441</u>	<u>27,840,725</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	2019 N	2018 N
<b>NOTE 6 CASH &amp; CASH EQUIVALENT</b>		
Bank balance	(67,476,187)	914,316
Cash	-	-
	<u>(67,476,187)</u>	<u>914,316</u>
<b>NOTE 7 PREPAYMENTS</b>		
Advances	-	1,221,265
	<u>-</u>	<u>1,221,265</u>
<b>NOTE 8 INVESTMENTS</b>	<u>20,538,355</u>	<u>20,538,355</u>
<b>NOTE 9 DEPOSITS</b>	<u>3,028,104</u>	<u>5,385,375</u>
<b>NOTE 10 CAPITAL GRANT</b>		
Paris club refund	<u>40,585,202</u>	<u>40,585,202</u>
<b>NOTE 11 RESERVES</b>		
Brought Forward	4,544,083	18,572,351
Prior Year Adjustment	6,798,665	-
Operating Balance for the Year	<u>(52,672,446)</u>	<u>(14,028,268)</u>
	<u>(41,329,698)</u>	<u>4,544,083</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

**APPENDICES**

**APPENDIX 1**

**SCHEDULES OF INVESTMENT**

<b>S/N</b>	<b>NAME OF COMPANY</b>	<b>AMOUNT (N)</b>
1	Sterlin Bank Of Nigeria	526,315
2	Urban Developement Bank	500,000
3	Zaranda Hotel	112,000
4	Access Bank Nig. Plc.	2,057,142
5	Bauchi Publishing & Printing Company	200,000
6	MAL Bank Plc.	5,000,000
7	Jaiz International Plc.	3,265,300
8	Intercellular Nigeria Plc.	1,190,476
9	Inland Bank of Nigeria	3,645,425
10	Kaduna Textile Limited	210,000
11	Arewa Ceramic Misau	350,000
12	Galabi Cattle Ranch	150,000
13	Yankari Savings & Loans	1,477,686
14	Ashaka Cement Company	250,000
	<b>Total</b>	<b><u>18,934,344</u></b>

**APPENDIX 2**

**SCHEDULES OF DEPOSIT**

<b>S/N</b>	<b>PARTICULARS</b>	<b>AMOUNT</b>
1	10% Retention on Contract D/7	1,820,143
2	FIRS WHT D/11	13,050
3	Agric Loan Recovery D/16	11,896
4	Mosque Construction D/34	15,670
5	Contract Deduction D/7	15,600
6	Contract Deduction D/7	1,151,745
	<b>Total</b>	<b><u>3,028,104</u></b>

# TAFAWA-BALEWA LOCAL GOVERNMENT COUNCIL

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019

### **CORPORATE INFORMATION**

1. **CHAIRMAN**

Hon. Daniel Danjuma Mazadu

2. **HEAD OF ADMINISTRATION**

Abdulmutallib Abba Mahmoud

3. **TREASURER**

Abdulkadir B. Isma'il

4. **BANKERS**

Fidelity Bank Plc.  
First Bank Plc  
Intercontinental Bank Plc

5. **AUDITORS**

Messrs Lawyer Ejeheri & Co.,  
(Chartered Accountants),  
Plot 12725, Liberty Boulevard, P. O. Box 5548,  
Jos, Nigeria. Tel. 08034040667.

**REPORT OF THE AUDITORS ON THE ACCOUNTS OF**  
**TAFAWA BALEWA LOCAL GOVERNMENT COUNCIL**

We have audited the Financial Statements of *Tafawa Balewa Local Government Council* for the year ended 31<sup>st</sup> December, 2019 set out on pages 5 – 12, which have been prepared on the basis of accounting policies on page 4.

**RESPECTIVE RESPONSIBILITIES OF THE MANAGEMENT**

The Management is responsible for maintenance of proper books of account and for the preparation of the Financial Statements of the Council. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements whether due to fraud or errors, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstance.

**AUDITORS' RESPONSIBILITY**

Our responsibility is to express an independent opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standard on Auditing. Those Standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatements.

## BASIS OF OPINION

We conducted the audit in accordance with the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda for Local Governments.

An audit includes examination, on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgment made by the *Management* in the preparation of the financial statements and of whether the accounting policies appropriate and are consistently applied by the Council.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement whether caused by fraud or other irregularities or errors. In forming our opinion, we also evaluated the overall adequacy or otherwise of the presentation of information in the financial statements. The financial statements are in agreement with the books of accounts which have been properly kept.

### Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Council as at 31<sup>st</sup> December, 2019 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.

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**J. L. Ejeheri, FCA, FRC/2014/ICAN/00000010249**  
**(Chartered Accountants)**  
**Jos, Nigeria.**

## SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation

The Financial Statements have been prepared under the historical cost convention and in accordance with IPSAS and other applicable standards.

2. ACCOUNTING PERIOD

The Financial Statements is for the accounting period from 01/01/2019 to 31/12/2019.

3. REPORTING CURRENCY

The Financial Statements is prepared in Nigerian Naira and is rounded up to the nearest naira.

4. CASH AND CASH EQUIVALENT

Cash and cash equivalent represents cash balance on hand and held in bank accounts.

5. ACCOUNTS RECEIVABLES

Receivables from exchange transactions consist of staff advances and are recognized as the outstanding balance in the individual advances ledgers. Provision for impairment of receivable is not made as it is expected that all outstanding advances will be retired.

6. PREPAYMENTS

Prepayments are expenses paid in advance for service to be rendered. Prepaid expenses for which the full benefits will be derived in the future accounting period are classified under current assets in the Statement for Financial Position.

7. INVENTORY

The Local Government does not have any amount to be reported under inventory.

8. PROPERTY PLANT AND EQUIPMENT (PPE)

These are assets acquired or constructed and are held for use by the Council from which benefits are derivable beyond a financial year.

9. DEPOSITS

Deposits are various deductions made by the Council but were not remitted to the appropriate Government Agencies.

**STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2019**

		<b>2019</b>		<b>2018</b>	
	<b>NOTE</b>	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>
<b>CURRENT ASSETS</b>					
Cash & Cash Equivalent	1	3,926,527		1,021,153	
Receivables	2	<u>7,901,000</u>		<u>5,410,000</u>	
<b>Total Current Assets - A</b>			11,827,527		6,431,153
<b>NON-CURRENT ASSETS</b>					
Investments	3	21,504,014		21,504,014	
Property, Plant & Equipment	4	<u>219,095,280</u>		<u>108,134,768</u>	
<b>Total Non-Current Assets - B</b>			<u>240,599,294</u>		<u>129,638,782</u>
<b>Total Assets C = A + B</b>			<u>252,426,821</u>		<u>136,069,935</u>
<b>CURRENT LIABILITIES</b>					
Deposits	5	14,858,423		10,357,452	
Payables		<u>-</u>		<u>-</u>	
<b>Total Current liabilities - D</b>			14,858,423		10,357,452
<b>NON-CURRENT LIABILITIES</b>					
Public Fund		-		-	
Long Term Borrowings		<u>-</u>		<u>-</u>	
<b>Total Non-Current liabilities - E</b>			<u>-</u>		<u>-</u>
<b>Total liabilities F = D + E</b>			14,858,423		10,357,452
<b>Net Assets G = C - F</b>			<b><u>237,568,398</u></b>		<b><u>125,712,482</u></b>
<b>NET ASSETS/EQUITY</b>					
Capital Grants	6	41,794,139		41,794,139	
Reserves	7	<u>195,774,259</u>		<u>83,918,343</u>	
			237,568,398		125,712,482
_____ ) CHAIRMAN _____ ) _____ ) _____ ) TREASURER					
<b>Total Net Assets/Equity H = G</b>			<b><u>237,568,398</u></b>		<b><u>125,712,482</u></b>

The Notes on pages 8 to 11 form an integral part of these Accounts



<b>SUMMARISED STATEMENT OF COMPREHENSIVE INCOME FOR THE</b>						
<b>YEAR ENDED 31ST DECEMBER, 2019</b>						
		<b>2</b>	<b>0</b>	<b>1</b>	<b>9</b>	<b>2018</b>
	NO	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE</u>	<u>ACTUAL</u>	
<b>REVENUE</b>		<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>	
Statutory Allocation	8	1,704,160,006	3,571,982,744	(1,867,822,738)		781,107,691
Aid Grants		-	-	-		-
Other Revenue	9	<u>4,122,608</u>	<u>38,533,000</u>	<u>(34,410,392)</u>		<u>4,538,587</u>
<b>Total Revenue (A)</b>		<u>1,708,282,614</u>	<u>3,610,515,744</u>	<u>(1,902,233,130)</u>		<u>785,646,278</u>
<b>LESS: EXPENDITURE</b>						
Salaries and Allowances	10	1,418,992,969	1,212,570,818	(206,422,151)		434,600,676
Social Benefits		-	-	-		-
Overhead Cost	11	180,690,911	1,271,954,683	1,091,263,772		288,204,592
Grants Contributions		<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>
<b>Total Expenditure (B)</b>		<u>1,599,683,880</u>	<u>2,484,525,501</u>	<u>884,841,621</u>		<u>722,805,268</u>
<b>Surplus/(Deficit) from</b>						
<b>Operating Activities</b>		<u><b>108,598,734</b></u>	<u><b>1,125,990,243</b></u>	<u><b>(1,017,391,509)</b></u>		<u><b>62,841,009</b></u>
The Notes on pages 8 to 11 form an integral part of these Accounts						

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019**

	<b>2019</b>		<b>2018</b>	
	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Surplus(Deficit) from Operating Activities</b>		108,598,734		62,841,009
Prior Year Adjustment		<u>3,257,182</u>		<u>-</u>
		111,855,916		62,841,009
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase/Construction of PPE	(110,960,512)		(108,134,768)	
Acquisition of Investments	<u>-</u>		<u>-</u>	
<b>Net Cash from Investing Activities</b>		(110,960,512)		(108,134,768)
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>				
Capital Grants Received	<u>-</u>		<u>41,794,139</u>	
<b>Net Cash Flow from Financing Activities</b>		<u>-</u>		<u>41,794,139</u>
<b>Net Cash Flow from all Activities</b>		895,404		(3,499,619)
		-----		-----
<b>NET MOVEMENT IN CURRENT ASSETS/LIABILITIES</b>				
Net Movement Receivables		(2,491,000)		-
Net Movement in Deposits		<u>4,500,971</u>		<u>4,488,414</u>
		<u>2,009,971</u>		<u>4,488,414</u>
		-----		-----
<b>Net Cash Flow from Operating Activities</b>		2,905,375		988,795
Cash & Its Equivalent as at - 1/1/2019		<u>1,021,152</u>		<u>52,358</u>
Cash & Its Equivalent as at - 31/12/2019		<b><u>3,926,527</u></b>		<b><u>1,041,153</u></b>
<b>Cash &amp; Its Equivalent as at - 31/12/2019</b>				
Cash Balances		-		6,940
Bank Balances		<u>3,926,527</u>		<u>1,014,213</u>
		<b><u>3,926,527</u></b>		<b><u>1,021,153</u></b>

The Notes on pages 8 to 11 form an integral part of these Accounts

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>	<b>APPENDIX</b>	<b>2019</b>	<b>2018</b>	
<b>1 CASH &amp; CASH EQUIVALENT</b>		<b>N</b>	<b>N</b>	
Fidelity Bank - 5030033308		1,080,697	-	
First Bank Plc - 2001701841		192,956	-	
Intercontinental Bank		2,652,874	-	
Cash		-	6,940	
Bank Balance (Name of banks(s) not disclosed in 2018)		-	<u>1,014,213</u>	
		<u>3,926,527</u>	<u>1,021,153</u>	
<b>2 RECEIVABLES</b>				
Advances	1	<u>7,901,000</u>	<u>5,410,000</u>	
<b>3 INVESTMENTS</b>				
Investments	2	<u>21,504,014</u>	<u>21,504,014</u>	
		As at	As at	
<b>4 CAPITAL EXPENDITURE</b>		<u>1/1/2019</u>	<u>Additions</u>	<u>31/12/2019</u>
<b>Property, Plant &amp; Equipment</b>		<b>N</b>	<b>N</b>	<b>N</b>
Construction/provision of Hospital/Health Centre		12,419,745	-	12,419,745
rehabilitation/Repairs of Roads		-	148,000	148,000
Construction/Provision of Water Facilities		-	400,000	400,000
Purchase of Motor Cycles		-	3,950,000	3,950,000
Renovation of Dispensary		-	100,000	100,000
Fencing and Drilling of hand pump		28,632,369	359,400	28,991,769
Rural Electrification		16,127,000	5,061,000	21,188,000
Construction/Provision of Public School		-	187,600	187,600
Purchase of Peugeot Car		-	937,170	937,170
Purchase of Land		22,395,000	-	22,395,000
Supply of Office Equipment		680,000	-	680,000
Purchase of Hilux Vehicles		-	32,032,000	32,032,000
Campaign Office		-	2,610,000	2,610,000
Maintenance of Culvert		-	500,000	500,000
Construction of Bula District Palace		20,862,918	-	20,862,918
Renovation of Magistrate Court		-	303,000	303,000
Construction/Provision of Residential Buildings		7,017,735	-	7,017,735
Purchase of Deep Freezer		-	215,000	215,000
Renovation of Chairman Guest House		-	252,000	252,000
Maintenance of Mosque Buildings		-	812,000	812,000
Renovation of Corpers' Lodge		-	78,000	78,000
Construction/Provision of Cemeteries		-	63,015,343	63,015,343
<b>Grand Total</b>		<u>108,134,767</u>	<u>110,960,513</u>	<u>219,095,280</u>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>	<b>APPENDIX</b>	<b>2019 N</b>	<b>2018 N</b>
5 <u>DEPOSITS</u>	3	<b><u>14,858,423</u></b>	<b><u>10,357,452</u></b>
6 <u>CAPITAL GRANT (PARIS CLUB REFUND)</u>		<b><u>41,794,139</u></b>	<b><u>41,794,139</u></b>
7 <u>RESERVES</u>			
Brought Forward		83,918,343	21,077,334
Operating Balance for the Year		108,598,734	62,841,009
* Prior Year Adjustment		<u>3,257,182</u>	<u>-</u>
		<b><u>195,774,259</u></b>	<b><u>83,918,343</u></b>
* <i>Omission of Fidelity Bank Balance as at 31/12/18 now recognised</i>			
8 <u>STATUTORY ALLOCATION</u>			
Council and Staff Salaries		1,704,160,006	781,107,691
Other Grants		<u>-</u>	<u>-</u>
		<b><u>1,704,160,006</u></b>	<b><u>781,107,691</u></b>
9 <u>OTHER REVENUE</u>			
Internally Generated Revenue		<b><u>4,122,608</u></b>	<b><u>4,538,587</u></b>
10 <u>PERSONNEL COST</u>			
Salaries and Wages		1,378,451,969	417,972,376
Allowances		<u>40,541,000</u>	<u>16,628,300</u>
		<b><u>1,418,992,969</u></b>	<b><u>434,600,676</u></b>
11 <u>OVERHEAD COST</u>			
11.1 <u>ALLOWANCES &amp; SOCIAL CONTRIBUTION</u>			
Security Allowance		16,823,000	-
Honourarium & Sitting Allowance		2,433,000	13,019,795
Welfare Package		-	56,994,698
Immunization Supervision Allowance		580,000	250,000
Tree Planting		110,000	-
Security Expenses		-	1,750,000
Disturbance Allowance		<u>810,668</u>	<u>-</u>
<b><i>Sub Total</i></b>		<b><u>20,756,668</u></b>	<b><u>72,014,493</u></b>
11.2 <u>TRAVEL &amp; TRANSPORT</u>			
Local Travel & Transport: Others		14,205,182	10,925,018
Local Travel & Transport: Training		-	7,325,891
International Travel & Transport		<u>18,868,766</u>	<u>-</u>
<b><i>Sub Total</i></b>		<b><u>33,073,948</u></b>	<b><u>18,250,909</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>		<b><u>2019</u></b>	<b><u>2018</u></b>
		<b><u>N</u></b>	<b><u>N</u></b>
11.3	<b><u>MATERIALS AND SUPPLIES</u></b>		
	Supply of Relief Materials	5,641,000	33,720,000
	Supply of Working Materials	3,076,389	-
	Purchase of Fertilizer	-	575,000
	Agric. Chemical and Inputs	500,000	976,000
	Office Stationeries/Computer Consumables	-	5,487,000
	Drugs & Medical Supplies	18,245,000	10,558,000
	Printing of Non-Security Document	19,777,050	50,000
	Uniform and Other Clothing	80,000	-
	Printing of Non-Security Document	89,000	117,000
	Teaching Aid/Instructional Materials	<u>1,620,000</u>	-
	<b><i>Sub Total</i></b>	<b><u>49,028,439</u></b>	<b><u>51,483,000</u></b>
11.4	<b><u>MISCELLANEOUS EXPENSES</u></b>		
	Security Vote	11,000,000	75,128,816
	Refreshment and Meals	910,000	19,919,500
	Financial Assistance	21,093,000	1,686,000
	Hospitality and Entertainment	5,320,100	850,000
	Logistics Support	17,370,250	-
	Residential Rent	-	1,150,000
	Publicity and Advertisement	1,489,350	1,600,000
	Sporting Activities	-	385,000
	Local Training	4,383,100	1,170,000
	Special Days Celebration and Prayer	7,320,000	5,606,000
	Cleaning and Sanitation	3,407,000	4,280,000
	Grant to Communities	-	18,460,000
	Bank Charges	26,356	13,874
	Satellite Broadcasting Access Charge	-	<u>259,000</u>
	<b><i>Sub Total</i></b>	<b><u>72,319,156</u></b>	<b><u>130,508,190</u></b>
11.5	<b><u>MAINTENANCE SERVICES</u></b>		
	Maintenance of Generator	200,000	3,253,000
	Other Maintenance Services	-	7,073,000
	Maintenance of Motor Vehicles	4,438,250	1,320,000
	Maintenance of Street Light	-	320,000
	Maintenance of Office Buildings	-	961,000
	Maintenance of Office Furniture	-	891,000
	Maintenance of Market/Public Places	-	400,000
	Motor Vehicles Fuel Cost	<u>724,450</u>	<u>1,050,000</u>
	<b><i>Sub Total</i></b>	<b><u>5,362,700</u></b>	<b><u>15,268,000</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>		<b><u>2019</u></b>	<b><u>2018</u></b>
11.6	<b>CONSULTING AND PROFESSIONAL SERVICES</b>	<b>N</b>	<b>N</b>
	Legal Services	150,000	-
	Agricultural Consulting	-	140,000
	Medical/Information Technology Consulting	-	100,000
	Engineering Services	-	440,000
	<b><i>Sub Total</i></b>	<u>150,000</u>	<u>680,000</u>
	<b><i>Grand Total Overhead</i></b>	<b><u>180,690,911</u></b>	<b><u>288,204,592</u></b>
	 <b><u>APPENDIX 1</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>
S/N	<b>SCHEDULES OF ADVANCES</b>	<b>N</b>	<b>N</b>
1	Chairman	600,000	-
2	Deputy Chairman	300,000	-
3	HOA	350,000	-
4	Director of Finance	300,000	-
5	Sundry Directors	700,000	-
6	Sundry Sectional Heads	346,000	-
7	Head Mechanic	305,000	-
8	Sulaiman C. Bana	10,000	-
9	Hajiya Furera	10,000	-
10	Hussaini Mohammed	10,000	-
11	Tirmiya Yakubu	10,000	-
12	Sundry Persons	2,300,000	-
13	Alh. Idris Halilu	500,000	-
14	Usman Jauro	350,000	-
15	Umar Adamu	350,000	-
16	Sundry Persons	<u>1,460,000</u>	-
	<b>Grand Total</b>	<b><u>7,901,000</u></b>	<b><u>-</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b><i>APPENDIX 2</i></b>			
<b><i>SCHEDULES OF INVESTMENT</i></b>			
S/N	NAME OF COMPANY	<b>2019</b>	<b>2018</b>
		<b>N</b>	<b>N</b>
1	Africa Petroleum	305,100	-
2	Ashaka Cement Company	100,000	-
3	Bauchi Hotels Limited	118,520	-
4	UBA Nigeria Limited	500,000	-
5	FCMB	1,735,781	-
6	WAPCO Nigeria Limited	96,250	-
7	Afribank (Main Street)	11,908,333	-
8	National Oil Plc	500,000	-
9	Yankari Savings and Loans	1,136,045	-
10	Jaiz International Plc	4,900,285	-
11	Fidelity Bank Plc	203,700	-
	<b>Grand Total</b>	<b><u>21,504,014</u></b>	<b><u>-</u></b>

<b><i>APPENDIX 3</i></b>			
<b><i>SCHEDULES OF DEPOSITS</i></b>			
S/N	PARTICULARS	<b>2019</b>	<b>2018</b>
		<b>N</b>	<b>N</b>
1	Pay As You Earn - BIRS	2,087,817	-
			-
2	5% cpd	6,385,303	-
			-
3	5% VAT	6,385,303	-
	<b>Grand Total</b>	<b><u>14,858,423</u></b>	<b><u>-</u></b>

**TORO LOCAL GOVERNMENT COUNCIL**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

**CORPORATE INFORMATION**

1. CHAIRMAN

Alh. Danlami Garba Abubakar

2. HEAD OF ADMINISTRATION

Nasiru Usman

3. TREASURER

Mohammed Inusa

4. BANKERS

First Bank Plc

Fidelity Bank Plc

5. **AUDITORS**

Messrs Lawyer Ejeheri & Co.,  
(Chartered Accountants),  
Plot 12725, Liberty Boulevard, P. O. Box 5548,  
Jos, Nigeria. Tel. 08034040667.



**REPORT OF THE AUDITORS ON THE ACCOUNTS OF**  
**TORO LOCAL GOVERNMENT COUNCIL**

We have audited the Financial Statements of *Toro Local Government Council* for the year ended 31<sup>st</sup> December, 2019 set out on pages 5 – 16, which have been prepared on the basis of accounting policies on page 4.

**RESPECTIVE RESPONSIBILITIES OF THE MANAGEMENT**

The Management is responsible for maintenance of proper books of account and for the preparation of the Financial Statements of the Council. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements whether due to fraud or errors, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstance.

**AUDITORS' RESPONSIBILITY**

Our responsibility is to express an independent opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standard on Auditing. Those Standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatements.

## BASIS OF OPINION

We conducted the audit in accordance with the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda for Local Governments.

An audit includes examination, on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgment made by the *Management* in the preparation of the financial statements and of whether the accounting policies appropriate and are consistently applied by the Council.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement whether caused by fraud or other irregularities or errors. In forming our opinion, we also evaluated the overall adequacy or otherwise of the presentation of information in the financial statements.

## BASIS OF QUALIFIED OPINION

The Council could not provide some of the payment vouchers and we had to rely on some other related financial records which we considered necessary to enable us express an independent opinion on the financial statements. These were said to have been collected by the Economic and Financial Crimes Commission (EFCC) for an on-going Investigation into the financial transactions of the Council.

### Opinion

In our opinion, Except for effects of the issues described in the basis of qualified opinion paragraph, the Financial Statements give a true and fair view of the financial position of the Council as at 31<sup>st</sup> December, 2019 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.

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**J. L. Ejeheri, FCA, FRC/2014/ICAN/00000010249**  
**(Chartered Accountants)**  
**Jos, Nigeria.**

## SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation

The Financial Statements have been prepared under the historical cost convention and in accordance with IPSAS and other applicable standards.

2. ACCOUNTING PERIOD

The Financial Statements is for the accounting period from 01/01/2019 to 31/12/2019.

3. REPORTING CURRENCY

The Financial Statements is prepared in Nigerian Naira and is rounded up to the nearest naira.

4. CASH AND CASH EQUIVALENT

Cash and cash equivalent represents cash balance on hand and held in bank accounts.

5. ACCOUNTS RECEIVABLES

Receivables from exchange transactions consist of staff advances and are recognized as the outstanding balance in the individual advances ledgers. Provision for impairment of receivable is not made as it is expected that all outstanding advances will be retired.

6. PREPAYMENTS

Prepayments are expenses paid in advance for service to be rendered. Prepaid expenses for which the full benefits will be derived in the future accounting period are classified under current assets in the Statement for Financial Position.

7. INVENTORY

The Local Government does not have any amount to be reported under inventory.

8. PROPERTY PLANT AND EQUIPMENT (PPE)

These are assets acquired or constructed and are held for use by the Council from which benefits are derivable beyond a financial year.

9. DEPOSITS

Deposits are various deductions made by the Council but were not remitted to the appropriate Government Agencies.



**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>	<b>APPENDIX</b>	<b>2019 N</b>	<b>2018 N</b>	
5	<u>DEPOSITS</u>	3	<u>13,759,278</u>	<u>-</u>
6	<u>PUBLIC FUND</u>		<u>8,790,819</u>	<u>8,790,819</u>
7	<u>CAPITAL GRANT (PARIS CLUB REFUND)</u>		<u>59,695,102</u>	<u>59,695,102</u>
8	<u>RESERVES</u>			
	Brought Forward		98,078,243	41,631,462
	Operating Balance for the Year		<u>16,317,360</u>	<u>56,446,781</u>
			<b><u>114,395,603</u></b>	<b><u>98,078,243</u></b>
9	<u>STATUTORY ALLOCATION</u>			
	Council and Staff Salaries		1,970,769,513	836,855,300
	Other Grants		<u>-</u>	<u>-</u>
			<b><u>1,970,769,513</u></b>	<b><u>836,855,300</u></b>
10	<u>OTHER REVENUE</u>			
	Internally Generated Revenue		<u>14,382,529</u>	<u>16,352,908</u>
11	<u>PERSONNEL COST</u>			
	Salaries and Wages		1,739,904,048	474,125,651
	Allowances		<u>49,936,495</u>	<u>25,432,050</u>
			<b><u>1,789,840,543</u></b>	<b><u>499,557,701</u></b>
12	<u>OVERHEAD COST</u>			
12.1	<u>ALLOWANCES &amp; SOCIAL CONTRIBUTION</u>			
	Security Allowance		9,033,000	23,142,873
	Honourarium & Sitting Allowance		1,382,500	1,074,000
	Welfare Package		748,500	1,050,000
	Immunization Supervision Allowance		-	21,363,650
	Medical Expenses - Local		268,000	235,000
	Disturbance Allowance		400,000	1,166,970
	Skill Acquisition Programme		660,000	124,639,500
	Burial Expenses		<u>-</u>	<u>15,000</u>
	<b>Sub Total</b>		<b><u>12,492,000</u></b>	<b><u>172,686,993</u></b>
12.2	<u>TRAVEL &amp; TRANSPORT</u>			
	Local Travel & Transport: Others		7,569,500	4,477,008
	Local Travel & Transport: Training		2,890,000	-
	International Travel & Transport		<u>-</u>	<u>800,000</u>
	<b>Sub Total</b>		<b><u>10,459,500</u></b>	<b><u>5,277,008</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>		<b><u>2019</u></b>	<b><u>2018</u></b>
		<b><u>N</u></b>	<b><u>N</u></b>
12	<b><u>MATERIALS AND SUPPLIES</u></b>		
	Books	7,000,000	-
	Supply of Relief Materials	13,838,000	1,400,000
	Uniforms and Other Clothing	-	550,000
	Office Stationeries/Computer Consumables	663,000	2,535,600
	Drugs & Medical Supplies	30,742,000	12,584,600
	Printing of Non-Security Document	9,566,500	4,938,500
	Agric. Chemical and Inputs	695,000	1,818,000
	Purchase of Working Materials	<u>1,754,000</u>	-
	<b><i>Sub Total</i></b>	<b><u>64,258,500</u></b>	<b><u>23,826,700</u></b>
12	<b><u>MISCELLANEOUS EXPENSES</u></b>		
	Security Vote	7,000,000	18,950,000
	Refreshment and Meals	850,000	1,172,000
	Financial Assistance	9,496,500	5,526,130
	Hospitality and Entertainment	17,261,000	7,429,000
	Residential Rent	120,000	-
	Publicity and Advertisement	-	1,900,000
	Security Expenses	18,075,000	20,000
	Special Days Celebration and Prayer	-	200,000
	NATA and Fuelling	10,384,400	38,336,676
	Electricity Bills	20,000	280,000
	Clearing of Drainage	-	3,324,275
	Bank Charges	204,719	45,805
	Donation	-	450,000
	Study Tour	-	150,000
	Christmas Gifts	1,650,000	-
	Sallah Gifts	6,960,000	3,939,000
	General Expenses	-	1,080,000
	Skill and Vocation	-	2,260,000
	Logistics Support	16,115,500	-
	Cleaning and Sanitation	<u>60,000</u>	-
	<b><i>Sub Total</i></b>	<b><u>88,197,119</u></b>	<b><u>85,062,886</u></b>
13	<b><u>MAINTENANCE SERVICES</u></b>		
	Other Maintenance Services	-	4,781,500
	Maintenance of Motor Vehicles	2,764,000	990,650
	Maintenance of Communication Equipment	-	600,000
	Maintenance of Office Building	-	2,362,050
	Maintenance of Market/Public Places	-	220,000
	Other Transport Fuel Cost	-	-
	Motor Vehicles Fuel Cost	-	84,500
	Maintaince of General	-	5,000
	<b><i>Sub Total</i></b>	<b><u>2,764,000</u></b>	<b><u>9,043,700</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

				<b>2019</b>	<b>2018</b>
<b>NOTES</b>				<b>N</b>	<b>N</b>
12.6	<b>CONSULTING AND PROFESSIONAL SERVICES</b>			<b>N</b>	<b>N</b>
	Legal Services			450,000	140,000
	Information Technology Consulting			373,020	1,166,439
	<b>Sub Total</b>			823,020	1,306,439
	<b>Grand Total Overhead</b>			<b>178,994,139</b>	<b>297,203,726</b>
<b>APPENDIX 1</b>				<b>2019</b>	
S/N	<b>SCHEDULES OF ADVANCES</b>	Standing Imprest		<b>N</b>	
1	Elizabeth J. Arewa	//	//	2,000	
2	Garba Adamu Nabordo	//	//	10,000	
3	Sulaiman Sa'ed Tilde	//	//	5,000	
4	Mohammed Bello Magama	//	//	10,000	
5	Aliyu Ibrahim	//	//	15,000	
6	Mohammed Maidawa	//	//	30,000	
7	Abdullahi Bala Zalau	//	//	10,000	
8	Mohammed A. Ali	//	//	10,000	
9	Ahmed S. Mohammed	//	//	10,000	
10	Mohammed Bello Magam	//	//	10,000	
11	Sama'ila A. Guda	//	//	5,000	
12	Ahmed S. Umar	//	//	5,000	
13	Abubakar Amale	//	//	5,000	
14	Usman Jamo	//	//	5,000	
15	Mohammed Talle	//	//	5,000	
16	Abdullahi Babaji	//	//	20,000	
17	Auwal Abdulhamid	//	//	20,000	
18	Salisu Shehu Gamawa	//	//	20,000	
19	Isah Mohammed K.	//	//	100,000	
20	Aliyu Salisu Saidu	//	//	20,000	
21	Hussaini Adamu	//	//	5,000	
22	Ali A. Gamba		Standing Advance	20,000	
23	Sa'adu Shehu	//	//	20,000	
24	Abdullahi Aliyu	//	//	20,000	
25	Ahmed Isma'il	//	//	20,000	
26	Isah Abdulkarim	//	//	20,000	
27	Alh. Bala Sarki	//	//	20,000	
28	Sani A. Haruna	//	//	20,000	
29	Aliyu Shuaibu Saidu	//	//	20,000	
30	Abdullahi M. Hamza	//	//	20,000	
	<b>Balance Carried Forward</b>			<b>502,000</b>	

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

				<b>2019</b>
				<b>N</b>
<b>APPENDIX 1: CONT'D</b>				
<b>SCHEDULES OF ADVANCES</b>				
	<b>Balance Brought Forward</b>	Standing Advance		502,000
31	Hudu Sarki Hussaini	//	//	20,000
32	Mrs. Fatima Isah K.	//	//	20,000
33	Cletus Attah	//	//	25,000
34	Alh. Kabiru Garba Gamawa	//	//	70,000
35	Garba Adamu Nabordo	//	//	25,000
36	Mati Hassan	//	//	25,000
37	Bala M. Abdullahi	//	//	50,000
38	Samaila A. Guda	//	//	10,000
39	Ahmed Shehu Umar	//	//	10,000
40	Gudalla Magaji	//	//	10,000
41	Baba Ahmed Toro	//	//	50,000
42	Dahiru Magaji	//	//	10,000
43	Umar A. Hussaini	//	//	10,000
44	Abubakar Amale	//	//	10,000
45	Mohammadu Maidawa	//	//	50,000
46	Alh. Bala Sulaiman	//	//	50,000
47	Sundry Persons	//	//	650,000
48	Aliyu Jibrin		Special Advance	187,000
49	Abubakar Amale	//	//	185,000
50	Bala Shuaibu	//	//	10,000
51	Sundry Persons	//	//	20,000
52	Bala Shuaibu	//	//	100,000
53	Aliyu Jibrin	//	//	50,000
54	Musa Ibrahim	//	//	100,000
55	Engr. Garba Adamu	//	//	273,445
56	Engr. Garba Adamu	//	//	1,000,000
57	Idris Usman Shall		Standing Advance	100,000
58	Bala Y. Umar	//	//	300,000
59	Barr. Saleh Magama	//	//	100,000
60	Alh. Lawal Adamu Tilde	//	//	100,000
61	Sundry Councillors	//	//	200,000
62	Auwal M. Nabordo	//	//	100,000
63	Alh. Sama'ila Ahmed		Special Advance	150,000
64	Alh. Yakubu Ahmed	//	//	150,000
65	Usman A. Nuhu		Standing Imprest	10,000
66	Barr. Aliyu Bin Idris	//	//	300,000
67	Auwal B. Mohammed	//	//	200,000
68	Shehu Usman	//	//	150,000
69	Barr. Shehu Magama	//	//	100,000
70	Mohammed Sabo A. (DAGS)	//	//	<u>100,000</u>
	<b>Balance Carried Forward</b>			<b><u>5,582,445</u></b>



**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b><i>APPENDIX 1: CONT'D</i></b>					
<b><i>SCHEDULES OF ADVANCES</i></b>					<b>2019</b>
	<b><i>Balance Brought Forward</i></b>	Standing Advance			<b>N</b>
					5,582,445
71	Mohammed Bello M.	//	//		50,000
72	Alh. Musa Sutumi	//	//		50,000
73	Alhassan Umar G.	//	//		50,000
74	M. Jibrin Yusuf	//	//		50,000
75	Nazeef Adamu	//	//		50,000
76	Aminu A. Maidawa	//	//		20,000
77	Mohammed Yunusa Dass (DT)	//	//		40,000
78	Alh. Adamu M. Yakubu	//	//		50,000
79	Mohammed Kabiru I.	//	//		50,000
80	Alh. Aminu Yahaya	//	//		50,000
81	Ibrahim M. D. (DIR. B & P)	//	//		50,000
82	Alh. Isma'ila Ibrahim (Dir. Rev)	//	//		50,000
83	Maikasuwa Y. Kawuwa	//	//		10,000
84	Harisu Aliyu	//	//		15,000
85	Sagir Maijama'a	//	//		5,000
86	Usman Jamo	//	//		5,000
87	Abdulhamid Bako	//	//		5,000
88	Abdu Bala Toro	//	//		5,000
89	Idris Abdullahi (Rev)	//	//		5,000
90	Hussaini A. Garkuwa	//	//		5,000
91	Dauda Sallau	//	//		5,000
92	Usman Nuhu	//	//		5,000
93	Usman Yakubu (Elec)	//	//		5,000
94	Rabiu Shuaibu	//	//		5,000
95	Danladi Ahmed	//	//		5,000
96	Engr. Garba Adamu (Building)	//	//		5,000
97	Alh. Adamu Waziri	//	//		25,000
98	Alh. Muhammed Maidawa	//	//		25,000
99	Alh. Sulaiman A. Suleiman	//	//		25,000
100	Alh. Aliyu M. Tukur	//	//		25,000
101	Alh. Yakubu M. Sanusi	//	//		25,000
102	Alh. M. Yakubu	//	//		25,000
103	Mohammed Inuwa	//	//		7,500
104	Jafaru Mohammed	//	//		7,500
105	Buhari Abubakar	//	//		7,500
106	Aliyu M. Lame	//	//		7,500
107	Abdulaziz Umar	//	//		7,500
108	Adamu Ibrahim	//	//		7,500
	<b><i>Balance Carried Forward</i></b>				<b>#####</b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>APPENDIX 1: CONT'D</b>				<b>2019</b>	
<b>SCHEDULES OF ADVANCES</b>				<b>N</b>	
	<b>Balance Brought Forward</b>	Standing Advance		6,422,445	
109	Bala Umaru	//	//	7,500	
110	Zubairu Yakubu	//	//	7,500	
111	Yusuf Doma	//	//	7,500	
112	Bature Sallau	//	//	7,500	
113	Kilishi M. Jumba	//	//	7,500	
114	Mal. Saleh Umar	//	//	7,500	
115	Usman M. Sadiq	//	//	10,000	
116	Mohammed Sabo Abubakar	//	//	25,000	
117	Alh. Ado Umar	Special Advance		720,000	
118	Alh. Adamu Danyaro Geji	Standing Advance		300,000	
119	Yusuf M. Tulu	//	//	100,000	
120	Barr. Saleh Magama	//	//	50,000	
121	Shehu Usman Abdu	//	//	100,000	
122	Yakubu Ibrahim	//	//	25,000	
123	Yusuf Haruna	//	//	25,000	
124	Usman Waziri	//	//	25,000	
125	Adahama Garba	//	//	25,000	
126	Alh. Idi Adamu Gulbin	Special Advance		274,450	
127	Alh. M. Yakubu Adamu	//	//	274,450	
128	Alh. Bala Suleiman	//	//	500,000	
129	Yunusa Ibn Isma'il	//	//	500,000	
130	Danlami G. Abubakar	Standing Advance		300,000	
131	Mohammed Bello M.	//	//	150,000	
132	Mohammed Abdullahi	//	//	150,000	
133	Zailani Mohammed	//	//	30,000	
134	Hussaini Abubakar	Special Advance		481,149	
134	Mohammed Yunusa	//	//	5,000,000	
135	Abdullahi Liman	//	//	642,690	
136	Umar Hussaini	//	//	397,800	
137	Abdullahi Liman	//	//	2,687,500	
138	Sundry Persons	//	//	525,000	
139	Sundry Persons	//	//	175,000	
140	Sundry Persons	Standing Advance		175,000	
141	Abdullahi Liman	Special Advance		250,000	
142	Abdullahi Liman	//	//	994,050	
143	Umar Hussaini	//	//	972,500	
144	Umar Hussaini	//	//	887,900	
145	Abdullahi Liman	//	//	926,000	
146	Ahmed Ibrahim Umar	//	//	50,000	
147	Maidawa B. Musa	//	//	10,000	
<b>Balance Carried Forward</b>				<b>###,###</b>	

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b><i>APPENDIX 1: CONT'D</i></b>			<b>2019</b>
<b>SCHEDULES OF ADVANCES</b>			<b>N</b>
<b><i>Balance Brought Forward</i></b>			24,225,934
##	Salisu Abubakar	Standing Imprest	10,000
##	Dauda Shehu	// //	10,000
##	Maryam Abubakar	// //	10,000
##	Saminu Mohammed	// //	10,000
##	Kande Jande	// //	10,000
##	Danjuma Y. Malam	// //	10,000
##	Abdullahi Liman	// //	50,000
##	Hussaini A. Umar	// //	10,000
##	Umar Hussaini	// //	10,000
##	Rabiu Shuaibu	// //	10,000
##	Abbas Yusuf Tilde	// //	10,000
##	Danladi Ahmed	// //	10,000
##	Usman Yakubu	// //	10,000
##	Yunusa Isma'il	// //	10,000
##	Ibrahim Yaro Gumau	// //	50,000
##	Isiyaku Y. Bello	// //	10,000
##	Hussaini Adamu Tulu	Standing Imprest	10,000
##	Briska Wabida	// //	10,000
##	Ahmed Dan'abdullahi	// //	10,000
##	Hannatu Y. Dauda	// //	10,000
##	Alh. Nasiru Nasiru Usman	// //	200,000
##	Hajiya Hadiza Umar	// //	50,000
##	Aminu A. Maidawa	// //	20,000
##	Yusuf Sani Toro	// //	20,000
##	kabiru Abubakar	// //	50,000
##	Mohammed Bello Adamu	// //	10,000
##	Abdullahi Bala	// //	10,000
##	Dauda Sallau	// //	50,000
##	Garba Bala Ahmed	// //	10,000
##	Usman Nuhu	// //	10,000
##	Amos Fitto	// //	10,000
##	Alh. Sulaiman A. Suleiman	// //	30,000
##	Alh. Sulaiman A. Suleiman	// //	30,000
##	Adamu Mohammed Gummau	// //	30,000
##	Abdullahi Liman	Special Imprest	666,075
##	Danladi Ahmed	// //	468,720
##	Adamu Abdullahi	Standing Advance	7,500
##	Alh. Shehu Buba Umar	Special Imprest	300,000
<b><i>Grand Total</i></b>			<b><u>#####</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b><u>APPENDIX 2</u></b>		
<b><u>SCHEDULES OF INVESTMENT</u></b>		
<b>S/N</b>	<b><u>NAME OF COMPANY</u></b>	<b><u>2019</u></b>
1	Inland Bank Nigeria Plc	<b>N</b>
2	Afri Bank Plc	5,496,875
3	First Bank Plc	80,000
4	F.S.B International Plc	50,000
5	Yankari Savings and Loans	69,332
6	Jaiz International Plc	1,136,045
7	Intercellular	7,000,300
8	Zenith Bank Plc	11,999,996
9	Access Bank Nigeria Plc	3,417,750
10	Zaranda International Hotel	2,600,000
11	Bauchi Publishing Printing Co. Limited	184,620
12	Arewa Ceramics	50,000
13	Urban Development Bank Plc	96,940
14	Galambi Ranch Farms	500,000
15	Monto Processing Company	100,000
16	Union Bank Of Nigeria Plc	50,000
17	Fidelity Bank Plc	1,320,000
	<b><i>Grand Total</i></b>	<b><u>9,853,320</u></b>
		<b><u>44,005,178</u></b>
<b><u>APPENDIX 3</u></b>		
<b><u>SCHEDULES OF DEPOSITS</u></b>		
<b>S/N</b>	<b><u>PARTICULARS</u></b>	<b><u>2019</u></b>
1	BIRS - PAYE	<b>N</b>
		5,630,556
2	BIRS - 5% CPD	
		1,017,597
3	FIRS - WHT	
		15,375
4	FIRS - VAT	<u>7,095,750</u>
	<b><i>Grand Total</i></b>	<b><u>13,759,278</u></b>

# WARJI LOCAL GOVERNMENT COUNCIL

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019

### **CORPORATE INFORMATION**

1. **CARE-TAKER CHAIRMAN**

Alh. Adamu Mohammed Danjumai

2. **HEAD OF ADMINISTRATION**

Alh. Buba Dada

3. **TREASURER**

Sanusi Magaji Bashir

4. **BANKERS**

First Bank Plc

Fidelity Bank Plc.

5. **AUDITORS**

Messrs Lawyer Ejeheri & Co.,  
(Chartered Accountants),  
Plot 12725, Liberty Boulevard, P. O. Box 5548,  
Jos, Nigeria. Tel. 08034040667.

**REPORT OF THE AUDITORS ON THE ACCOUNTS OF**  
**WARJI LOCAL GOVERNMENT COUNCIL**

We have audited the Financial Statements of *Warji Local Government Council* for the year ended 31<sup>st</sup> December, 2019 set out on pages 5 – 12, which have been prepared on the basis of accounting policies on page 4.

**RESPECTIVE RESPONSIBILITIES OF THE MANAGEMENT**

The Management is responsible for maintenance of proper books of account and for the preparation of the Financial Statements of the Council. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements whether due to fraud or errors, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstance.

**AUDITORS' RESPONSIBILITY**

Our responsibility is to express an independent opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standard on Auditing. Those Standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatements.

## BASIS OF OPINION

We conducted the audit in accordance with the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda for Local Governments.

An audit includes examination, on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgment made by the *Management* in the preparation of the financial statements and of whether the accounting policies appropriate and are consistently applied by the Council.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement whether caused by fraud or other irregularities or errors. In forming our opinion, we also evaluated the overall adequacy or otherwise of the presentation of information in the financial statements. The financial statements are in agreement with the books of accounts which have been properly kept.

### Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Council as at 31<sup>st</sup> December, 2019 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.

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**J. L. Ejeheri, FCA, FRC/2014/ICAN/00000010249**  
**(Chartered Accountants)**  
**Jos, Nigeria.**

## SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation

The Financial Statements have been prepared under the historical cost convention and in accordance with IPSAS and other applicable standards.

2. ACCOUNTING PERIOD

The Financial Statements is for the accounting period from 01/01/2019 to 31/12/2019.

3. REPORTING CURRENCY

The Financial Statements is prepared in Nigerian Naira and is rounded up to the nearest naira.

4. CASH AND CASH EQUIVALENT

Cash and cash equivalent represents cash balance on hand and held in bank accounts.

5. ACCOUNTS RECEIVABLES

Receivables from exchange transactions consist of staff advances and are recognized as the outstanding balance in the individual advances ledgers. Provision for impairment of receivable is not made as it is expected that all outstanding advances will be retired.

6. PREPAYMENTS

Prepayments are expenses paid in advance for service to be rendered. Prepaid expenses for which the full benefits will be derived in the future accounting period are classified under current assets in the Statement for Financial Position.

7. INVENTORY

The Local Government does not have any amount to be reported under inventory.

8. PROPERTY PLANT AND EQUIPMENT (PPE)

These are assets acquired or constructed and are held for use by the Council from which benefits are derivable beyond a financial year.

9. DEPOSITS

Deposits are various deductions made by the Council but were not remitted to the appropriate Government Agencies.





<b>SUMMARISED STATEMENT OF COMPREHENSIVE INCOME FOR THE</b>						
<b>YEAR ENDED 31ST DECEMBER, 2019</b>						
			{	2019	}	2018
	NOTES	ACTUAL		BUDGET	VARIANCE	ACTUAL
REVENUE		N		N	N	N
Statutory Allocation	9	902,257,689		2,251,419,157	(1,349,161,468)	461,181,277
Aid Grants		-		-	-	-
Other Revenue	10	694,000		11,380,703	(10,686,703)	119,000
<b>Total Revenue (A)</b>		902,951,689		2,262,799,860	(1,359,848,171)	461,300,277
<b>LESS: EXPENDITURE</b>						
Salaries	11	735,560,112		754,381,650	18,821,538	393,526,847
Social Benefits		-		-	-	-
Overhead Cost	12	167,574,853		765,908,346	598,333,493	63,741,158
Grants Contributions		-		-	-	-
<b>Total Expenditure (B)</b>		903,134,965		1,520,289,996	617,155,031	457,268,005
<b>Surplus/(Deficit)from Operating</b>						
<b>Activities (A -B)</b>		<b>(183,276)</b>		<b>742,509,864</b>	<b>(742,693,140)</b>	<b>4,032,272</b>
The Notes on pages 8 to 11 form an integral part of these Accounts						

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019**

	<b>2019</b>		<b>2018</b>	
	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>				
<b>Surplus/(Deficit) from Operating Activities</b>		(183,276)		4,032,272
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>				
Purchase/Construction of PPE	(77,280,295)		(25,960,668)	
Acquisition of Investments	-		-	
<b>Net Cash from Investing Activities</b>		(77,280,295)		(25,960,668)
<u>CASH FLOW FROM FINANCIAL ACTIVITIES</u>				
Capital Grants Received	-		30,223,683	
<b>Net Cash Flow from Financing Activities</b>		-		30,223,683
<b>Net Cash Flow from all Activities</b>		(77,463,571)		8,295,287
<u>NET MOVEMENT IN CURRENT ASSETS/LIABILITIES</u>				
Net Movement in Receivables		(3,680,000)		-
Net Movement in Deposits		114,919,540		(9,504,982)
		111,239,540		(9,504,982)
<b>Net Cash Flow from Operating Activities</b>		33,775,969		(1,209,695)
Cash & Its Equivalent as at - 1/1/2019		(1,201,657)		8,038
Cash & Its Equivalent as at - 31/12/2019		32,574,312		(1,201,657)
<b>Cash &amp; Its Equivalent as at - 31/12/2019</b>				
<i>Cash Balances</i>		-		595,173
<i>Bank Balances</i>		32,574,312		(1,796,830)
		<b>32,574,312</b>		<b>(1,201,657)</b>

The Notes on pages 8 to 11 form an integral part of these Accounts

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>				<b>2019</b>	<b>2018</b>	
				<b>N</b>	<b>N</b>	
<b>1</b>	<b>CASH &amp; CASH EQUIVALENT</b>					
	Fidelity Bank - 5030054646			32,569,203	-	
	first Bank - 2023221350			5,109	-	
	Cash			-	595,173	
	Bank Balance (Bank (s) 2018 not specified)			-	(1,796,830)	
				<u>32,574,312</u>	<u>(1,201,657)</u>	
<b>2</b>	<b>RECEIVABLES</b>	<b>APPENDIX</b>				
	Advances	1		<u>3,680,000</u>	<u>-</u>	
<b>3</b>	<b>INVESTMENTS</b>					
	Investments	2		<u>13,517,885</u>	<u>13,517,885</u>	
				As at	As at	
<b>4</b>	<b>CAPITAL EXPENDITURE</b>			<u>1/1/2019</u>	<u>Additions</u>	<u>31/12/2019</u>
	<b>Property, Plant &amp; Equipment</b>			<b>N</b>	<b>N</b>	<b>N</b>
	Rehabilitation/Repairs of Housing			832,120	-	832,120
	Construction of Blocks			1,920,000	-	1,920,000
	Rehabilitation/Repairs of Roads			5,721,060	700,000	6,421,060
	Rehabilitation/Repairs of Market/Parks			2,400,000	-	2,400,000
	Construction/Provision of Central Store			1,226,088	-	1,226,088
	Land Compensation			1,937,400	-	1,937,400
	Rehabilitation/Repairs of Electricity			-	210,000	210,000
	Renovation of Quarters			6,000,000	-	6,000,000
	Renovation of Admin Block			5,924,000	-	5,924,000
	Joint Project			4,419,999	-	4,419,999
	Rural Electrification			-	17,215,009	17,215,009
	Purchase of Agric. Equipment			230,000	-	230,000
	Purchase of Office Furniture			-	555,000	555,000
	Fencing of Graveyard			-	16,014,887	16,014,887
	NATA and Fuelling			-	10,050,418	10,050,418
	Demarcation of Cattle Routes			-	745,000	745,000
	Construction of Warji District Head Palace			-	28,751,151	28,751,151
	Land Compensation			-	3,038,830	3,038,830
	<b>Grand Total</b>			<b><u>30,610,667</u></b>	<b><u>77,280,295</u></b>	<b><u>###,###,###</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>	<b>APPENDIX</b>	<b>2019</b> <b>N</b>	<b>2018</b> <b>N</b>
5	<u>DEPOSITS</u>	<u>122,413,892</u>	<u>7,494,352</u>
6	<u>PUBLIC FUND</u>	<u>12,272,887</u>	<u>12,272,887</u>
7	<u>CAPITAL GRANT (PARIS CLUB REFUND)</u>	<u>30,223,683</u>	<u>30,223,683</u>
8	<u>RESERVES</u>		
	Brought Forward	(7,064,027)	(11,096,299)
	Operating Balance for the Year	(183,276)	4,032,272
		<u>(7,247,303)</u>	<u>(7,064,027)</u>
9	<u>STATUTORY ALLOCATION</u>		
	Council and Staff Salaries	902,257,689	461,181,277
	Other Grants	-	-
		<u>902,257,689</u>	<u>461,181,277</u>
10	<u>OTHER REVENUE</u>		
	Internally Generated Revenue	<u>694,000</u>	<u>119,000</u>
11	<u>PERSONNEL COST</u>		
	Salaries and Wages	717,829,092	390,463,847
	Allowances	17,731,020	3,063,000
		<u>735,560,112</u>	<u>393,526,847</u>
12	<u>OVERHEAD COST</u>		
12.1	<u>ALLOWANCES &amp; SOCIAL CONTRIBUTION</u>		
	Security Allowance	21,697,500	7,192,000
	Honourarium & Sitting Allowance	11,067,000	5,049,500
	Welfare Package	7,285,800	-
	Immunization Supervision Allowance	-	1,081,000
	Medical Expenses - Local	902,000	35,000
	Non-regular Allowance	-	500,000
	Disturbance Allowance	1,495,806	-
	<b>Sub Total</b>	<u>42,448,106</u>	<u>13,857,500</u>
12.2	<u>TRAVEL &amp; TRANSPORT</u>		
	Local Travel & Transport: Others	14,252,500	13,681,604
	Local Travel & Transport: Training	4,458,500	1,090,000
	International Travel & Transport	1,800,000	-
	<b>Sub Total</b>	<u>20,511,000</u>	<u>14,771,604</u>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>		<b><u>2019</u></b>	<b><u>2018</u></b>
		<b><u>N</u></b>	<b><u>N</u></b>
12.3	<b><u>MATERIALS AND SUPPLIES</u></b>		
	Supply of Books/Bags	5,699,000	-
	Supply of Books	30,244,400	-
	Magazines and Periodicals	-	15,000
	Office Stationeries/Computer Consumables	618,000	800,000
	Drugs & Medical Supplies	21,810,415	-
	Printing of Non-Security Document	1,182,000	1,022,650
	Uniform and Other Clothing	50,000	204,000
	Agric. Chemical and Inputs	<u>1,997,000</u>	<u>-</u>
	<b><i>Sub Total</i></b>	<b><u>61,600,815</u></b>	<b><u>2,041,650</u></b>
12.4	<b><u>MISCELLANEOUS EXPENSES</u></b>		
	Security Vote	13,000,000	5,000,000
	Refreshment and Meals	1,035,000	13,797,154
	Financial Assistance	6,025,479	220,000
	Hospitality and Entertainment	9,027,088	1,536,000
	Postage and Carrier Services	60,000	-
	Residential Rent	1,176,000	-
	Publicity and Advertisement	519,000	-
	Tree Planting	-	5,507,000
	Special Days Celebration and Prayer	1,700,000	-
	Skills Acquisition Programme	700,000	-
	Electricity Bills	-	400,000
	Local Training	-	1,497,000
	Water Pollution Prevention Control	-	1,993,000
	Bank Charges	34,535	14,000
	Water Rate	-	14,000
	Telephone Charges	-	10,000
	Satellite Broadcasting Access Charges	-	282,500
	Sallah Gifts	<u>7,230,000</u>	<u>-</u>
	<b><i>Sub Total</i></b>	<b><u>40,507,102</u></b>	<b><u>30,270,654</u></b>
12.5	<b><u>MAINTENANCE SERVICES</u></b>		
	Maintenance of Generator	40,000	78,000
	Maintenance of Office Equipment	70,000	-
	Other Maintenance Services	1,051,900	1,927,750
	Maintenance of Motor Vehicles	1,274,950	304,000
	Maintenance of Office Building	70,980	20,000
	Maintenance of Office Furniture	<u>-</u>	<u>100,000</u>
	<b><i>Sub Total</i></b>	<b><u>2,507,830</u></b>	<b><u>2,429,750</u></b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b>NOTES</b>		<b>2019</b>	<b>2018</b>
		<b>N</b>	<b>N</b>
12.6	<b>CONSULTING AND PROFESSIONAL SERVICE</b>		
	Legal Services	-	300,000
	Geographic Information	-	70,000
	<b>Sub Total</b>	<b>-</b>	<b>370,000</b>
	<b>Grand Total Overhead</b>	<b>167,574,853</b>	<b>63,741,158</b>
<b>APPENDIX 1</b>			
S/N	<b>SCHEDULES OF ADVANCES</b>		
1	Sundry Persons 2018	50,000	-
2	Sunusi Magaji B.	150,000	-
3	Ahmed Mohammed Hamza	100,000	-
4	Mohammed B. Abubakar	100,000	-
5	Bala Ahmed Dagu	100,000	-
6	Rakiyu Gurara	100,000	-
7	Alh. Alhassan Ismail	50,000	-
8	Aliyu Dahiru	100,000	-
9	Habila Wakiso	50,000	-
10	Muazu Juji	100,000	-
11	Abdillahi Yakubu	20,000	-
12	Abubakar Iliya	20,000	-
13	Alh. Adamu Danjuma	600,000	-
14	Alh. Buba Dada	350,000	-
15	Sundry Persons	500,000	-
16	Sundry Persons	490,000	-
17	Abdurrahman Ibrahim	60,000	-
18	Abubakar Iliya G.	60,000	-
19	Abdullahi Yakubu G.	60,000	-
20	Aminu Baima	150,000	-
21	Abbas Mohammed	50,000	-
22	Suleiman Umar	50,000	-
23	Otheniel Saleh	50,000	-
24	Abudullahi Yunusa	50,000	-
25	Yusuf Yunusa	50,000	-
26	Idris Wayu	20,000	-
27	Musa Muazu	20,000	-
28	Shehu Shagari	20,000	-
	<b>Balance Carried Forward</b>	<b>3,520,000</b>	<b>-</b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b><u>APPENDIX 1: CONT'D</u></b>		<b><u>2019</u></b>	<b><u>2018</u></b>
<b><u>SCHEDULES OF ADVANCES</u></b>		<b><u>N</u></b>	<b><u>N</u></b>
S/N	<b><i>Balance Brought Forward</i></b>	3,520,000	-
29	Saidu Damani	20,000	-
30	Abudullahi Maisamai	20,000	-
31	Ishiyaku Daniel Iliya	50,000	-
32	Sule Adamu	30,000	-
33	Yusuf Dogo	20,000	-
34	Salihu Abdullahi	20,000	-
	<b>Grand Total</b>	<b><u>3,680,000</u></b>	<b><u>-</u></b>
<b><u>APPENDIX 2</u></b>		<b><u>2019</u></b>	<b><u>2018</u></b>
<b><u>SCHEDULES OF INVESTMENT</u></b>		<b><u>N</u></b>	<b><u>N</u></b>
S/N	<b><u>NAME OF COMPANY</u></b>		
1	Savannah Bank	500,000	500,000
2	Yankari Savings and Loans	1,269,741	1,269,741
3	Jaiz Plc	4,304,528	4,304,528
4	Fin Bank Plc (former Inland Bank Plc)	3,308,758	3,308,758
5	Access Bank Nig Plc	3,480,800	3,480,800
6	Zenith Bank Plc	654,058	654,058
	<b>Grand Total</b>	<b><u>13,517,885</u></b>	<b><u>13,517,885</u></b>
<b><u>APPENDIX 3</u></b>		<b><u>2019</u></b>	<b><u>2018</u></b>
<b><u>SCHEDULES OF DEPOSITS</u></b>		<b><u>N</u></b>	<b><u>N</u></b>
S/N	<b><u>PARTICULARS</u></b>		
1	5% Contracts C.D.P Tax on Contract	-	27,250
2	FIRS Vat (5% on Contracts)	4,438,502	61,268
3	Pensioners Allowance	-	313,845
4	Unity Bank Plc - Loan	-	6,800,226
5	Nunas Motorcycles	-	246,763
6	Motor Cycles Loan	-	45,000
7	Pay As You Earn (BIRS)	85,652,580	-
8	M.H.W.U.N Dues	32,322,810	-
	<b>Grand Total</b>	<b><u>122,413,892</u></b>	<b><u>7,494,352</u></b>



**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2019**

**NOTES**

	<u>2019</u>	<u>2018</u>
	<b>N</b>	<b>N</b>
123 <u>MATERIALS AND SUPPLIES</u>		
Supply of Books/Bags	5,699,000	-
Supply of Books	30,244,400	-
Magazines and Periodicals	-	15,000
Office Stationeries/Computer Consumables	618,000	800,000
Drugs & Medical Supplies	21,810,415	-
Printing of Non-Security Document	1,182,000	1,022,650
Uniform and Other Clothing	50,000	204,000
Agric. Chemical and Inputs	<u>1,997,000</u>	-
<b><i>SubTotal</i></b>	<u>61,600,815</u>	<u>2,041,650</u>
124 <u>MISCELLANEOUS EXPENSES</u>		
Security Vote	13,000,000	5,000,000
Refreshment and Meals	1,035,000	13,797,154
Financial Assistance	6,025,479	220,000
Hospitality and Entertainment	9,027,088	1,536,000
Postage and Carrier Services	60,000	-
ResidentialRent	1,176,000	-
Publicity and Advertisement	519,000	-
Tree Planting	-	5,507,000
Special Days Celebration and Prayer	1,700,000	-
Skills Acquisition Programme	700,000	-
Electricity Bills	-	400,000
Local Training	-	1,497,000
Water Pollution Prevention Control	-	1,993,000
Bank Charges	34,535	14,000
Water Rate	-	14,000
Telephone Charges	-	10,000
Satellite Broadcasting Access Charges	-	282,500
Sallah Gifts	<u>7,230,000</u>	-
<b><i>Sub Total</i></b>	<u>40,507,102</u>	<u>30,270,654</u>
12.5		
<u>MAINTENANCE SERVICES</u>		
Maintenance of Generator	40,000	78,000
Maintenance of Oiiffce Equipment	70,000	-
Other Maintenance Services	1,051,900	1,927,750

Maintenance of Motor Vehicles	1,274,950	304,000
Maintenance of Office Building	70,980	20,000
Maintenance of Office Furniture	<u>-</u>	<u>100,000</u>
<b><i>Sub Total</i></b>	<b><u>2,507,830</u></b>	<b><u>2,429,750</u></b>

**ZAKI LOCAL GOVERNMENT COUNCIL**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**CORPORATE INFORMATION**

**CHAIRMAN**

ABDULLKAHI ADAMU

**HEAD OF ADMINISTRATION**

ADAM ADAMU

**TREASURER**

ALH BAPPAH KAWU

**AUDITORS**

ABDULKADEER MAHMOUD & CO.  
(CHARTERED ACCOUNTANTS)

**BANKERS**

FIDELITY BANK PLC  
FCMB PLC  
KATAGUM MFB LTD

## **AUDITORS REPORT**

### **REPORT OF THE AUDITORS ON THE ACCOUNTS OF ZAKI LOCAL GOVERNMENT COUNCIL**

We have audited the Financial Statements of Zaki Local Government Council for the year ended 31stDecember, 2019 set out on pages 7-10, which have been prepared on the basis of significant accounting policies on page 6 and other explanatory notes on pages 11-16.

#### **RESPONSIBILITY OF THE MANAGEMENT**

The Management is responsible for maintenance of proper books of account and for the preparation of the Financial Statements of the Council. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements whether due to fraud or errors, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstance.

#### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an independent opinion on the financial statements based on our audit .We conducted our audit in accordance with International Standard on Auditing. Those Standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatements.

## **BASIS OF OPINION**

We conducted the audit in accordance with the International Public Sector Accounting Standards and the Financial Memoranda for Local Governments.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgment made by the Management in the preparation of the accounts and of whether the accounting policies appropriate and are consistently applied by the Council.

We planned and performed the audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatements either caused by fraud other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of the financial statements. The financial statements are in agreement with the books of accounts which have been properly kept.

## **BASIS OF QUALIFIED OPINION**

The Council did not reconcile the Bank Statement with Cash book during the year hence there is difference between the Bank balance and Cash book balance.

## **OPINION**

In our opinion, Except for effects of the issues described in the basis of qualified opinion paragraph, the Financial Statements give a true and fair view of the financial position of the Council as at 31 December 2019 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public sector Accounting Standards Board.

**ABDULKADEER MAHMOUD & CO.  
(CHARTERED ACCOUNTANTS)**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**SIGNIFICANT ACCOUNTING POLICIES**

**1. BASIS OF PREPARATION:**

The Financial Statements have been prepared under the historical cost convention and in accordance with IPSAS and other applicable standards.

**2. ACCOUNTING PERIOD**

The Financial Statements is for the accounting period from 1 January 2019 to 31 December 2019.

**3. REPORTING CURRENCY**

The Financial Statements is prepared in Nigerian Naira and is rounded up to the nearest naira.

**4. CASH AND CASH EQUIVALENT**

Cash and cash equivalent represents cash balance on hand, held in bank accounts.

**5. ACCOUNTS RECEIVABLES**

Receivables from exchange transactions consist of staff advances and are recognized as the outstanding balance in the individual advances ledgers. Provision for impairment of receivable is not made as it is expected that all outstanding advances will be retired.

**6. PREPAYMENTS**

Prepayments are expenses paid in advance for service to be rendered. Prepaid expenses for which the full benefits will be derived in the future accounting periods are classified under current assets in the Statement of Financial Position.

**7. INVENTORY**

The Local Government does not have any amount to be reported under inventory.

**8. PROPERTY PLANT & EQUIPMENT (PPE)**

These are assets acquired or constructed and are held for use by the council from which benefits are derivable beyond a financial year.

**9. DEPOSITS**

Deposits are various deductions made by the Council but were not remitted to the appropriate Government Agencies

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	NOTES	2019		2018	
		N	N	N	N
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash & Cash Equivalents	6	33,574,458		12,057,532	
Prepayments	7	<u>6,989,459</u>		<u>8,570,459</u>	
<b>Total Current Assets A</b>			40,563,917		20,627,991
<b>Non-Current Assets</b>					
Investments	8	4,663,175		4,663,175	
Property, Plant & Equipment	5	<u>143,469,512</u>		<u>43,660,331</u>	
<b>Total Non Current Assets B</b>			<u>148,132,687</u>		<u>48,323,506</u>
<b>Total Assets C=A+B</b>			<u><b>188,696,604</b></u>		<u><b>68,951,497</b></u>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Deposits	9	<u>932,308</u>		<u>1,547,603</u>	
<b>Total Current Liabilities D</b>			932,308		1,547,603
<b>Non Current Liabilities</b>					
Long Term Borrowings		<u>-</u>		<u>-</u>	
<b>Total Non Current Liabilities E</b>			-		-
<b>Total Liabilities F=D+E</b>			<u>932,308</u>		<u>1,547,603</u>
<b>Net Assets G=C-F</b>			<u><b>187,764,296</b></u>		<u><b>67,403,894</b></u>
<b>NET ASSETS/EQUITY</b>					
Capital Grants		-		-	
Accumulated Fund Surplus/(Deficit)	10	<u>187,764,296</u>		<u>67,403,894</u>	
<b>Total Net Assets/Equity H=G</b>			<u><b>187,764,296</b></u>		<u><b>67,403,894</b></u>

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**STATEMENTS OF FINANCIAL PERFORMANCE**

2018	NOTES	2019			
		ACTUAL	BUDGET	VARIANCE	
N		N	N	N	
<b>REVENUE</b>					
660,093,448	Govt Share of FAAC	1	1,487,351,337	3,608,976,929	(2,121,625,592)
8,727,562	Other Revenue	2	5,409,126	15,280,000	(9,870,874)
-	Transfer from other Govt Entities	-	-	-	-
<u>668,821,010</u>	<b>TOTAL REVENUE (a)</b>		<u>1,492,760,462</u>	<u>3,624,256,929</u>	<u>(2,131,496,467)</u>
<b>EXPENDITURE</b>					
515,890,377	Salaries	3	987,407,321	864,100,672	(123,306,649)
<u>101,921,939</u>	Overhead Cost	4	<u>384,992,739</u>	<u>1,123,621,639</u>	<u>738,628,900</u>
<u>617,812,316</u>	<b>TOTAL EXPENDITURE(b)</b>		<u>1,372,400,061</u>	<u>1,987,722,311</u>	<u>615,322,250</u>
51,008,694	Surplus/(Deficit) from operating Activities for the period C=(a-b)		120,360,402	1,636,534,618	1,516,174,216
-	Share of Surplus/(Deficit) In Assoc. & Joint Venture		-	-	-
-	Total Non Operating Revenue or (Expenses)(d)		-	-	-
51,008,694	Surplus/(Deficit)from Ordinary Activities e=(c+d)		120,360,402	1,636,534,618	1,516,174,216
-	Minority Interest Share of Surplus/(Deficit) (f)		-	-	-
<u>51,008,694</u>	<b>Net Surplus/(Deficit) for the period g=(e-f)</b>		<u>120,360,402</u>	<u>1,636,534,618</u>	<u>1,516,174,216</u>



**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019.**

**STATEMENT OF CHANGES IN EQUITY**

	Accumulated Fund =N=	Revaluation Reserve =N=	TOTAL =N=
Balance as at 31 December 2018	67,403,894	-	67,403,894
Surplus /(Deficit) on revaluation	-	-	-
Prior Year Adjustments	-	-	-
Surplus /(Deficit)	<u>120,360,402</u>	<u>-</u>	<u>120,360,402</u>
	<u><b>187,764,296</b></u>	<u><b>-</b></u>	<u><b>187,764,296</b></u>
		-	-
Balance as at 31 December 2019	<u><b>187,764,296</b></u>	<u><b>-</b></u>	<u><b>187,764,296</b></u>

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

**CONSOLIDATED STATEMENT OF CASH FLOW**

**CONSOLIDATED STATEMENT OF CASHFLOW**

Description	Notes	2019		2018	
		N	N	N	N
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>					
<i>Inflows</i>					
Government Share of FAAC		1,487,351,337		660,093,448	
Other Revenue		5,409,126		8,727,562	
Transfer from other Govt Entities		-		-	
<b>Total inflow from Operating Activities (A)</b>		<b>1,492,760,462</b>		<b>668,821,010</b>	
<i>Outflows</i>					
Salaries & Wages		(987,407,321)		(515,890,377)	
Social Benefits		-		-	
Overhead Cost		(384,992,739)		(101,921,939)	
Finance Cost		-		-	
<b>Total outflow from operating Activities (B)</b>		<b>(1,372,400,061)</b>		<b>(617,812,316)</b>	
<b>Net Cash Inflow/(Outflow) from Operating Activities C=(A+B)</b>			<b>120,360,402</b>		<b>51,008,694</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
Purchase/Construction of PPE		(99,809,181)		(43,660,331)	
Purchase/Construction of Investment Property		-		-	
Acquisition of investments		-		-	
<b>Net Cash from Investing Activities</b>			<b>(99,809,181)</b>		<b>(43,660,331)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>					
Capital Grants Received		-		-	
Proceeds from Borrowings		-		-	
Repayment of Borrowings		-		-	
<b>Net Cash Flow from Financing Activities</b>			<b>-</b>		<b>-</b>
<b>Net Cash flow from all Activities</b>			<b>20,551,221</b>		<b>7,348,363</b>
<b>Net Movement in Current Assets / Liabilities</b>					
Net Movement in Receivables			1,581,000		(1,920,000)
Net Movement in Payables			(615,295)		1,547,603
			<u>965,705</u>		<u>(372,397)</u>
<b>Cash Flow from all Activities</b>			<b>21,516,926</b>		<b>6,975,966</b>
<b>Cash &amp; Its Equivalent as at 1st January</b>			<u>12,057,532</u>		<u>5,081,566</u>
<b>Cash &amp; Its Equivalent as at 31st December</b>			<b><u>33,574,458</u></b>		<b><u>12,057,532</u></b>
<b>Cash &amp; its Equivalent as at 31st December</b>					
Cash Balances			68,854		48,807
Bank Balances			<u>33,505,604</u>		<u>12,008,724</u>
			<b><u>33,574,458</u></b>		<b><u>12,057,532</u></b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	2019 N	2018 N
<b>NOTE 1 STATUTORY ALLOCATION</b>		
Council and staff salaries	<u>1,487,351,337</u>	<u>660,093,448</u>
	<b><u>1,487,351,337</u></b>	<b><u>660,093,448</u></b>
<b>NOTE 2 OTHER REVENUE</b>		
License, fees & fines	31,000	1,129,471
Earnings from Commercial Undertaking	2,657,275	67,000
Interest Payment and Dividends	520,112	3,384,892
Rates	-	43,000
10% Share of State Internal Revenue	2,200,738	4,007,699
Sale of Forms	<u>-</u>	<u>95,500</u>
	<b><u>5,409,126</u></b>	<b><u>8,727,562</u></b>
<b>NOTE 3 PERSONNEL COST</b>		
Salaries & Wages	704,296,048	515,890,377
Pension & gratuity	104,929,942	-
LEA Salaries	159,552,831	-
Allowances	<u>18,628,500</u>	<u>-</u>
	<b><u>987,407,321</u></b>	<b><u>515,890,377</u></b>
<b>NOTE 4 OVERHEAD COST</b>		
<b>ALLOWANCES AND SOCIAL CONTRIBUTION</b>		
Security Vote	13,000,000	18,350,000
Sallah Gift Allowance	5,000,000	2,968,000
NYSC Allowance	-	943,000
Security allowances	31,137,584	-
Honourarium & sitting allowance	2,459,000	2,992,215
Medical Expenses	2,756,100	250,000
Grants to communities/NGOs	39,811,288	-
2019 Hajj	15,057,825	-
Immunization allowances	1,361,935	-
Disturbance allowance	<u>444,200</u>	<u>1,423,661</u>
	<b><u>111,027,933</u></b>	<b><u>26,926,876</u></b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

	2019 N	2018 N
<b><i>TRAVEL &amp; TRANSPORT</i></b>		
Local travel & transport: Others	26,754,129	7,231,600
Local travel & transport: Training	138,000	805,000
	<u>26,892,129</u>	<u>8,036,600</u>
<b><i>MATERIALS AND SUPPLIES</i></b>		
Magazines & periodicals	-	21,000
Uniform & Other Clothing	-	-
Production of curriculum	27,641,250	-
Production of calandars	375,000	-
Supply of exercise books	2,000,000	-
Relief materials	15,400,000	-
Purchase of customised bags	1,139,249	-
Teaching aid/ insructional materials	3,627,500	-
Office stationeries/computer comsumables	61,000	314,000
Printing of security document	-	480,000
Printing of non-security document	2,264,975	1,141,000
Drugs & medical supplies	6,854,000	4,136,000
	<u>59,362,974</u>	<u>6,092,000</u>
<b><i>MISCELLANEOUS EXPENSES</i></b>		
Entertainment Allowance	-	67,500
Refreshment & Meals	19,097,410	1,658,250
Financial Assistance	5,405,380	5,813,000
Electricity bills	550,000	520,000
Bank charges	481,520	542,583
10% Admin charges	10,582,264	-
15% Comm dividend	50,927	-
Postages & courier services	30,000	-
Mandatory payment	97,353,126	-
Training and workshop	3,390,500	-
Budget activities	100,000	-
Hospitality & entertainment	-	2,986,000
Welfare Packages	6,356,000	21,926,750
Clearance and Disposal of Drainages	1,000,000	625,000
Publicity & advertisement	420,000	470,000
Max air	2,850,000	-
Vehicle Hire	-	4,202,080
Other Dues	-	40,000
Special days celebration	1,500,000	-
	<u>149,167,127</u>	<u>38,851,163</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019  
NOTES TO THE ACCOUNTS**

	2019	2018
	N	N
<b><i>MAINTENANCE SERVICES</i></b>		
Maintenance of generator	90,000	100,000
Other maintenance	4,450,300	2,950,000
Erosion and Flood Control	10,029,625	5,701,000
Tree Planting	-	1,000,000
Maintenance of market & Other Public Places	1,900,000	5,313,490
Maintenance of street light	7,856,767	110,000
Minor road maintenance	1,900,000	-
Maintenance of motor vehicles	3,936,300	3,053,375
Maintenance of communication equipments	1,150,000	-
Maintenance of office Furniture	-	100,000
Maintenance of building	3,000,000	-
Maintenance of of office building	1,099,358	1,107,991
Motor vehicle fuel cost	2,305,627	2,153,625
Plant fuel cost	-	-
	<u>37,717,977</u>	<u>21,589,480</u>
<b><i>CONSULTING &amp; PROFESSIONAL SERVICES</i></b>		
Audit fees	824,600	<u>-</u>
Financial Consulting	-	<u>425,820</u>
	<u>824,600</u>	<u>425,820</u>
<b>Total Overhead</b>	<u><u>384,992,739</u></u>	<u><u>101,921,939</u></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

**NOTE 5 PROVISION OF INFRASTRUCTURES**

Balance b/f	43,660,331	
Renovation of building	35,277,219	790,000
Construction of Water facilities	1,677,000	6,500,000
Construction of Dispensary	-	647,768
Renovation of Dispensary	2,568,751	-
Construction/provision of electricity	500,000	-
Construction/provision of infrastructure-rur	25,048,918	-
Construction & fencing of wall grave yard	5,717,089	-
Construction / provision of residential buildin	1,000,000	-
Construction of market stalls	12,819,635	-
Joint project	4,648,400	-
Erosion & flood Control	-	975,000
Maintenance of Health Centres	-	7,690,473
Rehabilitation of road	880,000	13,499,375
Purchase of Computer & Printer	-	290,000
Purchase of Veterinary Drugs	-	4,307,000
Purchase of Learning Materials	-	544,000
Construction of Computer Room	-	2,513,398
Purchase of Motor Vehicle	2,272,170	570,000
Purchase of Wooden Canoes	4,800,000	950,000
Purchase of Cabinet		320,000
Furniture	300,000	-
Purchase of Generator	-	500,000
Purchase of Motor Cycle	-	230,000
Purchase of Agric Equipment	2,300,000	1,000,000
Purchase of hand pump	-	2,333,317
	<u>143,469,512</u>	<u>43,660,331</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019  
NOTES TO THE ACCOUNTS**

	2019 N	2018 N
<b>NOTE 6 CASH &amp; CASH EQUIVALENT</b>		
Bank balance	33,505,604	12,008,724
Cash	<u>68,854</u>	<u>48,807</u>
	<b><u>33,574,458</u></b>	<b><u>12,057,532</u></b>
<b>NOTE 7 PREPAYMENTS</b>		
Advances	<u>6,989,459</u>	<u>8,570,459</u>
<b>NOTE 8 INVESTMENTS</b>	<u>4,663,175</u>	<u>4,663,175</u>
<b>NOTE 9 DEPOSITS</b>	<u>932,308</u>	<u>1,547,603</u>
<b>NOTE 10 ACCUMULATED FUND</b>		
Brought Forward	67,403,894	16,395,200
Operating Balance for the Year	<u>120,360,402</u>	<u>51,008,694</u>
	<b><u>187,764,296</u></b>	<b><u>67,403,894</u></b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019**

**APPENDICES**

<b>APPENDIX 1</b>		
<b>S/N</b>	<b>NAME OF COMPANY</b>	<b>AMOUNT (N)</b>
1	Urban Development Bank	500,000
2	Zaranda Hotel	63,620
3	Inland Bank of Nigeria	699,055
4	Bauchi Publishing & Printing Company	100,000
5	Inland Bank of Nigeria	12,500
6	Kaduna Textile Limited	122,500
7	Federal Savings Bank Nig Ltd	31,500
8	Ashaka Cement	84,000
9	Yankari Savings & Loans	50,000
10	Katagum Microfinance Bank	3,000,000
	<b>Total</b>	<b><u>4,663,175</u></b>

<b>APPENDIX 2</b>		
<b>S/N</b>	<b>PARTICULARS</b>	<b>AMOUNT</b>
1	Sakwa Global Concept	37,200.00
2	Yahuza Bursali Nig Ltd	155,610.84
3	Yahuza Bursali Nig Ltd	87,830.40
4	Yahuza Bursali Nig Ltd	126,073.92
5	Dankiri Petroleum Nig Ltd	82,017.60
6	Sakwa Global Concept	79,625.28
7	Sakwa Global Concept	40,800.00
8	Haladu Idris	95,326.34
9	Haladu Idris	19,386.15
10	Dankiri Petroleum Nig Ltd	52,698.24
11	Dankiri Petroleum Nig Ltd	51,179.47
12	Yahuza Bursali Nig Ltd	77,805.45
13	Sakwa Global Concept	39,264.00
14	Sakwa Global Concept	39,812.64
15	Dankiri Petroleum Nig Ltd	87,173.12
16	Dankiri Petroleum Nig Ltd	41,008.80
17	Dankiri Petroleum Nig Ltd	63,036.96
18	Dankiri Petroleum Nig Ltd	35,132.16
19	Dankiri Petroleum Nig Ltd	273,159.16
20	Dankiri Petroleum Nig Ltd	63,462.60
		1,547,603
	Less: Repayments	(615,295)
	<b>Total</b>	<b><u>932,308</u></b>



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2019

APPENDICES

APPENDIX 3

SCHEDULES OF ADVANCES

		N
1	31/12/2017 Sundry Persons	2,284,459
2	19/9/2018 Bala Tata	40,000
3	19/9/2018 Bala Tata	928,000
4	19/9/2018 Mohammed Mohd sakwa	500,000
5	5/11/2018 Alh Sule Adamu	796,000
6	5/11/2018 Alh Sule Adamu	796,000
7	7/11/2018 Alh Sule Adamu	995,000
8	Nov-18 Bala Tata	650,000
	<b>TOTAL</b>	<b><u>6,989,459</u></b>

