



**GOVERNMENT OF CROSS RIVER STATE**

**REPORT OF THE  
AUDITOR-GENERAL  
FOR LOCAL GOVERNMENTS  
ACCOUNTS OF THE EIGHTEEN (18) LOCAL  
GOVERNMENTS OF CROSS RIVER STATE  
FOR THE YEAR ENDED  
31ST DECEMBER, 2019**



**OFFICE OF THE  
AUDITOR-GENERAL FOR  
LOCAL GOVERNMENTS  
CROSS RIVER STATE**

**REPORT OF THE AUDITOR-GENERAL  
(LOCAL GOVERNMENTS)**

**ON THE**

**ACCOUNTS OF THE EIGHTEEN (18) LOCAL  
GOVERNMENTS OF CROSS RIVER STATE**

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

**OFFICE OF THE AUDITOR GENERAL FOR  
CROSS RIVER STATE LOCAL GOVERNMENTS**

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HIS EXCELLENCY  
**SIR SEN. PROF. BENEDICT AYADE**  
GOVERNOR  
CROSS RIVER STATE



HIS EXCELLENCY  
**PROF. IVARA EJMOT ESU** OFR  
DEPUTY GOVERNOR  
CROSS RIVER STATE



RT. HON.  
**ETENG JONAS-WILLIAMS**  
HONORABLE SPEAKER  
CROSS RIVER STATE HOUSE OF ASSEMBLY



MRS. FRANKA A. INOK, FCA  
AUDITOR-GENERAL  
CRS LOCAL GOVERNMENTS



# PART ONE

**CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS**  
**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE 18**  
**LOCAL GOVERNMENTS OF CROSS RIVER STATE TO THE SPEAKER OF**  
**THE CROSS-RIVER STATE HOUSE OF ASSEMBLY FOR THE YEAR ENDED**  
**31<sup>ST</sup> DECEMBER 2019**

**The Rt. Hon Speaker,**  
Cross River State House of Assembly,  
House of Assembly Complex,  
Calabar

**ATTENTION: PUBLIC ACCOUNTS COMMITTEE**

**INTRODUCTION**

In compliance with the provisions of Section 125 (2) of the Constitution of the Federal Republic of Nigeria 1999 as (amended) and Section 56 (2) of Cross River State Local Government Law No. 7 of 2007 (as amended), I have examined the Accounts and Financial Statements of the 18 Local Government Councils of Cross-River State for the year ended 31<sup>st</sup> December, 2018 in accordance with Public Finance (Control Management Act 1958), Model Financial Memoranda and Circular Guidance.

I have therefore certified the individual Accounts submitted by the Treasurers / Directors of Finance of the various Councils as correct subject to the various observations raised and contained in the Management Report, while the irregularities observed therein had been forwarded through Local Audit Queries / Inspection Reports to the respective Chief Accounting Officers for their responses, comments and further action.

Below is a general summary of common observations encountered while examining the individual financial statements, records and books of Account of the eighteen (18) Local Governments of Cross River State. This report contains a general aggregate summary of Revenue, Expenditure and the Budget performance of the eighteen (18) Local Governments for the year under review as well as my observations regarding them.

Also included in this report are Statements of Receipts and Disbursements from the State Joint Account Allocation Committee (SJAAC) as submitted by the Director of SJAAC Accounts of the Ministry of Local

This report is hereby submitted for deliberation and clearance by the State House of Assembly. Copies have also been forwarded to the Executive Governor, Chairmen of Councils and the Local Government Legislature as required by Law.

## CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS

### AUDIT OPINION

#### STATEMENT OF OPINION OF THE AUDITOR-GENERAL

The Accounts of the 18 Local Governments of Cross River State found on pages 19-21 have been examined under my direction, which have been prepared under the accounting policies set out on page 13-18.

#### RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL

The Local Government Treasurers are responsible for the preparation of the Financial Statements. It is my responsibility to form an independent opinion based on our Audit on the Financial Statements and report our opinion to you.

#### THE SCOPE OF MY AUDIT

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements 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 we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

In affirming our opinion, we evaluated the preparation of the information in the Financial Statements and assessed whether the Councils' books and Accounts had been properly kept.

#### OUR OPINION

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs as at 31<sup>st</sup> December 2019*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.

  
MRS. FRANKA A. INOK, FCA  
AUDITOR-GENERAL

## CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS

### AUDIT CERTIFICATION

I have examined the Financial Statements of all the eighteen (18) Local Government Councils of Cross River State as at 31<sup>st</sup> December, 2018, in accordance with Section 125(2)(4) and (5) of the 1999 Constitution of the Federal Republic of Nigeria (as amended) and Section 52 – 54 of Cross River State Local Government Law No. 7 of 2007 (as amended). I have obtained all information and explanations that I required for my Audit.

The Audit includes Examination of Supporting Documents to the Accounts and disclosures in the Financial Statements. The Audit also includes assessing compliance with International Public Sector Accounting Standards (IPSAS) Cash Basis and significant estimates made by Governments as well as evaluating the overall Financial Statements presentation and disclosures.

In my opinion, the Financial Statements are stated correctly and show a true and fair view of the state of affairs of the 18 Local Government Councils of Cross River State as at 31<sup>st</sup> December 2019 subject to the observations in the Management Reports.



**MRS. FRANKA A. INOK, FCA**  
**AUDITOR-GENERAL**  
**CRS LOCAL GOVERNMENTS**

*25<sup>th</sup> September 2020*

## **STATEMENT OF ACCOUNTING POLICIES**

### **1. Basis of Preparation of Financial Statements**

These Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) (Cash Basis) as well as under the Guidelines of the Financial Memoranda and in conformity with the Standardized Chart of Accounts designed and introduced by the Federation Account Allocation Committee (FAAC) for adoption by all tiers of Government in Nigeria as well as the Financial Reporting Council (FRC) Guidelines on Public Sector reporting.

### **2. Accounting Period**

The accounting year to which the Financial Statements relate is from 1<sup>st</sup> January to 31<sup>st</sup> December 2018.

### **3. Reporting Currency**

The Financial Statements were prepared in Nigerian Naira.

### **4. IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when cash (including cash equivalents) are received or paid by the LGCs. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of cash raised during the period, the purposes for which cash was used and the cash balances at the reporting date. Notes to the GPFS provide additional information about Liabilities, including Payables and Borrowings and non-cash assets that include Receivables, Investments and Property, Plant and Equipment.

## **5. Accounting Terminologies / Definitions**

### **5.1 Accounting Policies**

These are the specific principles, bases, conventions, rules and practices adopted by the 18 LGAs in preparing and presenting their Financial Statements.

### **5.2 Cash**

Cash comprises of cash in hand, demand deposits in financial institutions and cash equivalents.

### **5.3 Cash equivalents**

These are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **5.4 Cash basis**

means a basis of accounting that recognizes transactions and other events only when cash is received or paid.

### **5.5 Cash flows**

are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.

**5.6 Cash receipts** are cash inflows.

**5.7 Cash payments** are cash outflows.

## **5.8 Notes to the GPFS**

These include narrative descriptions or more detailed schedules, or analyses of amounts shown on the face of the GPFS, as well as additional information.

## **6. General Purpose Financial Statements (GPFS)**

The GPFS comprise of Statements of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by the 18 LGAs and Accounting Policies and Notes to the Financial Statements.

### **6.1 Principal Statements contained in the IPSAS Financial Statements**

- The Cash flow Statement
- The Statement of Financial Position
- The Statement of Financial Performance
- The Notes to the Financial Statements
- Accounting Policies and Explanatory Notes.

## **7. Fundamental Accounting Concepts**

The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in State:

Cash Basis of Accounting

Understandability

Materiality

Relevance

Going Concern Concept

Consistency Concept

Prudence

Completeness etc.

**8. Comparative Information**

The GPFS shall disclose all numerical information relating to the previous period (at least one year)

**9. Interest Received**

Interest actually received during the financial year shall be treated as a receipt under item 'Other Receipts'.

**10. Receipts**

These are Cash inflows within the financial year. They comprise of receipts from Statutory Allocations, Value Added Tax, Excess Crude, Internally Generated Revenue and Other Revenue. These items shall be disclosed at the face of the Statement of Cashflows

**11. Payments**

These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorized either by Function and/or by Sector in the Statement of Cash Receipts and Payment. Payments for purchase of items of capital nature (e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.

**12. Loans**

Loans granted to Local Governments especially by the State Government shall be categorized under loans in the Statement of Financial Position. Amount disclosed in the Statement of Cashflow shall be the actual amount received in the financial year while amount disclosed in the Statement of Financial Position shall be cumulative including loan amounts outstanding from previous years.



### **13. Loan Repayments**

Amounts repaid from Loans granted to Local Governments shall be classified under Loan Repayments, amount disclosed shall be actual amount

### **14. Budget Figures**

These are figures from the approved annual budget and supplementary budget as approved with the Cross-River State Local Government Law 2007 (as amended).

### **15. Interest on Loans**

Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest repayment in the Statement of Cashflow.

### **16. Prepayments**

Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.

### **17. Investments**

Cash Payments made for investment purposes such as purchase of Government Stock, Treasury Bills and Certificates of Deposit, are capital costs and are disclosed as purchase of financial instruments in Council accounts.

### **18. Leases**

Cash Payment for Finance Leases, which effectively transfer to the Government substantially all the risks and benefits incidental to ownership of the leased item, are treated as capital payments and disclosed in the Statement of Cash Receipts and payments.

## **19. Cash Balances**

This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.

## **20. Other Borrowings / Grants & Aid Received**

These are categorized as either Short-term or Long-term Loans. Short term loans are those payable within one calendar year (12 months), while Long-term loans and debts shall fall due beyond one calendar year (above 12 months). Loans and Grants shall be disclosed separately in the Statement of Cashflows

## **21. Advances**

All Cash Advances shall be retired before the end of the financial year-end.

## **Key to Abbreviations**

1. LGC - Local Government Council
2. FAAC -Federation Account Allocation Committee
3. VAT - Value Added Tax
4. IGR - Internally Generated Revenue
5. GAAP - Generally Accepted Accounting Principles
6. GPFS - General Purpose Financial Statements
7. IPSAS - International Public Sector Accounting Standards
8. PPE - Property, Plant and Equipment
9. JAAC - Joint Account Allocation Committee

**CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS**  
**CONSOLIDATED CASHFLOW STATEMENT OF THE 18 LOCAL**  
**GOVERNMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

	Notes	2019	2018
		=N=	=N=
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Inflows:</b>			
Government Share of FAAC (Statutory Allocation)	1	26,933,543,626.73	27,800,648,761.87
Government Share of VAT	1	7,152,638,078.65	5,875,772,671.75
Excess Crude	1	65,476,441.34	118,528,482.70
Other Revenue	1	795,767,635.61	1,762,531,717.24
Internally Generated Revenue (Non-Tax Revenue)	2	499,600,737.56	539,021,293.19
Redistribution from JAAC	3	95,065,842.36	1,094,419,834.18
10% State IGR		-	-
<b>Total Inflows from Operating Activities</b>		<b>35,542,092,362.25</b>	<b>37,190,922,760.93</b>
<b>Outflows:</b>			
Salaries and Wages (Social Benefits)	4	22,938,505,303.14	22,387,346,485.81
Overhead Cost	5	1,102,542,305.30	1,056,932,205.00
Statutory Deductions	6	341,491,356.90	121,190,057.08
JAAC Charges	7	5,497,878,952.43	4,080,735,977.89
<b>Total Outflows from Operating Activities</b>		<b>29,880,417,917.77</b>	<b>27,646,204,725.78</b>
<b>Net Cashflow from Operating Activities</b>		<b>5,661,674,444.48</b>	<b>9,544,718,035.15</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of PPE		-	-
Proceeds from Sale of Investment Property		-	-
Capital Expenditure (Purchase/Construction of	8	(4,680,124,720.02)	(6,400,278,320.50)
Investment Expenditure	9	-	(500,000,000.00)
<b>Net Cashflow from Investing Activities</b>		<b>(4,680,124,720.02)</b>	<b>(6,900,278,320.50)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Miscellaneous Deposits Received	10	169,869,313.94	5,055,283.79
Miscellaneous Deposits Remitted	10	(73,067,091.53)	
Taxes Received	11	115,656,743.72	21,147,002.86
Tax Remitted	11	(80,532,516.01)	(20,481,496.02)
Proceeds from Borrowings (CRSG Loan)	12	-	-
Repayment of Borrowings	12	(4,000,000,000.00)	(500,000,000.00)
Overdraft Received	13	-	643.06
Overdraft Repayment	13	-	-
<b>Net Cash Flow from Financing Activities</b>		<b>(3,868,073,549.88)</b>	<b>(505,062,566.31)</b>
<b>Net Increase (Decrease) in Cash &amp; its Equivalents</b>		<b>(2,886,523,825.02)</b>	<b>2,139,377,148.34</b>
<b>Cash and its Equivalent as at 01 Jan 2019</b>		<b>1,556,029,389.22</b>	<b>(583,347,759.12)</b>
<b>Cash and its equivalent as at 31 Dec 2019</b>	14	<b>(1,330,494,436.20)</b>	<b>1,556,029,389.22</b>

**CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS****CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE 18 LOCAL GOVERNMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

	Notes	2019 =N=	2018 =N=
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash and Cash Equivalents	14	(1,330,494,436.20)	1,556,029,389.22
Receivables	15	7,955,120,291.54	5,695,413,893.28
Inventories		-	-
Prepayments		-	-
<b>Total Current Assets (A)</b>		<b>6,624,625,855.34</b>	<b>7,251,443,282.50</b>
<b>Non-Current Assets</b>			
Long-Term Loans		-	-
Investments	16	2,859,817,044.14	2,859,817,044.14
Property, Plant & Equipment		-	-
Contribution to CRS Reserve Fund	17	2,119,277,212.68	1,903,277,212.68
<b>Total Non-Current Assets (B)</b>		<b>4,979,094,256.82</b>	<b>4,763,094,256.82</b>
<b>Total Assets (A) + (B)</b>		<b>11,603,720,112.16</b>	<b>12,014,537,539.32</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Deposits	18	393,156,640.89	304,635,536.07
Short term Loans & Debts	19	10,743,977.21	15,536,641.03
Unremitted Deductions	20	10,491,263,272.11	10,594,381,209.47
Payables (Unremitted taxes)	21	185,565,759.99	167,045,002.22
<b>Total Current Liabilities (C)</b>		<b>11,080,729,650.20</b>	<b>11,081,598,388.79</b>
<b>Non-Current Liabilities</b>			
Long Term Borrowings (CRSG loan)	22	5,826,254,361.48	9,826,254,361.40
Internal Loans (Public Funds)		-	-
Long Term Provisions		-	-
<b>Total Non-Current Liabilities (D)</b>		<b>5,826,254,361.48</b>	<b>9,826,254,361.40</b>
<b>Total Liabilities (C) + (D)</b>		<b>16,906,984,011.68</b>	<b>20,907,852,750.19</b>
<b>Net Assets (Total Assets - Total Liabilities)</b>		<b>(5,303,263,899.52)</b>	<b>(8,893,315,210.87)</b>
<b>NET ASSETS/EQUITY</b>			
Reserves	23	2,810,521,826.43	6,553,099,332.22
Accumulated Surpluses/(Deficits)		(8,113,785,725.95)	(15,446,414,543.09)
<b>Total Net Assets/Equity</b>		<b>(5,303,263,899.52)</b>	<b>(8,893,315,210.87)</b>

**CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS**  
**CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE FOR THE 18 LOCAL GOVERNMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

PREVIOUS YEAR ACTUAL (2018)		Notes	ACTUAL 2019	FINAL BUDGET 2019	VARIANCE ON FINAL BUDGET
=N=			=N=	=N=	=N=
	<b>REVENUE</b>				
	<b>RECEIPTS:</b>				
35,557,481,633.40	Government Share of FAAC (Statutory Allocation)	1	34,947,425,782.33	53,484,698,762.37	(18,537,272,980.04)
539,021,293.19	Internally Generated Revenue	2	499,600,737.56	2,522,993,654.00	(2,023,392,916.44)
1,094,419,834.18	Redistribution from JAAC (Other	3	95,065,842.36	-	95,065,842.36
	Cross River State Government Loan	11	-	-	-
<b>37,190,922,760.77</b>	<b>Total Revenue (A)</b>		<b>35,542,092,362.25</b>	<b>56,007,692,416.37</b>	<b>(20,465,600,054.12)</b>
	<b>EXPENDITURE</b>				
22,387,346,485.81	Salaries and Wages	4	22,938,505,303.13	24,490,608,911.17	(1,552,103,608.04)
121,190,057.08	Statutory Deductions	6	341,491,356.90	14,403,287,456.91	(14,061,796,100.01)
1,056,932,205.00	Overhead Cost	5	1,102,542,305.30	2,111,291,052.08	(1,008,748,746.78)
4,080,735,977.89	JAAC Charges	7	5,497,878,952.03	-	
6,400,378,329.50	Capital Expenditure	8	4,680,124,720.02	27,776,334,183.91	(23,096,209,463.89)
(500,000,000.00)	Investment Expenditure	9	-	-	-
<b>33,546,583,055.28</b>	<b>Total Expenditure (B)</b>		<b>34,560,542,637.38</b>	<b>68,783,521,406.07</b>	<b>(39,718,857,918.72)</b>
<b>3,644,339,705.49</b>	<b>Surplus/Deficit from Operating Activities (A-B)</b>		<b>981,549,724.87</b>		
-	Gain/Loss on Disposal of Assets				
-	<b>Total Non-Operating Revenue/Expenditure</b>				
<b>3,644,339,705.49</b>	Surplus/Deficit from Ordinary Activities		<b>981,549,724.87</b>		
<b>3,644,339,705.49</b>	<b>Net Surplus/Deficit for the Period</b>		<b>981,549,724.87</b>		

**CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS/EQUITY OF THE 18 LOCAL GOVERNMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

	RESERVE	ACCUMULATED SURPLUS/(DEFICIT)	TOTAL
	=N=	=N=	=N=
Balance as at 31 Dec 2018	<b>6,553,099,332.22</b>	<b>(9,504,602,741.50)</b>	<b>(2,951,503,409.28)</b>
Addition to Reserves	409,875,822.36	-	409,875,822.36
<b>Restated Balance</b>	<b>6,962,975,154.58</b>	<b>(9,504,602,741.50)</b>	<b>(2,541,627,586.92)</b>
Net Surplus for the Period	-	981,549,724.87	981,549,724.87
<b>Balance as at 31 Dec 2019</b>	<b>6,962,975,154.58</b>	<b>(8,523,053,016.63)</b>	<b>(1,560,077,862.05)</b>

## CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS

**NOTES TO THE FINANCIAL STATEMENTS****1a. (A) GOVERNMENT SHARE OF FAAC (STATUTORY ALLOCATION) N26,933,543,626.73**

This represents allocations received on a monthly basis by all 18 local government councils from the Federation Account in line with the provisions of the Constitution of the Federal Republic of Nigeria. Below is a comprehensive table showing in column (A) the portions attributable to each council bringing the grand total for the year to N26.9bn (approx.).

**Table 1 - Schedule of all Inflows to the 18 LGAs for the Year 2019**

S/N	LGC	(A) STATUTORY ALLOCATION	(B) VAT	(C) EXCESS CRUDE	(D) OTHER REVENUE	TOTAL
1	ABI	1,434,059,262.75	383,906,730.47	23,938,428.44	21,905,117.26	1,863,809,538.92
2	AKAMKPA	1,802,492,691.76	389,261,308.29	-	57,624,717.96	2,249,378,718.01
3	AKPABUYO	1,725,530,793.75	491,170,005.31	2,932,546.12	52,231,277.68	2,271,864,622.86
4	BAKASSI	1,113,488,335.05	288,708,305.89	3,152,100.73	32,440,574.34	1,437,789,316.01
5	BEKWARRA	1,330,061,445.20	350,897,213.06	-	42,517,986.60	1,723,476,644.86
6	BIASE	1,530,077,550.17	404,553,616.31	-	48,909,761.93	1,983,540,928.41
7	BOKI	1,754,090,870.47	418,914,027.95	-	56,077,080.87	2,229,081,979.29
8	CAL. MUN	1,389,595,035.89	413,198,749.07	3,150,562.81	41,271,117.74	1,847,215,465.51
9	CAL. SOUTH	1,481,108,692.41	423,562,296.59	2,517,053.58	44,830,982.46	1,952,019,025.04
10	ETUNG	1,159,956,663.59	329,196,259.39	1,970,951.05	35,104,406.48	1,526,228,280.51
11	IKOM	1,582,433,999.82	398,794,959.12	2,689,334.91	47,899,467.54	2,031,817,761.39
12	OBANLIKU	1,358,233,434.91	354,709,657.19	-	43,657,115.58	1,756,600,207.68
13	OBUBRA	1,505,149,154.22	407,314,950.35	25,125,463.70	22,991,274.21	1,960,580,842.48
14	OBUDU	1,425,003,579.03	396,866,719.37	-	45,553,868.14	1,867,424,166.54
15	ODUKPANI	1,616,315,614.03	424,251,619.11	-	51,671,533.73	2,092,238,766.87
16	OGOJA	1,519,084,266.08	406,855,119.79	-	48,562,377.49	1,974,501,763.36
17	YAKURR	1,525,073,267.60	430,644,033.85	-	48,753,820.39	2,004,471,121.84
18	YALA	1,681,788,970.00	439,832,507.54	-	53,765,155.21	2,175,386,632.75
		<b>26,933,543,626.73</b>	<b>7,152,638,078.65</b>	<b>65,476,441.34</b>	<b>795,767,635.61</b>	<b>34,947,425,782.33</b>

**Table 1 - Schedule of all Inflows to the 18 LGAs for the Year 2019**

**1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) –N 7,152,638,078.65**

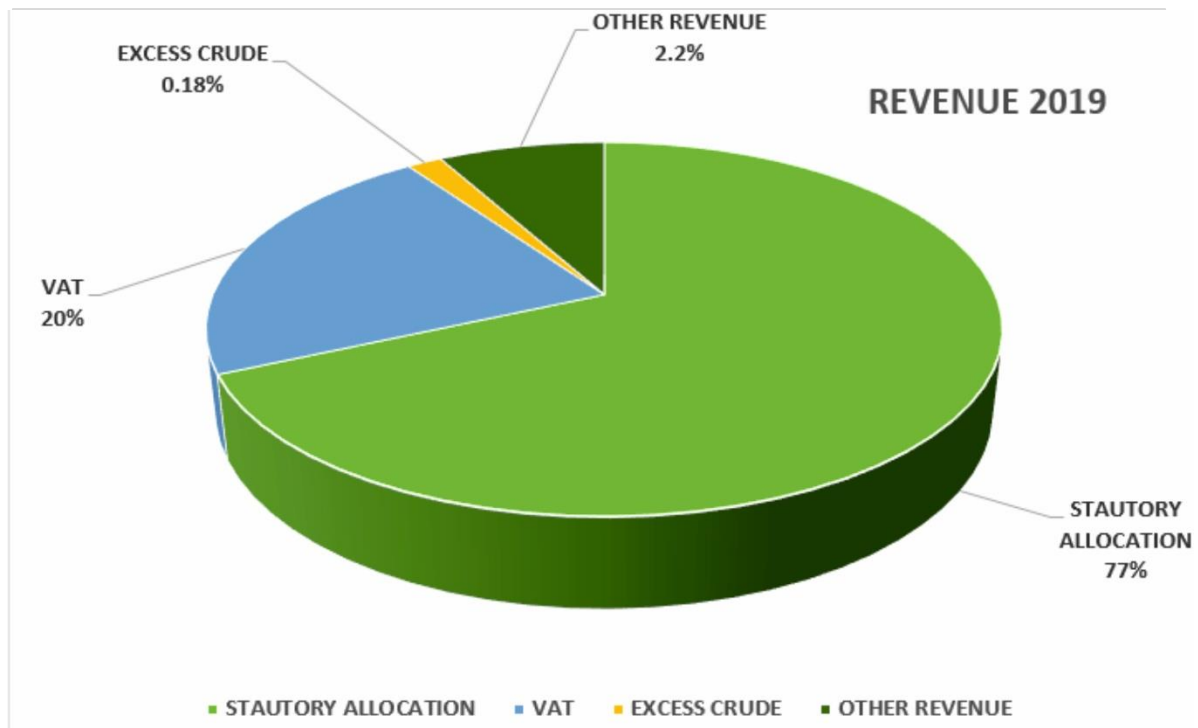
This represents Federal Revenue arising from Value Added Tax (VAT) that is shared proportionately to all 18 local government councils in line with the provisions of the VAT Act. Column B in table I above shows the portion of each LGC bringing the total to N7.2bn (approx.)

**1c. (C) EXCESS CRUDE –N65,476,441.34**

This represents the 18 LGAs share of Federal Excess Crude revenue as seen in table 1, column C above. The grand total for the year for all 18 LGAs amounted to 65.4m (approx.).

**1d. (D) OTHER REVENUE –N795,767,635.61**

This represents revenue other than statutory receipts from the Federation like Refunds amounting to N795.76bn (approx..) as seen in column D of table 1 above.

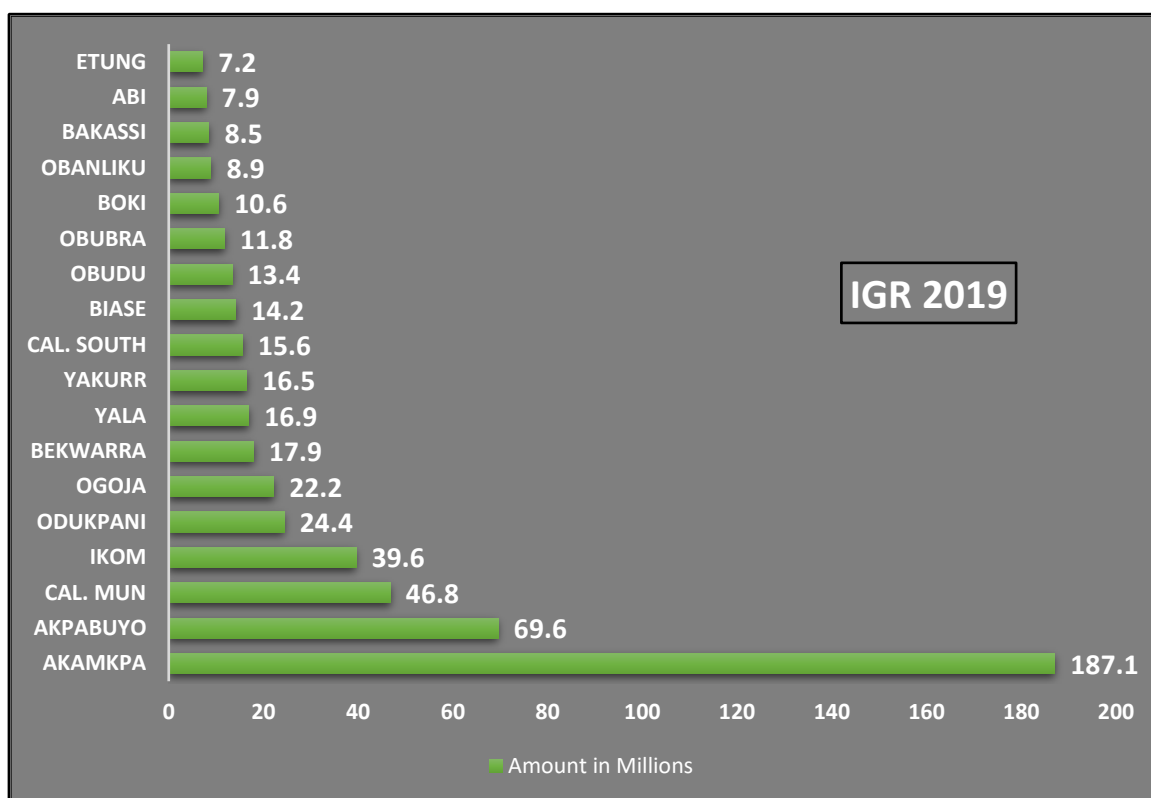


Details in Table 1

**Total Consolidated Revenue for the year from the Federation in respect of the 18 Local Governments amounted to 34.9bn (approx.) Statutory Allocation contributed the highest at 77% of the entire revenue, VAT at 20%, Excess Crude 0.18% and Other revenue 2.2% of total revenue for the year.**

**2. NON-TAX REVENUE (IGR) – ₦499,600,737.56**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of all 18 LGCs for the year amounting to N499.6m (approx..) as charted below;



See Appendix A for details

**3. REDISTRIBUTION FROM JAAC – ₦95,065,842.36**

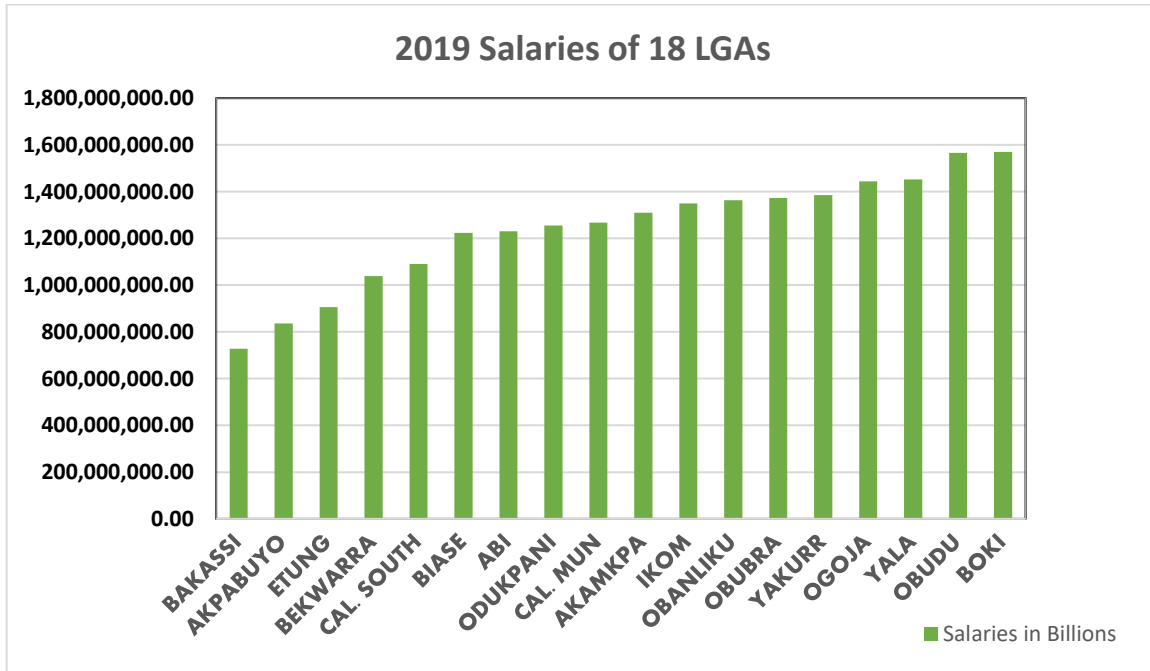
This represents the positive inflows to Councils after Salaries, Statutory deductions and Joint Commitments were made by JAAC. It amounted to a paltry N95.06m (approx..).

INFLOW FROM JAAC REDISTRIBUTION	
LGA	AMOUNT (₦)
OBUDU	95,065,842.36
<b>TOTAL</b>	<b>95,065,842.36</b>



**4. SALARIES AND WAGES – ₦22,938,505,303.13**

This consists of the 18 LGA’s salaries and wages paid to staff of the local government comprising of council staff, traditional rulers and non-pensionable allowances (LGC), teachers (SUBEB) and health workers (PHC). Pension allowances/Social benefits paid to all retired LGCs staff are also inclusive. Salaries and wages are graphically represented below;



See Appendix B for details

**5. OVERHEAD COST – ₦1,102,542,305.30**

This represents total overhead cost incurred during the financial year by the 18 LGCs. This is graphically represented thus;



See Appendix B for details

**6. STATUTORY DEDUCTIONS – ₦341,491,356.90**

This is made up of 31% Statutory deductions from the 18 LGAs Statutory Allocations and paid to 11 State Agencies as stipulated in Cross River State Local Government Law 2007 (as amended). For the year under review, a total of ₦1.7Bn (approx.)

S/N	LGC	AGENCY	AMOUNT (₦)
1	ABI	Joint Services & Joint Social Welfare/Security	18,971,742.05
2	AKAMKPA	Joint Services & Joint Social Welfare/Security	18,971,742.05
3	AKPABUYO	Joint Services & Joint Social Welfare/Security	18,971,742.05
4	BAKASSI	Joint Services & Joint Social Welfare/Security	18,971,742.05
5	BEKWARRA	Joint Services & Joint Social Welfare/Security	18,971,742.05
6	BIASE	Joint Services & Joint Social Welfare/Security	18,971,742.05
7	BOKI	Joint Services & Joint Social Welfare/Security	18,971,742.05
8	CALABAR	Joint Services & Joint Social Welfare/Security	18,971,742.05
9	CALABAR	Joint Services & Joint Social Welfare/Security	18,971,742.05
10	ETUNG	Joint Services & Joint Social Welfare/Security	18,971,742.05
11	IKOM	Joint Services & Joint Social Welfare/Security	18,971,742.05
12	OBANLIKU	Joint Services & Joint Social Welfare/Security	18,971,742.05
13	OBUBRA	Joint Services & Joint Social Welfare/Security	18,971,742.05
14	OBUDU	Joint Services & Joint Social Welfare/Security	18,971,742.05
15	ODUKPANI	Joint Services & Joint Social Welfare/Security	18,971,742.05
16	OGOJA	Joint Services & Joint Social Welfare/Security	18,971,742.05
17	YAKURR	Joint Services & Joint Social Welfare/Security	18,971,742.05
18	YALA	Joint Services & Joint Social Welfare/Security	18,971,742.05
		<b>TOTAL</b>	<b>341,491,356.90</b>

**7. JAAC CHARGES – ₦5,497,878,952.03**

This represents Joint Commitments of the 18 LGAs that were approved for payment by Councils from JAAC that resulted in negative redistribution for certain months of the year. Only Obudu had positive redistribution figure as seen in the table below:

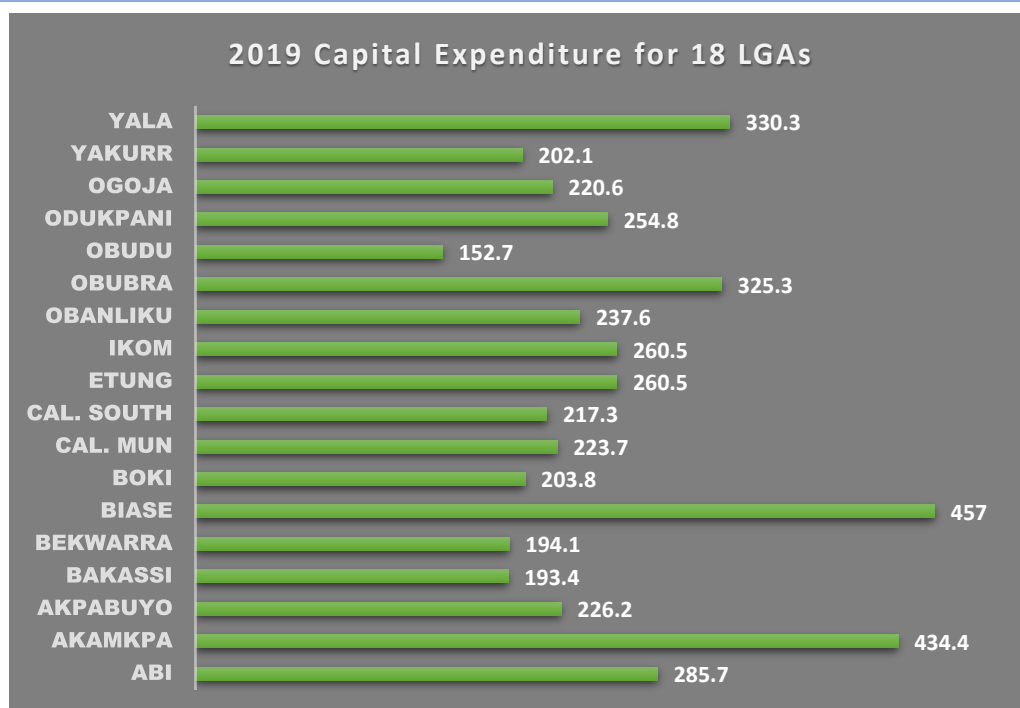
S/N	LGC	DETAILS	AMOUNT (=N=)
1	ABI	JAAC CHARGES	155,960,882.02
2	AKAMKPA	JAAC CHARGES	637,436,257.19
3	AKPABUYO	JAAC CHARGES	572,523,324.93
4	BAKASSI	JAAC CHARGES	175,386,763.19
5	BEKWARRA	JAAC CHARGES	447,752,344.21
6	BIASE	JAAC CHARGES	221,285,679.76
7	BOKI	JAAC CHARGES	147,863,014.85
8	CAL. MUN	JAAC CHARGES	335,910,412.76
9	CAL. SOUTH	JAAC CHARGES	789,870,695.54
10	ETUNG	JAAC CHARGES	416,678,907.38
11	IKOM	JAAC CHARGES	282,675,131.28
12	OBANLIKU	JAAC CHARGES	216,343,556.10
13	OBUBRA	JAAC CHARGES	280,870,700.00
14	OBUDU	JAAC CHARGES	-
15	ODUKPANI	JAAC CHARGES	267,406,892.91
16	OGOJA	JAAC CHARGES	76,941,134.72
17	YAKURR	JAAC CHARGES	232,197,188.35
18	YALA	JAAC CHARGES	240,776,066.84
		<b>TOTAL</b>	<b>5,497,878,952.03</b>

## 8. PURCHASE/CONSTRUCTION OF PPE (CAPITAL EXPENDITURE)

**- N4,680,124,720.02**

During the year under review, the 18 LGCs spent a total sum of N6.4bn (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment). Details are as presented below in the tabular and Chart format;

S/N	LGC	SOCIAL SERVICES	ECONOMIC SECTOR	ENVIRONMENTAL /REGIONAL DEVELOPMENT	GENERAL ADMINISTRATION	TOTAL
1	ABI	3,030,000.00	83,928,071.93	94,020,000.00	104,703,888.89	<b>285,681,960.82</b>
2	AKAMKPA	20,430,000.00	126,421,011.85	78,468,900.00	209,025,179.02	<b>434,345,090.87</b>
3	AKPABUYO	3,150,000.00	111,173,293.33	63,445,000.00	48,405,747.82	<b>226,174,041.15</b>
4	BAKASSI	4,050,000.00	48,070,200.00	68,721,000.00	72,559,863.15	<b>193,401,063.15</b>
5	BEKWARRA	2,245,000.00	127,425,408.16	49,035,000.00	15,375,000.00	<b>194,080,408.16</b>
6	BIASE	1,030,000.00	327,109,773.43	4,166,000.00	124,715,147.54	<b>457,020,920.97</b>
7	BOKI	2,000,000.00	66,000,000.00	52,731,000.00	83,078,888.89	<b>203,809,888.89</b>
8	CAL. MUN	4,016,425.22	79,691,000.00	61,575,399.28	78,430,459.69	<b>223,713,284.19</b>
9	CAL. SOUTH	530,000.00	75,220,000.00	2,450,643.25	139,060,808.73	<b>217,261,451.98</b>
10	ETUNG	5,121,000.00	131,554,007.33	50,000,000.00	73,838,888.89	<b>260,513,896.22</b>
11	IKOM	5,905,000.00	96,192,000.00	52,023,900.00	106,426,206.31	<b>260,547,106.31</b>
12	OBANLIKU	9,592,000.00	21,907,500.00	22,295,000.00	183,772,857.67	<b>237,567,357.67</b>
13	OBUBRA	2,300,000.00	39,739,000.00	174,307,680.00	108,948,643.49	<b>325,295,323.49</b>
14	OBUDU	-	3,270,000.00	116,593,331.23	32,875,555.52	<b>152,738,886.75</b>
15	ODUKPANI	-	31,425,714.29	69,776,000.00	153,646,572.86	<b>254,848,287.15</b>
16	OGOJA	4,311,000.00	60,510,000.00	61,713,000.00	94,070,303.68	<b>220,604,303.68</b>
17	YAKURR	5,154,000.00	61,259,000.00	30,700,000.00	105,051,555.56	<b>202,164,555.56</b>
18	YALA	3,555,000.00	176,575,662.50	12,910,000.00	137,316,230.51	<b>330,356,893.01</b>
	<b>TOTAL</b>	<b>76,419,425.22</b>	<b>1,667,471,642.82</b>	<b>1,064,931,853.76</b>	<b>1,871,301,798.22</b>	<b>4,680,124,720.02</b>



**9. INVESTMENT EXPENDITURE - NIL**

Investment expenditure represents the total aggregate payouts on behalf of Councils by the Ministry of Local Government Affairs for joint investments; in the year in question investment expenditure was nil.

**10. DEPOSITS RECEIVED AND REMITTED – N169,869,313.94 & N73,067,091.53**

Deposits received represent the retention fees and unpaid contract sums for contracts awarded by councils during the year while Deposits remitted represent the aforementioned amounts actually paid out.

<b>DEPOSITS RECEIVED AND REMITTED</b>			
<b>S/N</b>	<b>LGC</b>	<b>DEPOSITS RECEIVED</b>	<b>DEPOSITS REMITTED</b>
1	AKPABUYO	10,263,506.22	
2	BAKASSI	14,607,747.53	
3	BEKWARRA	55,336,841.29	(55,336,841.29)
4	BIASE	11,508,466.87	-
5	IKOM	2,980,000.00	(2,980,000.00)
6	ODUKPANI	1,710,000.00	(750,000.00)
7	OBUDU	27,110,826.66	-
8	OGOJA	14,807,252.78	(9,000,000.00)
9	YAKURR	29,374,672.59	-
10	YALA	2,170,000.00	(5,000,250.24)
	<b>TOTAL</b>	<b>169,869,313.94</b>	<b>(73,067,091.53)</b>

**11. TAXES RECEIVED– N 115,656,743.72/ TAXES REMITTED - N80,532,516.01**

Taxes received represents Withholding and Value Added taxes deducted from contract and consultancy jobs while taxes remitted represents the portion actual remitted to the relevant tax authorities. The difference of the two is captured as Payables in the Consolidated Liability Schedule. See Appendix D for details

TAXES RECEIVED AND REMITTED			
S/N	LGC	TAXES RECEIVED	TAXES REMITTED
1	ABI	6,005,000.00	(2,779,558.65)
2	AKAMKPA	-	-
3	AKPABUYO	14,236,333.00	(10,106,666.64)
4	BAKASSI	9,968,000.00	(12,014,000.00)
5	BEKWARRA	9,769,460.00	(9,769,460.00)
6	BIASE	5,098,770.72	(5,098,770.72)
7	BOKI	4,400,000.00	(4,400,000.00)
8	CALABAR	-	-
9	CALABAR SOUTH	9,757,000.00	-
10	ETUNG	-	-
11	IKOM	7,400,000.00	(5,200,000.00)
12	OBANLIKU	10,288,120.00	(2,750,000.00)
13	OBUBRA	-	-
14	ODUKPANI	6,250,000.00	(8,550,000.00)
15	OBUDU	9,674,060.00	(6,799,060.00)
16	OGOJA	4,560,000.00	(3,800,000.00)
17	YAKURR	5,000,000.00	-
18	YALA	13,250,000.00	(9,265,000.00)
	<b>TOTAL</b>	<b>115,656,743.72</b>	<b>(80,532,516.01)</b>

**12. REPAYMENT OF BORROWINGS– NIL**

This represents the cumulative total of loans taken from and repaid to the State Government to offset shortfalls in Salaries of LGCs and the amount repaid during the period as seen below:

REPAYMENT OF BORROWINGS AND REPAYMENTS			
S/NO	LGC	CRSG LOAN	REPAYMENT
1	ABI	-	222,222,222.22
2	AKAMKPA	-	222,222,222.22
3	AKPABUYO	-	222,222,222.22
4	BAKASSI	-	222,222,222.22
5	BEKWARRA	-	222,222,222.22
6	BIASE	-	222,222,222.22
7	BOKI	-	222,222,222.22
8	CALABAR MUNICIPAL	-	222,222,222.22
9	CALABAR SOUTH	-	222,222,222.22
10	ETUNG	-	222,222,222.22
11	IKOM	-	222,222,222.22
12	OBANLIKU	-	222,222,222.22
13	OBUBRA	-	222,222,222.22
14	ODUKPANI	-	222,222,222.22
15	OBUDU	-	222,222,222.22
16	OGOJA	-	222,222,222.22
17	YAKURR	-	222,222,222.22
18	YALA	-	222,222,222.22
	<b>TOTAL</b>	-	<b>4,000,000,000.00</b>

<b>BORROWINGS &amp; REPAYMENT OF BORROWINGS</b>	
	<b>AMOUNT (₦)</b>
Balance of Loan Brought Forward	9,826,254,361.48
2018 Loans Received	-
Repayment for the Period	(4,000,000,000.00)
Balance of Loan Carried Forward	<b>5,826,254,361.48</b>

### **13. OVERDRAFT RECEIVED AND REPAID – NIL**

This represents overdrafts taken by some councils during the year and the portions that have been repaid. In the year under review, no overdrafts were taken or repaid.

### **14. CASH AND CASH EQUIVALENTS – (₦1,330,494,435.80)**

Cash and cash equivalents for the period represents cash and bank balances of the 18 LGCs as per the Council's Cash Books as at 31<sup>st</sup> December 2019. See details in Appendix C.

### **15. RECEIVABLES – ₦ 7,955,120,291.54**

This represents cumulative amounts owed to Council by the State Government as a result of unremitted 10% State IGR, as seen in the table below;

<b>RECEIVABLES (10% STATE IGR)</b>	
	<b>AMOUNT (₦)</b>
Balance Brought Forward	5,695,413,893.28
2019 Unpaid 10%	<u>2,259,706,398.26</u>
Remittance for the Period	-
Balance Carried forward	<b>7,955,120,291.54</b>

### **16. INVESTMENTS - ₦2,859,817,044.14**

This represents joint investments and stocks held by the 18 LGCs in certain State-owned projects/companies like the Tinapa Business Resort, the Obudu Ranch Resort and the Cross-River State Micro Finance Bank.

**17. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND****- ₦ 2,119,277,212.68**

This represents the cumulative monthly contribution of one million per council per annum into the Cross-River State Reserve Fund Account. Details are found in the table below;

<b>CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND</b>	
	<b>AMOUNT (₦)</b>
Balance brought forward	1,903,277,212.68
Contribution for the period	216,000,000.00
Balance Carried forward	<b>2,119,277,212.68</b>

**See Appendix C for full breakdown.**

**18. DEPOSITS – ₦393,156,640.89**

Deposits received represents unpaid retention fees, unclaimed salaries and unpaid contract sums for contracts awarded by councils during the year while Deposits remitted represent the aforementioned amounts actually paid out. See Appendix D for full details.

**19. SHORT TERM LOANS AND DEBTS – ₦10,743,977.21**

This represents short-term loans owed to various banks by some Local Governments.

**20. UNREMITTED DEDUCTIONS – ₦ 10,491,263,272.11**

This represents the cumulative total of all unremitted statutory deductions by the 18 LGCs to certain State agencies as mandated by Law.

**21. PAYABLES – ₦185,565,759.99**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the 18LGCs as at 31<sup>st</sup> December 2018

**22. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – ₦5,826,254,361.48**

This represents the cumulative total amounts owed the State Government by the 18 LGCs, borrowed to offset shortfalls in funds to pay salaries.

**23. RESERVES - ₦ 2,810,521,826.43**

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31<sup>st</sup> December for the year 2018, apportioned evenly to each Local Government in its Financial Statements for the purposes of disclosure.



**CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS**

**APPENDIX A**

**SCHEDULE OF CONSOLIDATED REVENUE FOR THE 18 LGCs OF CROSS RIVER STATE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

Local Government	Government Share of FAAC	Govt. Share of VAT	Excess Crude	Other Revenue	Non-Tax Revenue (IGR)	Redistribution from JAAC	Total
ABI	1,434,059,262.75	383,906,730.47	23,938,428.44	21,905,117.26	6,819,377.20	-	1,870,628,916.12
AKAMKPA	1,802,492,691.76	389,261,308.29	-	57,624,717.96	148,734,825.33	-	2,398,113,543.34
AKPABUYO	1,725,530,793.75	491,170,005.31	2,932,546.12	52,231,277.68	61,626,303.61	-	2,333,490,926.47
BAKASSI	1,113,488,335.05	288,708,305.89	3,152,100.73	32,440,574.34	17,706,219.70	-	1,455,495,535.71
BEKWARRA	1,330,061,445.20	350,897,213.06	-	42,517,986.60	13,319,710.00	-	1,736,796,354.86
BIASE	1,530,077,550.17	404,553,616.31	-	48,909,761.93	10,947,690.10	-	1,994,488,618.51
BOKI	1,754,090,870.47	418,914,027.95	-	56,077,080.87	16,741,872.62	-	2,245,823,851.91
CAL. MUN	1,389,595,035.89	413,198,749.07	3,150,562.81	41,271,117.74	29,806,237.20	-	1,877,021,702.71
CAL. SOUTH	1,481,108,692.41	423,562,296.59	2,517,053.58	44,830,982.46	17,580,865.00	-	1,969,599,890.04
ETUNG	1,159,956,663.59	329,196,259.39	1,970,951.05	35,104,406.48	8,439,165.00	-	1,534,667,445.51
IKOM	1,582,433,999.82	398,794,959.12	2,689,334.91	47,899,467.54	32,121,395.86	-	2,063,939,157.25
OBANLIKU	1,358,233,434.91	354,709,657.19	-	43,657,115.58	5,306,800.00	-	1,761,907,007.68
OBUBRA	1,505,149,154.22	407,314,950.35	25,125,463.70	22,991,274.21	28,150,787.20	-	1,988,731,629.68
OBUDU	1,425,003,579.03	396,866,719.37	-	45,553,868.14	24,164,610.84	95,065,842.36	1,986,654,619.74
ODUKPANI	1,616,315,614.03	424,251,619.11	-	51,671,533.73	10,875,621.84	-	2,103,114,388.71
OGOJA	1,519,084,266.08	406,855,119.79	-	48,562,377.49	16,462,702.20	-	1,990,964,465.56
YALA	1,681,788,970.00	439,832,507.54	-	53,765,155.21	19,094,407.20	-	2,194,481,039.95
YAKURR	1,525,073,267.60	430,644,033.85	-	48,753,820.39	31,702,146.66	-	2,036,173,268.50
	<b>26,933,543,626.73</b>	<b>7,152,638,078.65</b>	<b>65,476,441.34</b>	<b>795,767,635.61</b>	<b>499,600,737.56</b>	<b>95,065,842.36</b>	<b>35,542,092,362.25</b>

**CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS****APPENDIX B****SCHEDULE OF CONSOLIDATED EXPENDITURE FOR THE 18 LGCs OF CROSS RIVER STATE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

Local Government	Salaries & Wages	Overhead Cost	Statutory Deductions	JAAC Charges	Purchase/Construction of PPE (Capital Expenditure)	Total
ABI	1,297,728,613.34	17,057,195.12	18,971,742.05	155,960,882.02	285,681,960.82	1,868,217,916.78
AKAMKPA	1,204,638,632.16	59,651,734.61	18,971,742.05	637,436,257.19	434,345,090.87	2,355,043,456.88
AKPABUYO	806,019,134.09	17,833,980.02	18,971,742.05	572,523,324.93	226,174,041.15	1,641,522,222.24
BAKASSI	507,625,122.28	23,584,197.28	18,971,742.05	175,386,763.19	193,401,063.15	918,968,887.95
BEKWARRA	999,909,075.83	70,842,548.42	18,971,742.05	447,752,344.21	194,080,408.16	1,731,556,118.67
BIASE	1,230,853,855.10	16,931,189.49	18,971,742.05	221,285,679.76	457,020,920.97	1,945,063,387.37
BOKI	1,658,921,972.77	138,858,725.96	18,971,742.05	147,863,014.85	203,809,888.89	2,168,425,344.52
CAL. MUN	1,355,233,114.24	16,931,891.49	18,971,742.05	335,910,412.76	223,713,284.19	1,950,760,444.73
CAL. SOUTH	1,012,685,388.56	54,299,764.99	18,971,742.05	789,870,695.54	217,261,451.98	2,093,089,043.12
ETUNG	761,354,433.44	60,783,595.45	18,971,742.05	416,678,907.38	260,513,896.22	1,518,302,574.54
IKOM	1,532,824,405.29	45,726,701.44	18,971,742.05	282,675,131.28	260,547,106.31	2,140,745,086.37
OBANLIKU	1,262,740,982.32	96,931,891.49	18,971,742.05	216,343,556.10	237,567,357.67	1,832,555,529.63
OBUBRA	1,403,219,604.62	66,969,400.05	18,971,742.05	280,870,700.00	325,295,323.49	2,095,326,770.21
OBUDU	1,753,196,784.06	112,924,355.60	18,971,742.05	-	152,738,886.75	2,037,831,768.46
ODUKPANI	1,377,748,594.41	62,607,581.99	18,971,742.05	267,406,892.91	254,848,287.15	1,981,583,098.51
OGOJA	1,577,850,462.08	84,194,497.30	18,971,742.05	76,941,134.72	220,604,303.68	1,978,562,139.83
YAKURR	1,607,906,864.31	72,029,721.27	18,971,742.05	232,197,188.35	202,164,555.56	2,133,270,071.54
YALA	1,588,048,264.23	84,383,333.33	18,971,742.05	240,776,066.84	330,356,893.01	2,262,536,299.46
	<b>22,938,505,303.13</b>	<b>1,102,542,305.30</b>	<b>341,491,356.90</b>	<b>5,497,878,952.03</b>	<b>4,680,124,720.02</b>	<b>34,653,360,160.81</b>

**CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS****APPENDIX C****SCHEDULE OF CONSOLIDATED ASSETS FOR THE 18 LGCs OF CROSS RIVER STATE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

Local Government	Cash & Cash Equivalents	Receivables (State Allocation)	Investments	Contribution to CRS Reserve Fund	Inventories	Property Plant & Equipment	Total
ABI	(177,733,298.58)	441,951,127.31	158,878,724.67	117,737,622.93	-	-	540,834,176.33
AKAMKPA	(155,363,633.78)	441,951,127.31	158,878,724.67	117,737,622.93	-	-	563,203,841.13
AKPABUYO	363,215,039.15	441,951,127.31	158,878,724.67	117,737,622.93	-	-	1,081,782,514.06
BAKASSI	161,249,912.38	441,951,127.31	158,878,724.67	117,737,622.93	-	-	879,817,387.29
BEKWARRA	480,027,071.86	441,951,127.31	158,878,724.67	117,737,622.93	-	-	1,198,594,546.77
BIASE	(198,105,341.89)	441,951,127.31	158,878,724.67	117,737,622.93	-	-	520,462,133.02
BOKI	(235,361,201.02)	441,951,127.31	158,878,724.67	117,737,622.93	-	-	483,206,273.89
CAL. MUN	(220,151,032.82)	441,951,127.31	158,878,724.67	117,737,622.93	-	-	498,416,442.09
CAL. SOUTH	(180,601,081.93)	441,951,127.31	158,878,724.67	117,737,622.93	-	-	718,567,474.91
ETUNG	(293,725,907.37)	441,951,127.31	158,878,724.67	117,737,622.93	-	-	424,841,567.54
IKOM	(27,903,230.96)	441,951,127.31	158,878,724.67	117,737,622.93	-	-	690,664,243.95
OBANLIKU	(314,188,913.82)	441,951,127.31	158,878,724.67	117,737,622.93	-	-	404,378,561.09
OBUBRA	(166,133,412.25)	441,951,127.31	158,878,724.67	117,737,622.93	-	-	552,434,062.66
OBUDU	(249,053,048.77)	441,951,127.31	158,878,724.67	117,737,622.93	-	-	469,514,426.14
ODUKPANI	196,247,397.54	441,951,127.31	158,878,724.67	117,737,622.93	-	-	914,814,872.45
OGOJA	3,590,420.37	441,951,127.31	158,878,724.67	117,737,622.93	-	-	722,157,895.28
YALA	(365,858,678.25)	441,951,127.31	158,878,724.67	117,737,622.93	-	-	352,708,796.66
YAKURR	(131,246,577.59)	441,951,127.31	158,878,724.67	117,737,622.93	-	-	587,320,897.32
	<b>(1,330,494,435.80)</b>	<b>7,955,120,291.54</b>	<b>2,859,817,044.06</b>	<b>2,119,277,212.74</b>	-	-	<b>11,603,720,112.54</b>

**CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS**

**APPENDIX D**

**SCHEDULE OF CONSOLIDATED LIABILITIES AND RESERVES FOR THE 18 LGCs OF CROSS RIVER STATE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

Local Government	Deposits	Short term Loans & Debts	Long Term Borrowings (CRSG loan)	Unremitted Deductions	Payables (Unremitted taxes)	Reserves	TOTAL
ABI	16,350,756.01	-	323,680,797.86	582,847,959.56	22,522,600.32	156,140,101.47	584,776,376.41
AKAMKPA	11,631,511.88	-	323,680,797.86	582,847,959.56	-	156,140,101.47	557,534,531.96
AKPABUYO	11,953,620.88	643.06	323,680,797.86	582,847,959.56	14,511,047.35	156,140,101.47	572,368,431.38
BAKASSI	18,472,008.21	-	323,680,797.86	582,847,959.56	6,853,398.34	156,140,101.47	571,228,526.63
BEKWARRA	40,392,394.41	362,140.91	323,680,797.86	582,847,959.56	-	156,140,101.47	586,657,555.40
BIASE	20,163,694.58	-	323,680,797.86	582,847,959.56	15,151,785.23	156,140,101.47	581,218,499.90
BOKI	30,102,652.63	9,351,658.56	323,680,797.86	582,847,959.56	11,551,627.84	156,140,101.47	595,869,141.43
CAL. MUN	14,786,543.68	-	323,680,797.86	582,847,959.56	48,620.00	156,140,101.47	560,738,183.77
CAL. SOUTH	1,520,013.64	-	323,680,797.86	582,847,959.56	15,842,418.85	156,140,101.47	563,265,452.57
ETUNG	8,393,924.24	-	323,680,797.86	582,847,959.56	5,240,985.69	156,140,101.47	559,537,930.02
IKOM	68,406,549.16	-	323,680,797.86	582,847,959.56	6,121,714.95	156,140,101.47	620,431,284.19
OBANLIKU	17,716,650.11	-	323,680,797.86	582,847,959.56	18,807,177.68	156,140,101.47	582,426,847.88
OBUBRA	14,712,651.09	-	323,680,797.86	582,847,959.56	24,358,829.61	156,140,101.47	586,167,741.10
OBUDU	6,858,251.99	725,973.45	323,680,797.86	582,847,959.56	-	156,140,101.47	553,487,245.53
ODUKPANI	-	303,561.23	323,680,797.86	582,847,959.56	-	156,140,101.47	546,206,581.31
OGOJA	30,743,234.73	-	323,680,797.86	582,847,959.56	8,513,943.81	156,140,101.47	585,160,198.63
YAKURR	73,163,475.79	-	323,680,797.86	582,847,959.56	13,375,551.75	156,140,101.47	632,442,047.62
YALA	7,788,707.86	-	323,680,797.86	582,847,959.56	22,666,058.57	156,140,101.47	576,357,786.52
	<b>393,156,640.89</b>	<b>10,743,977.21</b>	<b>5,826,254,361.48</b>	<b>10,491,263,272.08</b>	<b>185,565,759.99</b>	<b>2,810,521,826.46</b>	<b>10,415,874,362.25</b>

**CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS****APPENDIX E****SCHEDULE OF CONSOLIDATED PROPERTY, PLANT & EQUIPMENT FOR THE 18 LGCs OF CROSS RIVER STATE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

Local	Buildings	Equipment	Fixtures	Furniture &	Land	Motor Vehicles	Plant &	Total
	₦	₦	₦	₦	₦	₦	₦	₦
ABI	-	-	-	-	-	-	-	-
AKAMKPA	-	-	-	-	-	-	-	-
AKPABUYO	-	-	-	-	-	-	-	-
BAKASSI	-	-	-	-	-	-	-	-
BEKWARRA	-	-	-	-	-	-	-	-
BIASE	-	-	-	-	-	-	-	-
BOKI	-	-	-	-	-	-	-	-
CAL. MUN	-	-	-	-	-	-	-	-
CAL. SOUTH	-	-	-	-	-	-	-	-
ETUNG	-	-	-	-	-	-	-	-
IKOM	-	-	-	-	-	-	-	-
OBANLIKU	-	-	-	-	-	-	-	-
OBUBRA	-	-	-	-	-	-	-	-
OBUDU	-	-	-	-	-	-	-	-
ODUKPANI	-	-	-	-	-	-	-	-
OGOJA	-	-	-	-	-	-	-	-
YAKURR	-	-	-	-	-	-	-	-
YALA	-	-	-	-	-	-	-	-

**Note: The Cross-River State Local Governments are yet to fully implement IPSAS Accrual basis of Accounting. Cash basis is still in operation. However, plans are underway to fully implement IPSAS Accrual by the 18 Councils conducting a thorough Property, Plant and Equipment valuation and maintaining a Fixed Assets Register**

**AUDITOR-GENERAL'S INSPECTION REPORT ON THE CONSOLIDATED  
ACCOUNTS OF THE 18 LOCAL GOVERNMENTS FOR THE YEAR  
ENDED 31<sup>ST</sup> DECEMBER 2019**

**1.0 INTRODUCTION**

In compliance with the provisions of Section 125 (2) of the Constitution of the Federal Republic of Nigeria 1999 as (amended) and Section 56 (2) of Cross River State Local Government Law No. 7 of 2007 (as amended), I have examined the Accounts and Financial Statements of 18 Local Government Councils of the State for the year ended 31<sup>st</sup> December, 2019 in accordance with Public Finance (Control Management Act 1958), Model Financial Memoranda and Circular guidance.

I have therefore certified the individual Accounts as correct subject to the various observations raised and contained in the Management Report and this report, while the irregularities observed therein had been forwarded through Local Audit Queries / Inspection Reports to the respective Chief Accounting Officers for their responses, comments and further action.

Below is a general summary of common observations encountered while examining the individual financial statements, records and books of Account of the eighteen (18) Local Governments of Cross River State.

Also included in this report is a general aggregate summary of revenue, expenditure and the budget performance of the eighteen (18) Local Governments for the year under review as well as my observations regarding them.



**18 LGAS OF CROSS RIVER STATE**

## 2.0 FINANCIAL SUMMARY

### 2.1 REVENUE

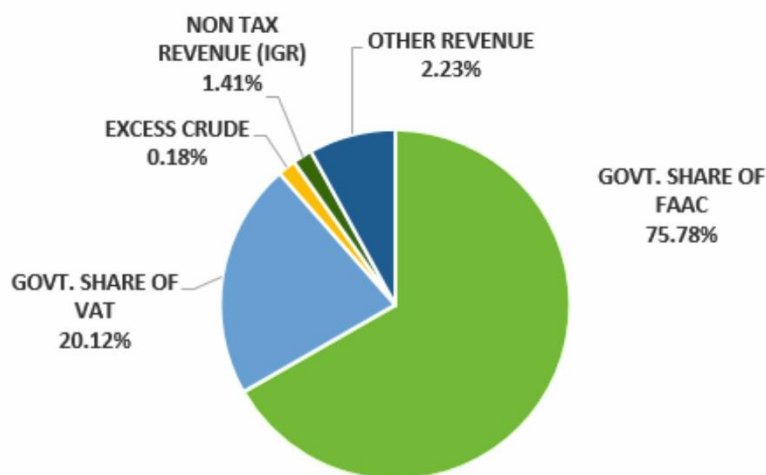
The sum of N35.54bn accrued to the 18 Local Government Councils as receipts for the year ended 31<sup>st</sup> December 2019 as revealed in the table below:

S/N	DETAILS	2019 ESTIMATES (N)	2019 ACTUAL (N)
1	Govt. Share of FAAC	33,819,512,701.85	26,933,543,626.73
2	Govt. Share of VAT	8,356,853,454.60	7,152,638,078.65
3	Excess Crude	3,234,709,286.14	65,476,441.34
4	Non-Tax Revenue (IGR)	2,522,993,654.00	499,600,737.56
5	Other Revenue	8,073,623,819.78	795,767,635.61
6	Redistribution from JAAC		95,065,842.36
		<b>56,007,692,416.37</b>	<b>35,542,092,362.25</b>

Government Share of FAAC or Statutory Allocation contributed the majority 75.78% of total revenue received by the Councils for the year, VAT contributed 20.12%, Excess Crude 0.18% and Other Revenue a total of 2.23% of total revenue of councils. IGR of Councils contributed a paltry 1.41% to the revenue of Councils for the year. Statutory Allocation continues to be the major source of Council revenue. Councils need to step up efforts to. Increase their IGR collection and accounting.

#### RECOMMENDATION

*A revenue strategy has to be adopted by councils to enable them to improve their IGR positions annually. Many councils fell below the budget performance as seen in section 2.0 of this report.*



### TOTAL REVENUE 2019

## 2.2 EXPENDITURE

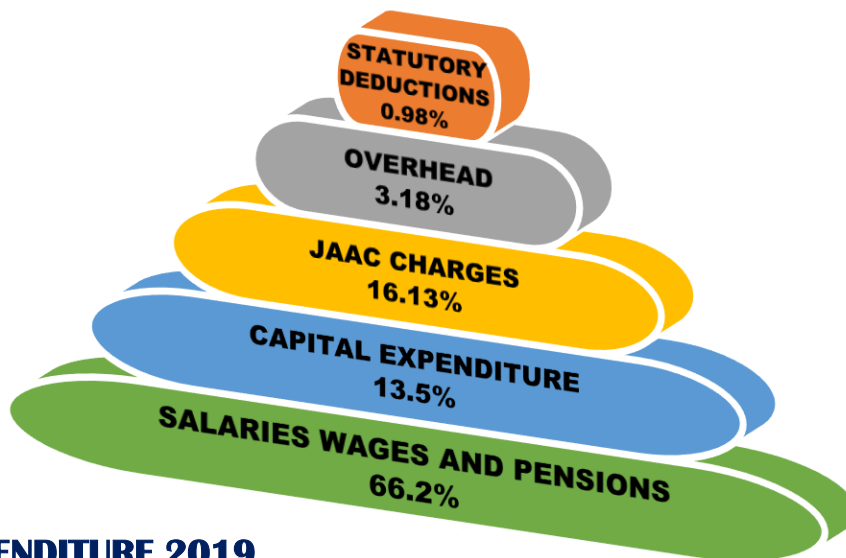
A total of **₦34.56bn** was expended by Councils during the year for various purposes as listed in the table below;

S/N	DETAILS	2019 ESTIMATES (N)	2019 ACTUAL (N)
1	Salaries and Wages/Social Benefits	24,490,608,911.17	22,938,505,303.13
2	Overhead	2,111,291,052.08	1,102,542,305.30
3	Statutory Deductions	14,403,287,456.91	341,491,356.90
4	JAAC Charges	-	5,497,878,952.03
5	Capital Expenditure	27,776,334,183.91	4,680,124,720.02
		<b>68,783,521,406.07</b>	<b>34,560,542,637.38</b>

66.2% of total expenditure was spent on Salaries, Wages and Pensions; 3.18% was spent on Overhead, only 13.5% on Capital Expenditure, compared to the previous year; 0.98% on Statutory deductions, while 16.13% of total expenditure represents JAAC Charges/Expenditures charged directly from the State JAAC Account. The Expenditure profile for the year shows that Council’s major priority continues to be payment of Salaries and Pensions, council’s expenditure on Capital Expenditure continues to be dismal which consequently affects meaningful development.

### RECOMMENDATION

*Audit continues to advise the Ministry of Local Government Affairs to ensure total revenues into the JAAC Accounts are distributed as and when due so as to provide Councils with the necessary resources to drive development and achieve its budgeted expenditure.*



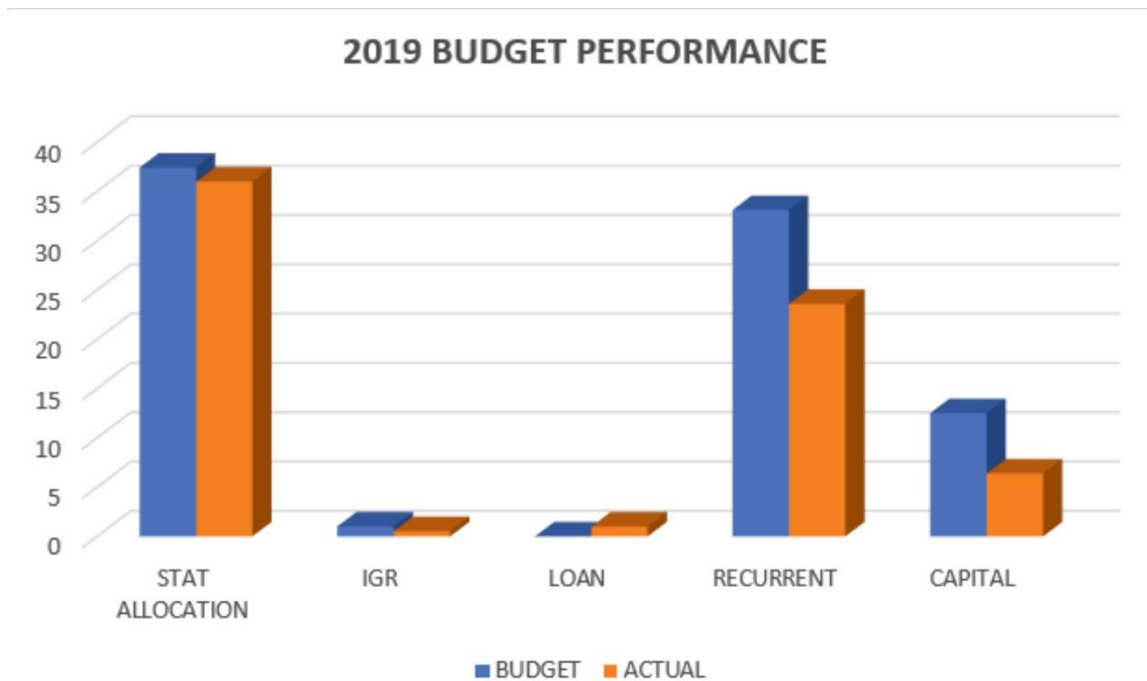
### TOTAL EXPENDITURE 2019



### 3.0 BUDGET PERFORMANCE

The overall budget performance for the year ended 31<sup>st</sup> December 2019 in respect of the Consolidated Revenue and Expenditure of the eighteen (18) Local Government Councils of the State is summarized below:

DESCRIPTION	2019 ESTIMATES (N)	ACTUAL 2019 (N)	VARIANCE (N)	PERFORMANCE %
	=N=	=N=	=N=	
<b>STATUTORY ALLOCATION</b>	53,484,698,762.37	35,042,491,624.69	18,442,207,137.68	65.51
<b>IGR</b>	2,522,993,654.00	499,600,737.56	2,023,392,916.44	19.80
<b>CRSG LOAN</b>	-	-	-	
<b><u>TOTAL REVENUE</u></b>	<b>56,007,692,416.37</b>	<b>35,542,092,362.25</b>	<b>20,465,600,054.12</b>	<b>63.45</b>
<b>EXPENDITURE</b>				
<b>RECURRENT EXPENDITURE</b>	41,007,187,222.16	24,382,538,965.33	16,624,648,256.83	59.45
<b>CAPITAL EXPENDITURE</b>	27,776,334,183.91	10,270,821,195.48	17,505,512,988.43	36.97
<b><u>TOTAL EXPENDITURE</u></b>	<b>68,783,521,406.07</b>	<b>34,653,360,160.81</b>	<b>34,130,161,245.26</b>	<b>50.38</b>



A detailed analysis of the Chart above shows aggregate actual revenue of =N=35.5bn only was received as total revenue for the 18 LGCs comprising of Statutory Allocations, Capital Receipts, Internally Generated Revenue and Other Revenue (Cross River State Government Loan). The total revenue received by the Cross-River State Local Government Councils achieved **63.45%** of the approved estimate, this average budget performance can be attributed to an over projection of budget estimations for the year especially as no loan was received from the State Government during the year. Aggregate Statutory Allocation achieved just **65.51%** of the budget but Aggregate IGR's performance was a very low **19.8%**.

On the other hand, the aggregate actual recurrent expenditure performance against the budgeted for the 18 LGCs during the year ended 31<sup>st</sup> December 2019 was =N=24.3bn. This expenditure comprises both Personnel and Overhead (running) costs. Aggregate actual Capital Expenditure achieved only **36.97%** of the budget for Capital Expenditure while Aggregate Recurrent Expenditure gulped **59.45%** of the total expenditure; thus **50.38%** of total budgeted expenditure was achieved. This can be attributed to over emphasis on recurrent expenditure, at the expense of capital expenditure.

Overall budget performance was fair as actual revenue was able to cover salaries and wages and other capital expenditure. Inadequate revenue performance continues to affect expenditure performance.

#### **RECOMMENDATION**

***Budget performance of councils can be improved by more realistic budgeting and estimations using previous year actual figures as a guide. Also, better revenue generation and more efficient expenditure can also contribute to greater budget efficiency and achievement.***

#### 4.0 GENERAL STATE OF THE ACCOUNTS AND RECORD KEEPING

The manner in which Councils keep accounts and records still leaves a lot to be desired. Below are highlighted some of the perennial issues observed by Audit in this regard;

- (i) Main cashbooks and other Accounting books were not properly prepared, and preparation was not done on time.
- (ii) Absence of Fixed Assets Register, records of Liabilities and Investments Registers.
- (iii) Absence of Bank Reconciliation Statements and Cheques Register.
- (iv) Absence of Vote Books and Expenditure Controls.
- (v) Failure of Internal Audit to check and sign Payment Vouchers.
- (vi) Absence of Minutes of Management Meetings and Resolutions regarding projects and Contracts and other major financial decisions.
- (vii) Lack of proper Treasury Supervision and control by the Directors of Finance.
- (viii) Insufficiently vouched expenditures.
- (ix) Poorly prepared and late submission of Financial Statements.
- (x) Missing payment vouchers.
- (xi) Failure to capture all financial transactions for the year.

#### **RECOMMENDATION**

***Proper interviews should be conducted before Directors of Finance and other key Accounting Officers are appointed in Councils to ensure adequately skilled manpower handle the critical job of maintaining and accounting for public expenditure in the Local Government. Audit is hereby recommending a professional qualification within 3 years for anyone appointed to or seeking appointment as a Director of Finance.***

***Councils should begin to explore ways of computerizing certain aspects of accounting for speed, completeness and accuracy of record keeping.***

***Council Chairmen must be alive to their responsibilities as Chief Accounting Officers of their Local Governments by cooperating with and supervising accounts and records by demanding monthly reports from their Finance Departments.***

## 5.0 CONTRACTS AND CAPITAL PROJECTS

During the year under review, Audit observed a general gross abuse of Procurement Laws and Due Process in the way contracts and direct labor jobs were awarded and executed.

In many cases, there were no Contract Award letters, adequate documentation by Contractors and other Due Process documents.

Another alarming discovery made was a lack of Exco Minutes approving such jobs, nor proper tendering and selection processes as required by Law and other financial regulations.

In fact, 100% of the Councils failed to invite Office of the Auditor-General to conduct pre-inspection of the sites of these purported capital projects, thus contravening the Auditor-General's circular on pre-inspection of all capital projects to avoid 'fake' projects, ensure proper monitoring of the contract process and value for money.

Many Councils also exceeded the limit for Direct Labor jobs and failed to deduct and remit all government taxes accruing as a result of these jobs and in other cases devised means to completely evade these deductions. In addition, many of those projects claimed to be executed and completed have been reported as either vandalized or under-utilized as a result of poor work done.

### **RECOMMENDATION**

***Whilst majority of these contraventions have been specifically addressed as Audit Queries in the individual Council's inspection Report, it is pertinent to recommend a general overhaul of the Procurement and Contract Award Process Local Governments.***

***Council Management need more education and orientation regarding Due Process laws and procedures with a view to forestalling breaches committed out of ignorance.***

***We recommend and demand an immediate summons of all erring Contractors who failed to complete projects and pay taxes accruable to government.***

**6.0 AUDIT QUERIES**

**CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS**  
**SUMMARY OF AUDIT QUERIES FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

S/N	LOCAL GOVERNMENT	NO. OF QUERIES	TOTAL AMOUNT INVOLVED =N=	NO, OF RESPONSES RECEIVED	AMOUNT CLEARED/RESOLVED ₦	AMOUNT NOT RESOLVED =N=
1	ABI	1	31,000,000.00	0	0	31,000,000.00
2	AKAMKPA	9	179,616,666.00	0	0	179,616,666.00
3	AKPABUYO	9	107,624,333.33	0	0	107,624,333.33
4	BAKASSI	8	112,949,866.67	0	0	112,949,866.67
5	BEKWARRA	6	159,698,790.00	0	0	159,698,790.00
6	BIASE	9	904,938,648.50	0	0	904,938,648.50
7	BOKI	7	138,907,315.00	0	0	138,907,315.00
8	CAL MUN.	5	147,800,000.00	0	0	147,800,000.00
9	CAL SOUTH	4	152,800,000.00	0	0	152,800,000.00
10	ETUNG	10	215,700,000.00	0	0	215,700,000.00
11	IKOM	7	170,751,000.00	0	0	170,751,000.00
12	OBANLIKU	7	78,631,790.67	0	0	78,631,790.67
13	OBUBRA	6	242,612,000.00	0	0	242,612,000.00
14	OBUDU	3	44,810,828.34	0	0	44,810,828.34
15	ODUKPANI	8	105,650,000.00	0	0	105,650,000.00
16	OGOJA	5	146,611,500.00	0	0	146,611,500.00
17	YAKURR	6	133,000,000.00	0	0	133,000,000.00
18	YALA	10	212,532,000.00	0	0	212,532,000.00
	TOTAL	<b>120</b>	<b>3,285,634,738.51</b>	<b>0</b>	<b>0</b>	<b>3,285,634,738.51</b>

During the year under review a total of **120** Audit Queries with financial implications of Three Billion, two hundred and eighty five million, six hundred and thirty four thousand, seven hundred and thirty eight naira, fifty one kobo (**₦3,285,634,738.51**) only were raised by Audit and as the time of publishing this report, none as yet have been resolved.

Details of these Audit queries are found in the individual council's Audit Inspection Report for the year ended 31<sup>st</sup> December 2019.

## 7.0 CONCLUSION

I wish to conclude by expressing my appreciation to the entire Management of the 18 Local Government Councils for the co-operation given myself and my staff in the discharge of our statutory responsibilities.

My profound gratitude also goes to this Honorable House of Assembly especially Mr. Speaker and the Chairman and Members of the Public Accounts Committee for their immeasurable support and good working relationship.

It is my sincere hope that, you will not hesitate to contact this office for further clarifications and explanations as may be required in connection with these audited financial statements and our reports.



**MRS. FRANKA INOK, FCA**  
**AUDITOR-GENERAL**  
**CRS LOCAL GOVERNMENTS**  
*25<sup>st</sup> September 2020*

**PART TWO**  
**COUNCIL'S FINANCIAL STATEMENTS**

**ABI LOCAL GOVERNMENT COUNCIL**



**ABI LOCAL GOVERNMENT, ITIGIDI**

**AUDIT OPINION**

**STATEMENT OF OPINION OF THE AUDITOR-GENERAL**

The Accounts of the Abi Local Government Council found on pages 58-60 have been examined under my direction, which have been prepared under the accounting policies set out on pages. 52-57.

**RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL**

The Local Government Treasurer is responsible for the preparation of the Financial Statements. It is my responsibility to form an independent opinion based on our Audit on the Financial Statements and report our opinion to you.

**THE SCOPE OF MY AUDIT**

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements 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 we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

In affirming our opinion, we evaluated the preparation of the information in the Financial Statements and assessed whether the Councils' books and Accounts had been properly kept.

**OUR OPINION**

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Abi Local Government Council as at 31<sup>st</sup> December 2019*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.

  
**MRS. FRANKA A. INOK, FCA**  
**AUDITOR-GENERAL**

**ABI LOCAL GOVERNMENT, ITIGIDI**  
**RESPONSIBILITY FOR FINANCIAL STATEMENTS**

These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Abi Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Cash Basis) and Generally Accepted Accounting Practice.

The Management of Abi Local Government Council is responsible for establishing and maintaining a system of internal controls, designed to provide reasonable assurance that the transactions recorded are within their statutory authority and have properly recorded the use of all public financial resources by the Local Government Council.

The Director of Finance (Treasurer) has responsibility for ensuring the internal controls are functional throughout the year and that financial records are properly kept, and appropriate financial statements are prepared. To the best of my knowledge, this system of internal control has operated adequately throughout the reporting period.

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the IPSAS and Financial Memoranda, (as amended).

In our opinion, these financial statements fairly reflect the financial position of Abi Local Government as at 31<sup>st</sup> December 2019 and its operations for the period ended on that date.

  
.....  
**CHAIRMAN**

21st September 2020  
.....  
**DATE**

  
.....  
**THE DIRECTOR OF FINANCE (TREASURER)**

21st September 2020  
.....  
**DATE**



The Chairman,  
Abi Local Government Council,  
ITIGIDI.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF ABI LOCAL GOVERNMENT COUNCIL  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019.**

**REPORT ON THE FINANCIAL STATEMENTS**

I have examined the Financial Statements set out on page(s) 58-60 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

**MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:**

It is the responsibility of the Director of Finance (Treasurer) to prepare the accounts in accordance with the provisions of the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda. It is my responsibility to audit and form an independent opinion on the General-Purpose Financial Statements (GPFS).

**BASIS OF AUDIT OPINION**

I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007, Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing

Proper Books of accounts were kept; projects and programmes have been verified and appropriate comments included in my inspection report to the Management of Council and in the Annual Report to the Cross-River State House of Assembly.

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my office, Councils Financial Statements were converted to IPSAS (Cash Basis) General Purpose Financial Statements for the first time in the interest of best practice.

**AUDIT OPINION**

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Abi Local Government Council as at 31<sup>st</sup> December 2019*** and the financial Position and Cashflows for the period ended on that date

.....  
MRS FRANKA INOK, FCA  
AUDITOR-GENERAL  
CALABAR



**ABI LOCAL GOVERNMENT, ITIGIDI****STATEMENT OF ACCOUNTING POLICIES****1. Basis of Preparation of Financial Statements**

These Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) (Cash Basis) as well as under the Guidelines of the Financial Memoranda and in conformity with the Standardized Chart of Accounts designed and introduced by the Federation Account Allocation Committee (FAAC) for adoption by all tiers of Government in Nigeria as well as the Financial Reporting Council (FRC) Guidelines on Public Sector reporting.

**2. Accounting Period**

The accounting year to which the Financial Statements relate is from 1<sup>st</sup> January to 31<sup>st</sup> December 2018.

**3. Reporting Currency**

The Financial Statements were prepared in Nigerian Naira.

**4. IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when cash (including cash equivalents) are received or paid by the LGCs. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of cash raised during the period, the purposes for which cash was used and the cash balances at the reporting date. Notes to the GPFS provide additional information about Liabilities, including Payables and Borrowings and non-cash assets that include Receivables, Investments and Property, Plant and Equipment.

## **5. Accounting Terminologies / Definitions**

### **5.1 Accounting Policies**

These are the specific principles, bases, conventions, rules and practices adopted by the 18 LGAs in preparing and presenting their Financial Statements.

### **5.2 Cash**

Cash comprises of cash in hand, demand deposits in financial institutions and cash equivalents.

### **5.3 Cash equivalents**

These are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **5.4 Cash basis**

means a basis of accounting that recognizes transactions and other events only when cash is received or paid.

### **5.5 Cash flows**

are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.

**5.6 Cash receipts** are cash inflows.

**5.7 Cash payments** are cash outflows

### **5.8 Notes to the GPFS**

These include narrative descriptions or more detailed schedules, or analyses of amounts shown on the face of the GPFS, as well as additional information.

## **6. General Purpose Financial Statements (GPFS)**

The GPFS comprise of Statements of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by the 18 LGAs and Accounting Policies and Notes to the Financial Statements.

### **6.1 Principal Statements contained in the IPSAS Financial Statements**

- The Cash flow Statement
- The Statement of Financial Position
- The Statement of Financial Performance
- The Notes to the Financial Statements
- Accounting Policies and Explanatory Notes.

## **7. Fundamental Accounting Concepts**

The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in State:

Cash Basis of Accounting

Understandability

Materiality

Relevance

Going Concern Concept

Consistency Concept

Prudence

Completeness etc.

**8. Comparative Information**

The GPFS shall disclose all numerical information relating to the previous period (at least one year

**9. Interest Received**

Interest actually received during the financial year shall be treated as a receipt under item 'Other Receipts'.

**10. Receipts**

These are Cash inflows within the financial year. They comprise of receipts from Statutory Allocations, Value Added Tax, Excess Crude, Internally Generated Revenue and Other Revenue. These items shall be disclosed at the face of the Statement of Cashflows

**11. Payments**

These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorized either by Function and/or by Sector in the Statement of Cash Receipts and Payment. Payments for purchase of items of capital nature (e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.

**12. Investments**

Cash Payments made for investment purposes such as purchase of Government Stock, Treasury Bills and Certificates of Deposit, are capital costs and are disclosed as purchase of financial instruments in Council accounts.

**13. Loans**

Loans granted to Local Governments especially by the State Government shall be categorized under loans in the Statement of Financial Position. Amount disclosed in the Statement of Cashflow shall be the actual amount received in the financial year while amount disclosed in the Statement of Financial Position shall be cumulative including loan amounts outstanding from previous years.

**14. Loan Repayments**

Amounts repaid from Loans granted to Local Governments shall be classified under Loan Repayments, amount disclosed shall be actual amount

**15. Budget Figures**

These are figures from the approved annual budget and supplementary budget as approved with the Cross-River State Local Government Law 2007 (as amended).

**16. Interest on Loans**

Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest repayment in the Statement of Cashflow.

**17. Prepayments**

Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.

**18. Advances**

All Cash Advances shall be retired before the end of the financial year-end.



**19. Leases**

Cash Payment for Finance Leases, which effectively transfer to the Government substantially all the risks and benefits incidental to ownership of the leased item, are treated as capital payments and disclosed in the Statement of Cash Receipts and payments.

**20. Cash Balances**

This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.

**21. Other Borrowings / Grants & Aid Received**

These are categorized as either Short-term or Long-term Loans. Short term loans are those payable within one calendar year (12 months), while Long-term loans and debts shall fall due beyond one calendar year (above 12 months). Loans and Grants shall be disclosed separately in the Statement of Cashflows

**Key to Abbreviations**

1. LGC - Local Government Council
2. FAAC -Federation Account Allocation Committee
3. VAT - Value Added Tax
4. IGR - Internally Generated Revenue
5. GAAP - Generally Accepted Accounting Principles
6. GPFS - General Purpose Financial Statements
7. IPSAS - International Public Sector Accounting Standards
8. PPE - Property, Plant and Equipment
9. JAAC - Joint Account Allocation Committee

**ABI LOCAL GOVERNMENT, ITIGIDI**  
**STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2019</b>	<b>2018</b>
<b>Inflows:</b>	<b>₦</b>	<b>₦</b>
Government Share of FAAC (Statutory Allocation)	1,434,059,262.75	1,481,689,908.83
Government Share of VAT	383,906,730.47	357,301,566.30
Excess Crude	23,938,428.44	9,594,457.39
Other Revenue	21,905,117.26	47,168,420.49
Internally Generated Revenue (Non-Tax Revenue)	6,819,377.20	7,914,352.50
Redistribution from JAAC	-	594,161,194.02
10% State IGR (Non-Tax Revenue)	-	-
<b>Total Inflows from Operating Activities</b>	<b>1,870,628,916.12</b>	<b>2,497,829,899.53</b>
<b>Outflows:</b>		
Salaries and Wages (Social Benefits)	1,297,728,613.34	1,230,754,587.54
Overhead Cost	18,971,742.05	6,732,783.46
Statutory Deductions	17,057,195.12	80,733,492.60
JAAC Charges	155,960,882.02	-
<b>Total Outflows from Operating Activities</b>	<b>1,582,535,955.96</b>	<b>1,318,220,863.60</b>
<b>Net Cashflow from Operating Activities</b>	<b>288,092,960.16</b>	<b>1,179,609,035.93</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>	-	
Proceeds from Sale of PPE	-	-
Proceeds from Sale of Investment Property	(285,681,960.82)	-
Capital Expenditure (Purchase/Construction of PPE)	-	(461,276,214.28)
Investment Expenditure	-	(27,777,777.78)
<b>Net Cashflow from Investing Activities</b>	<b>(285,681,960.82)</b>	<b>(489,053,992.06)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	-	
Miscellaneous Deposits Received	-	1,786,831.46
Miscellaneous Deposits Remitted	6,005,000.00	-
Taxes Received	(2,779,558.65)	20,621,642.86
Tax Remitted	-	(19,872,857.14)
Proceeds from Borrowings (CRSG Loan)	(222,222,222.22)	-
Repayment of Borrowings	-	(27,777,777.77)
Overdraft Received	-	-
Overdraft Repayment	(218,996,780.87)	-
<b>Net Cash Flow from Financing Activities</b>		<b>(25,242,160.59)</b>
<b>Net Cash Flow from All Activities</b>	(216,585,781.53)	71,151,689.26
<b>Cash and its Equivalent as at 01 Jan 2019</b>	38,852,482.95	(32,299,206.31)
<b>Cash and its Equivalent as at 31 Dec 2019</b>	<b>(177,733,298.58)</b>	<b>38,852,482.95</b>

**ABI LOCAL GOVERNMENT, ITIGIDI**  
**STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

	2019	2018
<b>ASSETS</b>	<b>₦</b>	<b>₦</b>
<b><u>Current Assets:</u></b>		
Cash and Cash Equivalents	(177,733,298.58)	38,852,482.95
Receivables	441,951,127.31	316,411,882.96
Inventories	-	-
Prepayments	-	-
<b>Total Current Assets (A)</b>	<b>264,217,828.73</b>	<b>335,264,365.91</b>
<b><u>Non-Current Assets</u></b>		
Long-Term Loans	-	-
Investments	158,878,724.67	158,878,724.67
Property, Plant & Equipment	-	-
Contribution to CRS Reserve Fund	117,737,622.93	105,737,622.93
<b>Total Non-Current Assets (B)</b>	<b>276,616,347.60</b>	<b>264,616,347.60</b>
<b>Total Assets (A) + (B)</b>	<b>540,834,176.33</b>	<b>599,880,713.51</b>
<b>LIABILITIES</b>		
<b><u>Current Liabilities</u></b>		
Deposits	16,350,756.01	16,350,756.01
Short term Loans & Debts	-	-
Unremitted Deductions	582,847,959.56	588,576,733.86
Payables (Unremitted Taxes)	22,522,600.32	19,297,158.97
<b>Total Current Liabilities (C)</b>	<b>621,721,315.89</b>	<b>16,350,756.01</b>
<b><u>Non-Current Liabilities</u></b>		
Long Term Borrowings (CRSG loan)	323,680,797.86	545,903,019.08
Internal Loans (Public Funds)	-	-
Long Term Provisions	-	-
<b>Total Non-Current Liabilities (D)</b>	<b>323,680,797.86</b>	<b>545,903,019.08</b>
<b>Total Liabilities (C) + (D)</b>	<b>945,402,113.75</b>	<b>562,253,775.09</b>
<b>Net Assets (Total Assets - Total Liabilities)</b>	<b>(404,567,937.42)</b>	<b>37,626,938.42</b>
<b>NET ASSETS/EQUITY</b>		
Reserves	156,140,101.47	364,061,074.01
Accumulated Surpluses/(Deficits)	(560,708,038.89)	(326,434,135.59)
<b>Total Net Assets/Equity</b>	<b>(404,567,937.42)</b>	<b>37,626,938.42</b>

**ABI LOCAL GOVERNMENT, ITIGIDI**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

PREVIOUS YEAR ACTUAL (2018)		Notes	ACTUAL 2019	FINAL BUDGET 2019	VARIANCE ON FINAL BUDGET
=N=			=N=	=N=	=N=
	<b>REVENUE</b>				
	<b>RECEIPTS:</b>				
1,895,754,353.01	Government Share of FAAC	1	1,863,809,538.92	2,000,000,000.00	(136,190,461.08)
7,914,352.50	Internally Generated Revenue	2	6,819,3777.20	21,645,599.00	(14,826,221.80)
594,161,194.02	Redistribution from JAAC	3			
-	Cross River State Government	11			
<b>2,497,829,899.53</b>	<b>Total Revenue (A)</b>		<b>1,870,628,916.12</b>	<b>2,021,645,699.00</b>	<b>(151,016,682.88)</b>
	<b>EXPENDITURE</b>				
1,230M754,587.54	Salaries and Wages	4	1,297.728.613.34	1,128,000.00	(169,728,613.34)
6,732,783.46	Statutory Deductions	6	18,971,724.05	629,700,000.00	610,728,275.95
80,73,492.60	Overhead Cost	5	17.057,195.12	48,680,000.00	31,622,804.88
-	JAAC Charges	7	155,960,882.02	-	(155,960,882.02)
461,276,214.28	Capital Expenditure	8	285,681,960.82	315,265,599.00	29,583,638.18
-	Investment Expenditure	9			
<b>1,779,497,077.88</b>	<b>Total Expenditure (B)</b>		<b>1,868,217,916.78</b>	<b>2,121,645,599.00</b>	<b>256,427,682.22</b>
<b>718,332,821.65</b>	<b>Surplus/Deficit from</b>		<b>2,410,999.34</b>	<b>(100,000.00)</b>	
-	Gain/Loss on Disposal of				
-	<b>Total Non-Operating Revenue/Expenditure</b>				
<b>718,332,821.65</b>	Surplus/Deficit from Ordinary				
<b>718,332,821.65</b>	<b>Net Surplus/Deficit for the</b>		<b>2,410,999.34</b>	<b>(100,000.00)</b>	

**ABI LOCAL GOVERNMENT, ITIGIDI****NOTES TO THE FINANCIAL STATEMENTS****1a. (A) GOVERNMENT SHARE OF FAAC (STATUTORY ALLOCATION) ₦1,434,059,262.75**

This represents allocations received on a monthly basis by Abi Local Government council from the Federation Account in line with the provisions of the Constitution of the Federal Republic of Nigeria.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) EXCESS CRUDE	(D) OTHER REVENUE	TOTAL
1	JAN.	118,872,440.69	32,633,222.16	-	218,010.99	151,723,673.84
2	FEB.	108,252,637.76	33,874,624.88	-	145,196.71	144,299,479.90
3	MARCH	102,690,219.31	31,796,331.20	9,590,932.08	199,004.05	145,267,823.11
4	APRIL	96,699,009.45	29,845,271.01	2,840,918.50	12,128,792.40	143,640,493.02
5	MAY	111,507,512.22	31,396,842.55	-	174,583.13	143,078,937.90
6	JUNE	125,048,116.57	34,771,545.24	-	256,069.31	160,075,731.12
7	JULY	136,921,552.78	35,215,684.51	-	230,104.07	172,367,341.36
8	AUG.	133,350,925.47	30,931,471.59	-	224,308.01	164,506,705.07
9	SEPT.	134,273,169.37	28,724,204.31	-	228,340.67	163,663,646.64
10	OCT.	130,611,997.28	30,361,789.73	-	209,273.35	161,183,060.36
11	NOV.	128,782,531.53	34,296,054.60	-	246,406.34	165,214,258.45
12	DEC.	107,049,150.32	30,059,338.69	11,506,577.86	7,700,579.00	148,788,388.15
	<b>TOTAL</b>	<b>1,434,059,262.75</b>	<b>383,906,730.47</b>	<b>23,938,428.44</b>	<b>21,905,117.26</b>	<b>1,863,809,538.92</b>

**1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) –N383,906,708.47**

This represents Federal Revenue arising from Value Added Tax (VAT) for Abi Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1c. (C) EXCESS CRUDE –N23,938,428.44**

This represents the 18 LGAs share of Federal Excess Crude revenue as seen in table 1, for Abi Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1d. (D) OTHER REVENUE –N21,905,117.26**

This represents revenue other than statutory receipts from the Federation for Abi Local Government Council for the year ended 31<sup>st</sup> December 2019.

**2. NON-TAX REVENUE (IGR) – N6,819,377.20**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Abi Local Government Council for the year ended 31<sup>st</sup> December 2019.

CODE	DETAILS	ACTUAL 2019
		<b>N</b>
<b>101000</b>	TAXES	628,410.00
<b>102000</b>	RATES	643,500.00
<b>103000</b>	LOCAL LICENCE FEES	699,500.00
<b>104000</b>	EARNINGS FROM COMMERCIAL UNDERTAKINGS	2,145,050.00
<b>105000</b>	RENT ON GOVERNMENT PROPERTY	106,500.00
<b>106000</b>	INTEREST ON DIVIDENDS	72,500.00
<b>107000</b>	REIMBURSEMENT	2,523,917.20
<b>108000</b>	MISCELLANEOUS	
	<b>TOTAL</b>	<b>6,819,377.20</b>

**3. REDISTRIBUTION FROM JAAC – NIL**

This represents the positive inflows to Councils after Salaries, Statutory deductions and Joint Commitments were made by JAAC.

**4. SALARIES AND WAGES – ₦ 1,297,728,613.34**

This consists of the salaries and wages paid to staff of Abi local government comprising of council staff, traditional rulers and non-pensionable allowances (LGC), teachers (SUBEB) and health workers (PHC). Pension allowances/Social benefits paid to all retired LGCs staff are also inclusive.

<b>SALARIES AND WAGES (SOCIAL BENEFITS)</b>		
<b>1</b>	Council Staff Salaries	<b>311,196,414.67</b>
<b>2</b>	Primary Health Care Salaries	<b>151,150,685.58</b>
<b>3</b>	Local Government Education Authority	<b>515,994,526.60</b>
<b>4</b>	Traditional Rulers Stipend	-
<b>5</b>	Pension Contribution	<b>319,386,985.49</b>
	<b>TOTAL</b>	<b>1,297,728,613.34</b>

**5. OVERHEAD COST – ₦17,057,195.12**

This represents total overhead cost incurred during the financial year by the Council.

<b>CODE</b>	<b>DETAILS</b>	<b>COUNCIL ACTUAL</b>	<b>JOINT COMMITMENT</b>	<b>TOTAL OPERATING EXPENSES 2019</b>
		<b>₦</b>	<b>₦</b>	<b>₦</b>
<b>431200</b>	TRAVEL & TRANSPORT	1,471,500.00	-	1,471,500.00
<b>431300</b>	UTILITIES	317,000.00	-	317,000.00
<b>431400</b>	MATERIALS & SUPPLIES	2,717,400.00	-	2,717,400.00
<b>431500</b>	MAINTENANCE, REPAIRS & SERVICES	316,500.00	-	316,500.00
<b>431600</b>	TRAINING & STAFF DEVELOPMENT	25,000.00	-	25,000.00
<b>431700</b>	CONSULTANCY & PROFESSIONAL SERVICES	400,000.00	1,944,444.44	2,344,444.44
<b>431800</b>	FINANCE EXPENSES	58,750.68	-	58,750.68
<b>431900</b>	ENTERTAINMENT & HOSPITALITY	1,006,600.00	7,000,000.00	8,006,600.00
<b>432100</b>	OTHER SERVICES	-	1,800,000.00	1,800,000.00
<b>432200</b>	CONSOLIDATED REVENUE FUND	-	-	--
<b>115000</b>	GRANT & SUBVENTION	-	-	--
	REFUND OF JAAC	-	-	-
	<b>TOTAL</b>	<b>6,312,750.68</b>	<b>10,744,444.44</b>	<b>17,057,195.12</b>

**6. STATUTORY DEDUCTIONS – ₦18,971,742.05**

This is made up of 31% Statutory deductions made from Abi Local Government Council Statutory Allocations and paid to Ministry of Local Government Affairs for administration.

**7. JAAC CHARGES – =N=155,960,882.02**

This represents Joint Commitments of Abi Local Government Council that were approved for payment by Councils from JAAC that resulted in negative redistribution for certain months of the year.

**8. PURCHASE/CONSTRUCTION OF PPE (CAPITAL EXPENDITURE – =N=285,681,960.82**

During the year under review, the Abi LGC spent a total sum of =N=285.6m (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment). Details are as presented below in the tabular and Chart format;

CODE	DETAILS	COUNCIL'S COMMITMENTS PAID THROUGH JAAC	DIRECT COUNCIL'S EXPENDITURE	TOTAL CAPITAL EXPENDITURE
		N	N	N
15000	MANUFACTURING & CRAFTS			
16000	ENERGY (FUEL & POWER)	41,596,000.00		41,596,000.00
17000	COMMERCE & FINANCE			
18000	TRANSPORT (ROADS & BRIDGES)	40,800,896.27		40,800,896.27
19000	CULTURE & TOURISM	1,531,175.66		1,531,175.66
21000	EDUCATION			
22000	HEALTH			
23000	INFORMATION &			
24000	SOCIAL DEVELOPMENT, YOUTH	3,030,000		3,030,000
31000	WATER SUPPLY	50,000,000.00		50,000,000.00
32000	SEWAGE AND DRAINAGE	-		-
33000	HOUSING	20,470,000.00		20,470,000.00
34000	TOWN & COUNTRY PLANNING	23,550,000.00		23,550,000.00
35000	ENVIRONMENT & REFUSE			
40000	GENERAL ADMINISTRATION	32,565,000.00	72,138,888.8	104,703,888.89
<b>TOTAL</b>		<b>21,354,307.93</b>	<b>72,138,888.8</b>	<b>285,681,960.82</b>



**9. INVESTMENT EXPENDITURE – NIL**

Investment expenditure represents the total aggregate payouts on behalf of Abi Councils by the Ministry of Local Government Affairs for joint investments;

**10. DEPOSITS RECEIVED AND REMITTED – NIL & ₦6,005,000.00** Deposits received represent the retention fees and unpaid contract sums for contracts awarded by Abi council during the year while Deposits remitted represent the aforementioned amounts actually paid out.

**11. TAXES RECEIVED AND REMITTED – ₦ (2,779,558.65) & NIL**

Taxes received represents Withholding and Value Added taxes deducted from contract and consultancy jobs while taxes remitted represents the portion actual remitted to the relevant tax authorities.

TAXES RECEIVED AND REMITTED			
S/N	LGC	TAXES RECEIVED	TAXES REMITTED
1	ABI	(2,779,558.65)	-
	<b>TOTAL</b>	<b>(2,779,558.65)</b>	<b>-</b>

**12. REPAYMENT OF BORROWINGS – (₦222,222,222.22)**

This represents the cumulative total of loans from the State Government to offset shortfalls in Salaries of Abi LGC and the amount repaid during the period as seen below;

**13. OVERDRAFT RECEIVED NIL AND REPAID – (₦218,996,780.87)**

This represents overdrafts taken by some councils during the year and the portions that have been repaid. See details below.

**14. CASH AND CASH EQUIVALENTS – ₦ (177,733,298.58)**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Abi Local Government Council Cash Books as at 31<sup>st</sup> December 2019.

**15. RECEIVABLES – ₦ – 441,951,127.31**

This represents cumulative amounts owed to Council by the State Government via unremitted 10% State IGR, as seen in the table below;

RECEIVABLES	AMOUNT (₦)
Balance Brought Forward	316,411,882.96
2019 Unpaid 10%	125,539,244.45
Remittance for the Period	
Balance Carried forward	441,951,127.31

**16. INVESTMENTS – ₦158,878,724.67**

This represents joint investments and stocks held by the Abi LGC in certain State-owned projects/companies like the Tinapa Business Resort, the Obudu Ranch Resort and the Cross-River State Micro Finance Bank.

**17. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND - ₦ 117,737,722.93**

This represents the cumulative monthly contribution of one million per council yearly. details are found in the table below;

MONTH	DETAILS	2018
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	1,000,000.00
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00
JUN	DEDUCTION FROM ALLOCATION	1,000,000.00
JUL	DEDUCTION FROM ALLOCATION	1,000,000.00
AUG	DEDUCTION FROM ALLOCATION	1,000,000.00
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>TOTAL AS IN CASHFLOW STATEMENT</b>		<b>12,000,000.00</b>
<b>BALANCE B/F AS AT 1ST JANUARY</b>		<b>105,737,622.93</b>
<b>TOTAL AS IN STATEMENT OF ASSETS &amp; LIABILITIES</b>		<b>117,737,722.93</b>

**18. DEPOSITS – ₦16,350,756.01**

Deposits received represents unpaid retention fees, unclaimed salaries and unpaid contract sums for contracts awarded by councils during the year while Deposits remitted represent the aforementioned amounts actually paid out.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2019	CURRENT YEAR ADDITIONS (AS IN CASH FLOW STATEMENT)	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12-2019 (AS IN BALANCE SHEET)
1	RETENTION DEPOSIT	12,263,900.00	-	-	12,263,900.00
2	NATIONAL HOUSING FUND (NHF)	532,213.22	-	-	532,213.22
3	UNCLAIMED SALARIES	3,554,642.79	-	-	3,554,642.79
	<b>TOTAL</b>	<b>14,563,924.55</b>	<b>-</b>	<b>-</b>	<b>16,350,756.01</b>

**19. SHORT TERM LOANS AND DEBTS – NIL**

This represents loans owed to various banks by Abi Local Governments.

**20. UNREMITTED DEDUCTIONS – ₦ 582,847,959.56**

This represents the cumulative total of all unremitted statutory deductions by Abi LGC to certain State agencies as mandated by Law.

**21. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – ₦323,680,797.86**

This represents Abi LGC's share of the cumulative total amount owed the State Government by the 18 LGCs, borrowed to offset shortfalls in funds to pay salaries.

**22. RESERVES - ₦ 156,140,101.47**

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31<sup>st</sup> December for the year 2019, apportioned to Abi Local Government in its Financial Statements for the purposes of disclosure.

**23. PAYABLES – ₦22,522,600.32**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Abi LGCs as at 31<sup>st</sup> December 2019.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2019	CURRENT YEAR ADDITIONS (AS IN CASH FLOW STATEMENT)	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12-2019 (AS IN BALANCE SHEET)
1	5% CONTRACTORS' TAX	9,921,395.05	3,002,500.00	1,389,779.32	11,534,115.73
2	5% VALUE ADDED TAX (VAT)	8,873,263.92	3,002,500.00	1,389,779.32	10,485,984.60
3	1% STAMP DUTY	502,500.00	-	-	502,500.00
<b>TOTAL</b>		<b>18,555,373.25</b>	<b>6,005,000.00</b>	<b>2,779,558.65</b>	<b>22,522,600.32</b>

**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF ABI LOCAL GOVERNMENT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2018**

<b>Month</b>	<b>Buildings</b>	<b>Equipment</b>	<b>Fixtures</b>	<b>Furniture &amp; Fittings</b>	<b>Land &amp; Buildings</b>	<b>Motor Vehicles</b>	<b>Plant &amp; Machinery</b>	<b>Total</b>
	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>
January	-	-	-	-	-	-	-	-
February	-	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-	-
April	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-
November	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-
<b>TOTAL</b>								

**Note: The Cross-River State Local Governments are yet to fully implement IPSAS Accrual basis of Accounting. Cash basis is still in operation. However, plans are underway to fully implement IPSAS Accrual by the 18 Councils conducting a thorough Property, Plant and Equipment valuation and maintaining a Fixed Assets Register.**

**AKAMKPA LOCAL GOVERNMENT  
COUNCIL**

**AKAMKPA LOCAL GOVERNMENT, AKAMKPA**

## **AUDIT OPINION**

### **STATEMENT OF OPINION OF THE AUDITOR-GENERAL**

The Accounts of the Akamkpa Local Government Council found on pages 81-83 have been examined under my direction, which have been prepared under the accounting policies set out on pages 75-80.

### **RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL**

The Local Government Treasurer is responsible for the preparation of the Financial Statements. It is my responsibility to form an independent opinion based on our Audit on the Financial Statements and report our opinion to you.

### **THE SCOPE OF MY AUDIT**

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements 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 we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

In affirming our opinion, we evaluated the preparation of the information in the Financial Statements and assessed whether the Councils' books and Accounts had been properly kept.

### **OUR OPINION**

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Akamkpa Local Government Council as at 31<sup>st</sup> December 2019*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.

  
MRS. FRANKA A. INOK, FCA  
AUDITOR-GENERAL

**AKAMKPA LOCAL GOVERNMENT, AKAMKPA**

## RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Akamkpa Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Cash Basis) and Generally Accepted Accounting Practice.

The Management of Akamkpa Local Government Council is responsible for establishing and maintaining a system of internal controls, designed to provide reasonable assurance that the transactions recorded are within their statutory authority and have properly recorded the use of all public financial resources by the Local Government Council.

The Director of Finance (Treasurer) has responsibility for ensuring the internal controls are functional throughout the year and that financial records are properly kept, and appropriate financial statements are prepared. To the best of my knowledge, this system of internal control has operated adequately throughout the reporting period.

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the IPSAS and Financial Memoranda, (as amended).

In our opinion, these financial statements fairly reflect the financial position of Akamkpa Local Government as at 31<sup>st</sup> December 2019 and its operations for the period ended on that date.



CHAIRMAN

21st September 2020

DATE



THE DIRECTOR OF FINANCE (TREASURER) **Gover**

21st September 2020

DATE

**iver State, Nigeria**

The Chairman,



Akamkpa Local Government Council,  
**AKAMKPA.**

**AUDIT CERTIFICATE ON THE ACCOUNTS OF AKAMKPA LOCAL GOVERNMENT COUNCIL  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019.**

**REPORT ON THE FINANCIAL STATEMENTS**

I have examined the Financial Statements set out on page(s) 81 to 83 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

**MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:**

It is the responsibility of the Director of Finance (Treasurer) to prepare the accounts in accordance with the provisions of the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda. It is my responsibility to audit and form an independent opinion on the General-Purpose Financial Statements (GPFS).

**BASIS OF AUDIT OPINION**

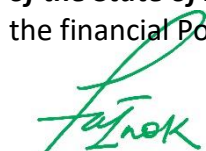
I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007, Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing

Proper Books of accounts were kept; projects and programmes have been verified and appropriate comments included in my inspection report to the Management of Council and in the Annual Report to the Cross-River State House of Assembly.

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my office, Councils Financial Statements were converted to IPSAS (Cash Basis) General Purpose Financial Statements for the first time in the interest of best practice.

**AUDIT OPINION**

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the State of Affairs of Akamkpa Local Government Council as at 31<sup>st</sup> December 2019*** and the financial Position and Cashflows for the period ended on that date.



.....  
**MRS FRANKA INOK, FCA**  
**AUDITOR-GENERAL**  
**CALABAR**

**AKAMKPA LOCAL GOVERNMENT, AKAMKPA**

## **STATEMENT OF ACCOUNTING POLICIES**

### **1. Basis of Preparation of Financial Statements**

These Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) (Cash Basis) as well as under the Guidelines of the Financial Memoranda and in conformity with the Standardized Chart of Accounts designed and introduced by the Federation Account Allocation Committee (FAAC) for adoption by all tiers of Government in Nigeria as well as the Financial Reporting Council (FRC) Guidelines on Public Sector reporting.

### **2. Accounting Period**

The accounting year to which the Financial Statements relate is from 1<sup>st</sup> January to 31<sup>st</sup> December 2018.

### **3. Reporting Currency**

The Financial Statements were prepared in Nigerian Naira.

### **4. IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when cash (including cash equivalents) are received or paid by the LGCs. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of cash raised during the period, the purposes for which cash was used and the cash balances at the reporting date. Notes to the GPFS provide additional information about Liabilities, including Payables and Borrowings and non-cash assets that include Receivables, Investments and Property, Plant and Equipment.

## **5. Accounting Terminologies / Definitions**

### **5.1 Accounting Policies**

These are the specific principles, bases, conventions, rules and practices adopted by the 18 LGAs in preparing and presenting their Financial Statements.

### **5.2 Cash**

Cash comprises of cash in hand, demand deposits in financial institutions and cash equivalents.

### **5.3 Cash equivalents**

These are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **5.4 Cash basis**

means a basis of accounting that recognizes transactions and other events only when cash is received or paid.

### **5.5 Cash flows**

are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.

**5.6 Cash receipts** are cash inflows.

**5.7 Cash payments** are cash outflows

## **5.8 Notes to the GPFS**

These include narrative descriptions or more detailed schedules, or analyses of amounts shown on the face of the GPFS, as well as additional information.

## **6. General Purpose Financial Statements (GPFS)**

The GPFS comprise of Statements of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by the 18 LGAs and Accounting Policies and Notes to the Financial Statements.

### **6.1 Principal Statements contained in the IPSAS Financial Statements**

- The Cash flow Statement
- The Statement of Financial Position
- The Statement of Financial Performance
- The Notes to the Financial Statements
- Accounting Policies and Explanatory Notes.

## **7. Fundamental Accounting Concepts**

The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in State:

Cash Basis of Accounting

Understandability

Materiality

Relevance

Going Concern Concept

Consistency Concept

Prudence

Completeness etc.

## **8. Comparative Information**

The GPFS shall disclose all numerical information relating to the previous period (at least one year

## **9. Interest Received**

Interest actually received during the financial year shall be treated as a receipt under item 'Other Receipts'.

## **10. Receipts**

These are Cash inflows within the financial year. They comprise of receipts from Statutory Allocations, Value Added Tax, Excess Crude, Internally Generated Revenue and Other Revenue. These items shall be disclosed at the face of the Statement of Cashflows

## **11. Payments**

These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorized either by Function and/or by Sector in the Statement of Cash Receipts and Payment. Payments for purchase of items of capital nature (e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.

## **12. Investments**

Cash Payments made for investment purposes such as purchase of Government Stock, Treasury Bills and Certificates of Deposit, are capital costs and are disclosed as purchase of financial instruments in Council accounts.

### **13. Loans**

Loans granted to Local Governments especially by the State Government shall be categorized under loans in the Statement of Financial Position. Amount disclosed in the Statement of Cashflow shall be the actual amount received in the financial year while amount disclosed in the Statement of Financial Position shall be cumulative including loan amounts outstanding from previous years.

### **14. Loan Repayments**

Amounts repaid from Loans granted to Local Governments shall be classified under Loan Repayments, amount disclosed shall be actual amount

### **15. Budget Figures**

These are figures from the approved annual budget and supplementary budget as approved with the Cross-River State Local Government Law 2007 (as amended).

### **16. Interest on Loans**

Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest repayment in the Statement of Cashflow.

### **17. Prepayments**

Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.

### **18. Advances**

All Cash Advances shall be retired before the end of the financial year-end.

**19. Leases**

Cash Payment for Finance Leases, which effectively transfer to the Government substantially all the risks and benefits incidental to ownership of the leased item, are treated as capital payments and disclosed in the Statement of Cash Receipts and payments.

**20. Cash Balances**

This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.

**21. Other Borrowings / Grants & Aid Received**

These are categorized as either Short-term or Long-term Loans. Short term loans are those payable within one calendar year (12 months), while Long-term loans and debts shall fall due beyond one calendar year (above 12 months). Loans and Grants shall be disclosed separately in the Statement of Cashflows.

**Key to Abbreviations**

1. LGC - Local Government Council
2. FAAC -Federation Account Allocation Committee
3. VAT - Value Added Tax
4. IGR - Internally Generated Revenue
5. GAAP - Generally Accepted Accounting Principles
6. GPFS - General Purpose Financial Statements
7. IPSAS - International Public Sector Accounting Standards
8. PPE - Property, Plant and Equipment
9. JAAC - Joint Account Allocation Committee

**AKAMKPA LOCAL GOVERNMENT, AKAMKPA**  
**STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2019</b>	<b>2018</b>
<b>Inflows:</b>	<b>₦</b>	<b>₦</b>
Government Share of FAAC (Statutory Allocation)	1,802,492,691.76	1,862,363,836.06
Government Share of VAT	389,261,308.29	362,265,498.20
Excess Crude	-	-
Other Revenue	57,624,717.96	71,406,796.27
Internally Generated Revenue (Non-Tax Revenue)	148,734,825.33	187,145,015.25
Redistribution from JAAC	-	-
10% State IGR (Non-Tax Revenue)	-	-
<b>Total Inflows from Operating Activities</b>	<b>2,398,113,543.34</b>	<b>2,483,181,145.78</b>
<b>Outflows:</b>		
Salaries and Wages (Social Benefits)	1,204,638,632.16	1,309,354,651.24
Overhead Cost	59,651,734.61	6,732,784.46
Statutory Deductions	18,971,742.05	182,089,974.33
JAAC Charges	637,436,257.19	488,141,384.92
<b>Total Outflows from Operating Activities</b>	<b>1,920,698,366.01</b>	<b>1,986,318,794.95</b>
<b>Net Cashflow from Operating Activities</b>	<b>477,415,177.33</b>	<b>496,862,350.83</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of PPE	-	-
Proceeds from Sale of Investment Property	-	-
Capital Expenditure (Purchase/Construction of PPE)	(434,345,090.87)	<b>(421,232,671.11)</b>
Investment Expenditure	-	(27,777,777.78)
<b>Net Cashflow from Investing Activities</b>	<b>(434,345,090.87)</b>	<b>(449,010,448.89)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Miscellaneous Deposits Received	-	-
Miscellaneous Deposits Remitted	-	-
Taxes Received	-	-
Tax Remitted	-	-
Proceeds from Borrowings (CRSG Loan)	-	-
Repayment of Borrowings	(222,222,222.22)	(27,777,777.77)
Overdraft Received	-	-
Overdraft Repayment	-	-
<b>Net Cash Flow from Financing Activities</b>	<b>(222,222,222.22)</b>	<b>(27,777,777.77)</b>
<b>Net Cash Flow from All Activities</b>	<b>(179,152,135.76)</b>	<b>20,074,124.17</b>
<b>Cash and its Equivalent as at 01 Jan 2019</b>	<b>23,788,501.98</b>	<b>3,714,377.81</b>
<b>Cash and its Equivalent as at 31 Dec 2019</b>	<b>(155,363,633.78)</b>	<b>23,788,501.98</b>



**AKAMKPA LOCAL GOVERNMENT, AKAMKPA**  
**STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

	2019	2018
	₦	₦
<b>ASSETS</b>		
<b><u>Current Assets:</u></b>		
Cash and Cash Equivalents	(155,363,633.78)	23,788,501.98
Receivables	441,951,127.31	316,411,882.96
Inventories		-
Prepayments		-
<b>Total Current Assets (A)</b>	<b>286,587,493.53</b>	<b>340,200,384.94</b>
<b><u>Non-Current Assets</u></b>		
Long-Term Loans	-	-
Investments	158,878,724.60	158,878,724.67
Property, Plant & Equipment	-	-
Contribution to CRS Reserve Fund	117,737,622.93	105,737,622.93
<b>Total Non-Current Assets (B)</b>	<b>276,616,347.53</b>	<b>264,616,347.60</b>
<b>Total Assets (A) + (B)</b>	<b>563,203,841.06</b>	<b>604,816,732.54</b>
<b>LIABILITIES</b>		
<b><u>Current Liabilities</u></b>		
Deposits	11,631,511.88	-
Short term Loans & Debts	-	-
Unremitted Deductions	582,847,959.56	588,576,733.86
Payables (Unremitted Taxes)	-	11,637,111.88
<b>Total Current Liabilities (C)</b>	<b>594,479,471.44</b>	<b>600,213,845.74</b>
<b><u>Non-Current Liabilities</u></b>		
Long Term Borrowings (CRSG loan)	323,680,797.86	545,903,019.08
Internal Loans (Public Funds)		-
Long Term Provisions		-
<b>Total Non-Current Liabilities (D)</b>	<b>323,680,797.86</b>	<b>545,903,019.08</b>
<b>Total Liabilities (C) + (D)</b>	<b>918,160,269.30</b>	<b>1,146,116,864.82</b>
<b>Net Assets (Total Assets - Total Liabilities)</b>	<b>(354,956,428.24)</b>	<b>(541,300,132.28)</b>
<b>NET ASSETS / EQUITY</b>		
Reserves	156,140,101.47	364,061,074.01
Accumulated Surpluses/(Deficits)	(511,096,529.71)	(905,361,206.29)
<b>Total Net Assets/Equity</b>	<b>(354,956,428.24)</b>	<b>(541,300,132.28)</b>

**AKAMKPA LOCAL GOVERNMENT, AKAMKPA**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

PREVIOUS YEAR ACTUAL (2018)		Notes	ACTUAL 2019	FINAL BUDGET 2019	VARIANCE ON FINAL BUDGET
=N=			=N=	=N=	=N=
	<b>REVENUE</b>				
2,296,036,130.53	Government Share of FAAC	1	2,249,378,718.01	2,784,640,799.00	(1,535,262,080.99)
187,145,015.25	Internally Generated	2	148,734,825.33	26,542,317.00	122,192,508.33
-	Redistribution from JAAC	3			
-	Cross River State	11			
<b>2,483,181,15.78</b>	<b>Total Revenue (A)</b>		<b>2,398,113,543.34</b>	<b>2,811,831,116.00</b>	<b>(413,717,512.66)</b>
	<b>EXPENDITURE</b>				
1,309,354,651.24	Salaries and Wages	4	1,204,638,632.16	2,253,084,025.39	1,048,445,393.23
182,089,974.33	Statutory Deductions	6	18,971,742.05	564,242,887.00	545,525,144.95
6,732,784.46	Overhead Cost	5	59,651,734.61	60,734,651.61	1,082,917.00
488,141,384.92	JAAC Charges	7	637,436,257.19	-	(637,436,257.19)
421,232,671.11	Capital Expenditure	8	434,345,090.87	1,900,000,000.00	1,465,654,909.13
27,777,777.78	Investment Expenditure	9	-	-	-
<b>2,435,329,243.84</b>	<b>Total Expenditure (B)</b>		<b>2,355,043,456.88</b>	<b>4,778,061,564.00</b>	<b>2,423,018,107.12</b>
<b>47,851,901.94</b>	<b>Surplus/Deficit from</b>		<b>43,070,086.46</b>	<b>(1,966,230,448.00)</b>	
	Gain/Loss on Disposal of				
	<b>Total Non-Operating Revenue/Expenditure</b>				
	Surplus/Deficit from				
<b>47,851,901.94</b>	<b>Net Surplus/Deficit for the</b>		<b>43,070,086.46</b>	<b>(1,966,230,448.00)</b>	

**AKAMKPA LOCAL GOVERNMENT, AKAMKPA****NOTES TO THE FINANCIAL STATEMENTS****1a. (A) GOVERNMENT SHARE OF FAAC (STATUTORY ALLOCATION) ₦1,802,492,691.76**

This represents allocations received on a monthly basis by Akamkpa Local Government council from the Federation Account in line with the provisions of the Constitution of the Federal Republic of Nigeria.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) EXCESS CRUDE	(D) OTHER REVENUE	TOTAL
1	JAN.	149,412,682.16	33,092,024.66	-	274,037.17	182,778,743.99
2	FEB.	136,063,718.71	34,350,314.55	-	2,730,450.74	173,144,484.00
3	MARCH	129,071,826.20	32,235,231.76	-	13,551,928.88	174,858,986.84
4	APRIL	121,540,948.09	30,265,012.16	-	21,489,731.79	173,295,692.04
5	MAY	140,155,056.42	31,836,182.10	-	219,448.87	172,210,687.39
6	JUNE	157,175,431.82	35,257,971.36	-	321,876.02	192,755,279.20
7	JULY	172,100,197.09	35,710,326.80	-	289,238.03	208,099,761.92
8	AUG.	167,611,961.89	31,360,219.53	-	281,952.45	199,254,133.87
9	SEPT.	168,771,211.28	29,125,280.89	-	837,497.03	198,733,989.20
10	OCT.	164,169,162.38	30,784,685.05	-	263,054.06	195,216,901.49
11	NOV.	161,869,546.12	34,774,154.05	-	2,684,011.40	199,327,711.57
12	DEC.	134,550,949.60	30,469,905.38	-	14,681,491.52	179,702,346.50
	<b>TOTAL</b>	<b>1,802,492,691.76</b>	<b>389,261,308.29</b>	<b>-</b>	<b>57,624,717.96</b>	<b>2,249,378,718.01</b>

**1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) –N389,261,308.29**

This represents Federal Revenue arising from Value Added Tax (VAT) for Akamkpa Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1c. (C) EXCESS CRUDE –NIL**

This represents Akamkpa LGC's portion of the 18 LGAs Share of Federal Excess Crude revenue as seen in table 1, for Akamkpa Local Government Council for the year ended 31<sup>st</sup> December 2019, it was a NIL balance.

**1d. (D) OTHER REVENUE –N57,624,717.96**

This represents revenue other than statutory receipts from the Federation for Akamkpa Local Government Council for the year ended 31<sup>st</sup> December 2019.

**2. NON-TAX REVENUE (IGR) – N148,735,825.33**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Akamkpa Local Government Council for the year ended 31<sup>st</sup> December 2019.

CODE	DETAILS	ACTUAL 2019
		N
101000	TAXES	29,500.00
102000	RATES	165,000.00
103000	LOCAL LICENCE FEES	1,301,500.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	145,836,975.33
105000	RENT ON GOVERNMENT PROPERTY	259,350.00
106000	INTEREST ON DIVIDENDS	-
107000	REIMBURSEMENT	-
108000	MISCELLANEOUS	1,142,500.00
	<b>TOTAL</b>	<b>148,734,825.33</b>

**3. REDISTRIBUTION FROM JAAC – NIL**

This represents the positive inflows to Councils after Salaries, Statutory deductions and Joint Commitments were made by JAAC.

**4. SALARIES AND WAGES – ₦ 1,204,638,632.16**

This consists of the salaries and wages paid to staff of Akamkpa local government comprising of council staff, traditional rulers and non-pensionable allowances (LGC), teachers (SUBEB) and health workers (PHC). Pension allowances/Social benefits paid to all retired LGCs staff are also inclusive.

SALARIES AND WAGES (SOCIAL BENEFITS)		
1	Council Staff Salaries	311,196,414.67
2	Primary Health Care Salaries	216,680,894.14
3	Local Government Education Authority	564,792,694.39
4	Traditional Rulers Stipend	296,099,455.73
5	Pension Contribution	127,245,586.92
	<b>TOTAL</b>	<b>1,204,638,632.16</b>

**5. OVERHEAD COST – ₦59,651,734.61**

This represents total overhead cost incurred during the financial year by the Council.

CODE	DESCRIPTION	OTHER COUNCILS COMMITMENTS	ACTUAL PAID BY COUNCIL 2019	TOTAL
		₦	₦	₦
431200	TRAVEL AND TRANSPORT	3,944,444.44	4,214,500.00	8,158,944.44
431300	UTILITIES		3,000.00	3,000.00
431400	MATERIALS & SUPPLIES		7,465,000.00	7,465,000.00
431500	MAINTENANCE & SERVICES		3,493,900.00	3,493,900.00
431600	TRAINING & STAFF DEVELOP		194,444.44	194,444.44
431700	CONSULTANCY & PRO SERVICES		-	-
431800	FINANCE EXPENSES	6,000.00	172,579.07	178,579.07
431900	ENTERTAINMENT & HOSPITALITY		12,600,200.00	12,600,200.00
432100	OTHER SERVICES		15,275,000.00	15,275,000.00
432200	GRANT & SUBVENTION		-	-
115000	CONSOLIDATED REV. FUND CHARGES	-	12,282,666.66	12,282,666.66
	<b>TOTAL</b>	<b>3,950,444.44</b>	<b>55,701,290.17</b>	<b>59,651,734.61</b>

**6. STATUTORY DEDUCTIONS – N18,971,742.05**

This is made up of 31% Statutory deductions made from Akamkpa Local Government Council Statutory Allocations and paid to Ministry of Local Government Affairs for administration.

**7. PURCHASE/CONSTRUCTION OF PPE (CAPITAL EXPENDITURE - N434,345,090.87**

During the year under review, the Akamkpa LGC spent a total sum of =N=434.3m (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment). Details are as presented below in the tabular and Chart format;

HEAD	DETAILS	ACTUAL PAID BY COUNCIL 2019	OTHER COUNCILS COMMITMENTS PAID THROUGH JAAC	TOTAL
		=N=	=N=	=N=
<b>10000</b>	<b>ECONOMIC SECTOR</b>			
<b>11000</b>	Agriculture	562,000.00	-	545,000.00
<b>12000</b>	Livestock & veterinary	-	-	-
<b>13000</b>	Forestry	-	-	-
<b>14000</b>	Fisheries	-	-	-
<b>15000</b>	Energy (Fuel & Power)	56,289,500.00	-	56,289,500.00
<b>16000</b>	Commerce & Finance	22,619,433.33	-	22,619,433.33
<b>17000</b>	Transport, Road, Bridges	38,081,364.23	-	38,081,364.23
<b>18000</b>	Culture & Tourism	4,600,000.00	4,285,714.29	8,885,714.29
	<b>Sub total</b>	122,135,297.56	4,285,714.29	126,421,011.85
<b>20000</b>	<b>SOCIAL SERVICE SECTOR</b>			
<b>21000</b>	Education	-	-	-
<b>22000</b>	Health	15,980,000.00	-	15,980,000.00
<b>23000</b>	Information	-	-	-
<b>24000</b>	Social Dev. Youth & Sports	2,450,000.00	2,000,000.00	4,450,000.00
	<b>Sub Total</b>	18,430,000.00	<u>2,000,000.00</u>	20,430,000.00
<b>30000</b>	<b>ENVIRONMENTAL &amp; REGIONAL DEV.</b>			
<b>31000</b>	Water Supply	61,330,100.00	-	61,330,100.00
<b>33000</b>	Housing	15,650,000.00	-	15,650,000.00
<b>34000</b>	Town & country planning	-	-	-
<b>35000</b>	Environment	398,800.00	-	398,800.00
	<b>Sub Total</b>	<u>78,468,900.00</u>	-	78,468,900.00
<b>40000</b>	<b>General Administration</b>	37,330,000.00	171,698,179.02	209,025,199.02
	<b>GRAND TOTAL</b>	<b>256,364,197.56</b>	<b>175,741,079.45</b>	<b>434,345,090.87</b>

**8. JAAC CHARGES – =N=637,436,257.19**

This represents Joint Commitments of Akamkpa Local Government Council that were approved for payment by Councils from JAAC that resulted in negative redistribution for certain months of the year.

**9. INVESTMENT EXPENDITURE – NIL**

Investment expenditure represents the total aggregate payouts on behalf of Akamkpa Councils by the Ministry of Local Government Affairs for joint investments; in the year in question investment expenditure was NIL in Cross River State Micro Finance Bank Limited (CRMFB).

**10. DEPOSITS RECEIVED AND REMITTED – NIL**

Deposits received represent the retention fees and unpaid contract sums for contracts awarded by Akamkpa council during the year while Deposits remitted represent the aforementioned amounts actually paid out.

**11. TAXES RECEIVED AND REMITTED – NIL**

Taxes received represents Withholding and Value Added taxes deducted from contract and consultancy jobs while taxes remitted represents the portion actual remitted to the relevant tax authorities.

**12. REPAYMENT OF BORROWINGS – =N=222,222,222.22**

This represents the cumulative total of loans from the State Government to offset shortfalls in Salaries of Akamkpa LGC and the amount repaid during the period as seen below;

**13. OVERDRAFT RECEIVED NIL AND NIL**

This represents overdrafts taken by some councils during the year and the portions that have been repaid. See details below.

**14. CASH AND CASH EQUIVALENTS – ₦ (155,363,633.78)**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Abi Local Government Council Cash Books as at 31<sup>st</sup> December 2019.

**15. RECEIVABLES – ₦ – 441,951,127.31**

This represents cumulative amounts owed to Council by the State Government via unremitted 10% State IGR, as seen in the table below;

RECEIVABLES	AMOUNT (₦)
Balance Brought Forward	316,411,882.96
2019 Unpaid 10%	125,539,244.45
Remittance for the Period	
Balance Carried forward	441,951,127.31

**16. INVESTMENTS – ₦158,878,724.60**

This represents joint investments and stocks held by the Akamkpa LGC in certain State-owned projects/companies like the Tinapa Business Resort, the Obudu Ranch Resort and the Cross-River State Micro Finance Bank.

**17. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND ₦ 117,737,622.93**

This represents the cumulative monthly contribution of one million per council yearly. details are found in the table below;

MONTH	DETAILS	2018
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	1,000,000.00
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00
JUN	DEDUCTION FROM ALLOCATION	1,000,000.00
JUL	DEDUCTION FROM ALLOCATION	1,000,000.00
AUG	DEDUCTION FROM ALLOCATION	1,000,000.00
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>TOTAL AS IN CASHFLOW STATEMENT</b>		<b>12,000,000.00</b>
<b>BALANCE B/F AS AT 1ST JANUARY</b>		<b>105,737,622.93</b>
<b>TOTAL AS IN STATEMENT OF ASSETS &amp; LIABILITIES</b>		<b>117,737,722.93</b>



**18. DEPOSITS – NIL**

Deposits received represents unpaid retention fees, unclaimed salaries and unpaid contract sums for contracts awarded by councils during the year while Deposits remitted represent the aforementioned amounts actually paid out.

**19. SHORT TERM LOANS AND DEBTS – NIL**

This represents loans owed to various banks by Akamkpa Local Governments.

**20. UNREMITTED DEDUCTIONS – ₦ 582,847,959.56**

This represents the cumulative total of all unremitted statutory deductions by Akamkpa LGC to certain State agencies as mandated by Law.

**21. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – ₦323,680,797.86**

This represents Akamkpa LGC's share of the cumulative total amounts owed the State Government by the 18 LGCs, borrowed to offset shortfalls in funds to pay salaries.

**22. RESERVES - ₦ 156,140,101.47**

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31<sup>st</sup> December for the year 2019, apportioned to each Akamkpa Local Government in its Financial Statements for the purposes of disclosure

**23. PAYABLES – ₦11,631,511.88**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Akamkpa LGCs as at 31<sup>st</sup> December 2019.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2018	CURRENT YEAR ADDITIONS (AS IN CASH FLOW STATEMENT)	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12- 2018 (AS IN BALANCE SHEET)
1	WITHHOLDING TAX (WHT)	5,620,434.39	-	-	5,620,434.39
2	VALUE ADDED TAX (VAT)	5,620,434.39	-	-	5,620,434.39
3	STAMP DUTY	396,243.10	-	-	396,243.10
	<b>TOTAL</b>	<b>11,637,111.88</b>	-	-	<b>11,637,111.88</b>

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF AKAMKPA LOCAL GOVERNMENT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2018**

Month	Buildings	Equipment	Fixtures	Furniture & Fittings	Land & Buildings	Motor Vehicles	Plant & Machinery	Total
	₦	₦	₦	₦	₦	₦	₦	₦
January	-	-	-	-	-	-	-	-
February	-	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-	-
April	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-
November	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-
<b>TOTAL</b>								

**Note: The Cross-River State Local Governments are yet to fully implement IPSAS Accrual basis of Accounting. Cash basis is still in operation. However, plans are underway to fully implement IPSAS Accrual by the 18 Councils conducting a thorough Property, Plant and Equipment valuation and maintaining a Fixed Assets Register.**

# **AKPABUYO LOCAL GOVERNMENT COUNCIL**

## **AKPABUYO LOCAL GOVERNMENT, IKOT NAKANDA AUDIT OPINION**

**STATEMENT OF OPINION OF THE AUDITOR-GENERAL**

The Accounts of the Akpabuyo Local Government Council found on pages 102-104 have been examined under my direction, which have been prepared under the accounting policies set out on pages 96-101.

### **RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL**

The Local Government Treasurer is responsible for the preparation of the Financial Statements. It is my responsibility to form an independent opinion based on our Audit on the Financial Statements and report our opinion to you.

### **THE SCOPE OF MY AUDIT**

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements 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 we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

In affirming our opinion, we evaluated the preparation of the information in the Financial Statements and assessed whether the Councils' books and Accounts had been properly kept.

### **OUR OPINION**

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Akpabuyo Local Government Council as at 31<sup>st</sup> December 2019*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.



**MRS. FRANKA A. INOK, FCA**  
**AUDITOR-GENERAL**

**AKPABUYO LOCAL GOVERNMENT, IKOT NAKANDA**  
**RESPONSIBILITY FOR FINANCIAL STATEMENTS**

These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Akpabuyo Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Cash Basis) and Generally Accepted Accounting Practice.

The Management of Akpabuyo Local Government Council is responsible for establishing and maintaining a system of internal controls, designed to provide reasonable assurance that the transactions recorded are within their statutory authority and have properly recorded the use of all public financial resources by the Local Government Council.

The Director of Finance (Treasurer) has responsibility for ensuring the internal controls are functional throughout the year and that financial records are properly kept, and appropriate financial statements are prepared. To the best of my knowledge, this system of internal control has operated adequately throughout the reporting period.

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the IPSAS and Financial Memoranda, (as amended).

In our opinion, these financial statements fairly reflect the financial position of Akpabuyo Local Government as at 31<sup>st</sup> December 2019 and its operations for the period ended on that date.

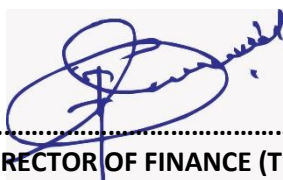


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**CHAIRMAN**

21st September 2020

**DATE**



.....

**THE DIRECTOR OF FINANCE (TREASURER)**

21st September 2020

**DAT**



The Chairman,  
Akpabuyo Local Government Council,  
IKOT NAKANDA.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF AKPABUYO LOCAL GOVERNMENT COUNCIL  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019.**

**REPORT ON THE FINANCIAL STATEMENTS**

I have examined the Financial Statements set out on page(s) 102 to 104 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

**MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:**

It is the responsibility of the Director of Finance (Treasurer) to prepare the accounts in accordance with the provisions of the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda. It is my responsibility to audit and form an independent opinion on the General-Purpose Financial Statements (GPFS).

**BASIS OF AUDIT OPINION**


I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007, Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing

Proper Books of accounts were kept; projects and programmes have been verified and appropriate comments included in my inspection report to the Management of Council and in the Annual Report to the Cross-River State House of Assembly.

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my office, Councils Financial Statements were converted to IPSAS (Cash Basis) General Purpose Financial Statements for the first time in the interest of best practice.

**AUDIT OPINION**

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the State of Affairs of Akpabuyo Local Government Council as at 31<sup>st</sup> December 2019*** and the financial Position and Cashflows for the period ended on that date.

  
.....  
MRS FRANKA INOK, FCA  
AUDITOR-GENERAL  
CALABAR



**AKPABUYO LOCAL GOVERNMENT, IKOT NAKANDA**  
**STATEMENT OF ACCOUNTING POLICIES**

**1. Basis of Preparation of Financial Statements**

These Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) (Cash Basis) as well as under the Guidelines of the Financial Memoranda and in conformity with the Standardized Chart of Accounts designed and introduced by the Federation Account Allocation Committee (FAAC) for adoption by all tiers of Government in Nigeria as well as the Financial Reporting Council (FRC) Guidelines on Public Sector reporting.

**2. Accounting Period**

The accounting year to which the Financial Statements relate is from 1<sup>st</sup> January to 31<sup>st</sup> December 2018.

**3. Reporting Currency**

The Financial Statements were prepared in Nigerian Naira.

**4. IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when cash (including cash equivalents) are received or paid by the LGCs. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of cash raised during the period, the purposes for which cash was used and the cash balances at the reporting date. Notes to the GPFS provide additional information about Liabilities, including Payables and Borrowings and non-cash assets that include Receivables, Investments and Property, Plant and Equipment.



## **5. Accounting Terminologies / Definitions**

### **5.1 Accounting Policies**

These are the specific principles, bases, conventions, rules and practices adopted by the 18 LGAs in preparing and presenting their Financial Statements.

### **5.2 Cash**

Cash comprises of cash in hand, demand deposits in financial institutions and cash equivalents.

### **5.3 Cash equivalents**

These are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **5.4 Cash basis**

means a basis of accounting that recognizes transactions and other events only when cash is received or paid.

### **5.5 Cash flows**

are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.

**5.6 Cash receipts** are cash inflows.

**5.7 Cash payments** are cash outflows

## **5.8 Notes to the GPFS**

These include narrative descriptions or more detailed schedules, or analyses of amounts shown on the face of the GPFS, as well as additional information.

## **6. General Purpose Financial Statements (GPFS)**

The GPFS comprise of Statements of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by the 18 LGAs and Accounting Policies and Notes to the Financial Statements.

### **6.1 Principal Statements contained in the IPSAS Financial Statements**

- The Cash flow Statement
- The Statement of Financial Position
- The Statement of Financial Performance
- The Notes to the Financial Statements
- Accounting Policies and Explanatory Notes.

## **7. Fundamental Accounting Concepts**

The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in State:

Cash Basis of Accounting

Understandability

Materiality

Relevance

Going Concern Concept

Consistency Concept

Prudence

Completeness etc.

## **8. Comparative Information**

The GPFS shall disclose all numerical information relating to the previous period (at least one year

## **9. Interest Received**

Interest actually received during the financial year shall be treated as a receipt under item 'Other Receipts'.

## **10. Receipts**

These are Cash inflows within the financial year. They comprise of receipts from Statutory Allocations, Value Added Tax, Excess Crude, Internally Generated Revenue and Other Revenue. These items shall be disclosed at the face of the Statement of Cashflows

## **11. Payments**

These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorized either by Function and/or by Sector in the Statement of Cash Receipts and Payment. Payments for purchase of items of capital nature (e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.

## **12. Investments**

Cash Payments made for investment purposes such as purchase of Government Stock, Treasury Bills and Certificates of Deposit, are capital costs and are disclosed as purchase of financial instruments in Council accounts.

### **13. Loans**

Loans granted to Local Governments especially by the State Government shall be categorized under loans in the Statement of Financial Position. Amount disclosed in the Statement of Cashflow shall be the actual amount received in the financial year while amount disclosed in the Statement of Financial Position shall be cumulative including loan amounts outstanding from previous years.

### **14. Loan Repayments**

Amounts repaid from Loans granted to Local Governments shall be classified under Loan Repayments, amount disclosed shall be actual amount

### **15. Budget Figures**

These are figures from the approved annual budget and supplementary budget as approved with the Cross-River State Local Government Law 2007 (as amended).

### **16. Interest on Loans**

Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest repayment in the Statement of Cashflow.

### **17. Prepayments**

Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.

### **18. Advances**

All Cash Advances shall be retired before the end of the financial year-end.

**19. Leases**

Cash Payment for Finance Leases, which effectively transfer to the Government substantially all the risks and benefits incidental to ownership of the leased item, are treated as capital payments and disclosed in the Statement of Cash Receipts and payments.

**20. Cash Balances**

This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.

**21. Other Borrowings / Grants & Aid Received**

These are categorized as either Short-term or Long-term Loans. Short term loans are those payable within one calendar year (12 months), while Long-term loans and debts shall fall due beyond one calendar year (above 12 months). Loans and Grants shall be disclosed separately in the Statement of Cashflows.

**Key to Abbreviations**

1. LGC - Local Government Council
2. FAAC -Federation Account Allocation Committee
3. VAT - Value Added Tax
4. IGR - Internally Generated Revenue
5. GAAP - Generally Accepted Accounting Principles
6. GPFS - General Purpose Financial Statements
7. IPSAS - International Public Sector Accounting Standards
8. PPE - Property, Plant and Equipment
9. JAAC - Joint Account Allocation Committee

**AKPABUYO LOCAL GOVERNMENT, IKOT NAKANDA**  
**STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2019</b>	<b>2018</b>
<b>Inflows:</b>	<b>₦</b>	<b>₦</b>
Government Share of FAAC (Statutory Allocation)	1,725,530,793.75	1,782,827,140.69
Government Share of VAT	491,170,005.31	456,684,616.97
Excess Crude	2,932,546.12	8,037,992.37
Other Revenue	52,231,277.68	60,265,278.26
Internally Generated Revenue (Non-Tax Revenue)	61,626,303.61	69,596,516.84
Redistribution from JAAC	-	-
10% State IGR (Non-Tax Revenue)	-	-
<b>Total Inflows from Operating Activities</b>	<b>2,333,490,926.47</b>	<b>2,377,411,545.13</b>
<b>Outflows:</b>		
Salaries and Wages (Social Benefits)	806,019,134.09	835,430,568.65
Overhead Cost	17,833,980.02	6,732,783.46
Statutory Deductions	18,971,742.052	15,727,096.87
JAAC Charges	572,523,324.93	920,716,120.63
<b>Total Outflows from Operating Activities</b>	<b>1,415,348,181.09</b>	<b>1,778,606,569.61</b>
<b>Net Cashflow from Operating Activities</b>	<b>918,142,745.38</b>	<b>598,804,975.52</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of PPE		
Proceeds from Sale of Investment Property		
Capital Expenditure (Purchase/Construction of PPE)	(226,174,041.15)	(421,232,671.11)
Investment Expenditure		(27,777,777.77)
<b>Net Cashflow from Investing Activities</b>	<b>(226,174,041.15)</b>	<b>(449,010,448.88)</b>
		-
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		-
Miscellaneous Deposits Received	10,263,506.22	-
Miscellaneous Deposits Remitted	-	-
Taxes Received	14,236,333.00	-
Tax Remitted	(10,106,666.64)	-
Proceeds from Borrowings (CRSG Loan)	-	-
Repayment of Borrowings	(222,222,222.22)	(27,777,777.77)
Overdraft Received	-	-
Overdraft Repayment	-	-
<b>Net Cash Flow from Financing Activities</b>	<b>(207,829,049.64)</b>	<b>(27,777,777.77)</b>
<b>Net Cash Flow from All Activities</b>	<b>484,139,654.59</b>	<b>122,016,748.87</b>
<b>Cash and its Equivalent as at 01 Jan 2019</b>	<b>(120,924,615.44)</b>	<b>(242,941,364.31)</b>
<b>Cash and its Equivalent as at 31 Dec 2019</b>	<b>363,215,039.15</b>	<b>(120,924,615.44)</b>

**AKPABUYO LOCAL GOVERNMENT, IKOT NAKANDA**  
**STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

	2019	2018
<b>ASSETS</b>	<b>₦</b>	<b>₦</b>
<b><u>Current Assets:</u></b>		
Cash and Cash Equivalents	363,215,039.15	(120,924,615.44)
Receivables	441,951,127.31	316,411,882.96
Inventories		-
Prepayments		-
<b>Total Current Assets (A)</b>	<b>805,166,166.46</b>	<b>195,487,267.52</b>
<b><u>Non-Current Assets</u></b>		
Long-Term Loans		-
Investments	158,878,724.67	158,878,724.67
Property, Plant & Equipment		-
Contribution to CRS Reserve Fund	117,737,622.90	105,737,622.93
<b>Total Non-Current Assets (B)</b>	<b>276,616,347.57</b>	<b>264,616,347.60</b>
<b>Total Assets (A) + (B)</b>	<b>1,081,782,514.03</b>	<b>460,103,615.12</b>
<b>LIABILITIES</b>		
<b><u>Current Liabilities</u></b>		
Deposits	11,953,620.88	1,690,114.66
Short term Loans & Debts	643.06	643.06
Unremitted Deductions	582,847,959.56	588,576,733.86
Payables (Unremitted Taxes)	14,511,047.35	10,381,381.19
<b>Total Current Liabilities (C)</b>	<b>609,313,270.85</b>	<b>600,648,872.77</b>
<b><u>Non-Current Liabilities</u></b>		
Long Term Borrowings (CRSG loan)	323,680,797.86	545,903,120.08
Internal Loans (Public Funds)		-
Long Term Provisions		-
<b>Total Non-Current Liabilities (D)</b>	<b>323,680,797.86</b>	<b>545,903,120.08</b>
<b>Total Liabilities (C) + (D)</b>	<b>932,994,068.71</b>	<b>1,146,551,992.85</b>
<b>Net Assets (Total Assets - Total Liabilities)</b>	<b>148,788,445.32</b>	<b>(686,448,377.73)</b>
<b>NET ASSETS/EQUITY</b>		
Reserves	156,140,101.47	364,061,074.01
Accumulated Surpluses/(Deficits)	(7,351,656.15)	(1,050,509,451.74)
<b>Total Net Assets/Equity</b>	<b>148,788,445.32</b>	<b>(686,448,377.73)</b>

**AKPABUYO LOCAL GOVERNMENT, IKOT NAKANDA**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

PREVIOUS YEAR ACTUAL (2018)		Notes	ACTUAL 2019	FINAL BUDGET 2019	VARIANCE ON FINAL BUDGET
=N=			=N=	=N=	=N=
	<b>REVENUE</b>				
	<b>RECEIPTS:</b>				
2,296,036,130.53	Government Share of FAAC	1	2,271,864,622.86	1,636,549,639.00	635,314,983.86
187,145,015.25	Internally Generated	2	61,626,303.61	37,581,250.00	24,045,053.61
-	Redistribution from JAAC	3			
-	Cross River State	11			
<b>2,483,181,145.78</b>	<b>Total Revenue (A)</b>		<b>2,333,490,926.47</b>	<b>1,674,889.00</b>	<b>659,360,037.47</b>
	<b>EXPENDITURE</b>				
1,309,354,651.24	Salaries and Wages	4	806,019,134.09	772,009,569.00	(34,009,565.09)
182,089,974.33	Statutory Deductions	6	1,971,742.058	660,045,133.00	641,073,390.95
6,732,784.46	Overhead Cost	5	17,833,980.02	48,492,745.00	30,758,764.98
488,141,384.92	JAAC Charges	7	572,523,324.93	-	(572,523,324.93)
421,232,671.11	Capital Expenditure	8	226,174,041.15	2,127,252,781.00	1,901,078,739.85
27,777,777.78	Investment Expenditure	9	-	-	-
<b>2,435,329,243.84</b>	<b>Total Expenditure (B)</b>		<b>1,641,522,222.24</b>	<b>3,607,900,228.00</b>	<b>1,966,378,005.76</b>
<b>47,851,901.94</b>	<b>Surplus/Deficit from</b>		<b>691,968,704.23</b>	<b>1,933,769,339.00</b>	
	Gain/Loss on Disposal of				
	<b>Total Non-Operating Revenue/Expenditure</b>				
	Surplus/Deficit from				
<b>47,851,901.94</b>	<b>Net Surplus/Deficit for the</b>		<b>691,968,704.23</b>	<b>1,933,769,339.00</b>	



**AKPABUYO LOCAL GOVERNMENT, IKOT NAKANDA****1a. (A) GOVERNMENT SHARE OF FAAC (STATUTORY ALLOCATION) ₦1,725,530,793.75**

This represents allocations received on a monthly basis by Akpabuyo Local Government council from the Federation Account in line with the provisions of the Constitution of the Federal Republic of Nigeria.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) EXCESS CRUDE	(D) OTHER REVENUE	TOTAL
1	JAN.	143,033,143.19	41,818,922.73	262,334.27		185,114,400.19
2	FEB.	130,254,254.30	43,398,424.11	174,716.28	2,439,129.10	176,266,523.79
3	MARCH	123,560,954.27	40,583,574.37	226,226.69	12,746,959.87	177,117,715.20
4	APRIL	116,351,686.31	38,248,923.00	172,618.42	20,399,382.97	175,172,610.70
5	MAY	134,170,869.27	40,192,874.75	210,077.19		174,573,821.21
6	JUNE	150,464,380.51	44,510,299.26	308,130.13		195,282,809.90
7	JULY	164,751,775.76	45,118,934.82	276,885.96		210,147,596.54
8	AUG.	160,455,213.02	39,575,488.90	269,911.52		200,300,613.44
9	SEPT.	161,564,958.05	36,754,172.19	274,764.05	526,967.23	199,120,861.52
10	OCT.	157,159,440.10	38,828,591.00	251,820.20		196,239,851.30
11	NOV.	154,958,030.17	43,860,491.71	296,502.61	2,272,886.67	201,387,911.10
12	DEC.	128,806,088.80	38,279,308.47	208,558.80	13,845,951.84	181,139,907.91
	<b>TOTAL</b>	<b>1,725,530,793.75</b>	<b>491,170,005.31</b>	<b>2,932,546.12</b>	<b>52,231,277.68</b>	<b>2,271,864,622.80</b>

**1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) –N491,170,005.31**

This represents Federal Revenue arising from Value Added Tax (VAT) for Akpabuyo Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1c. (C) EXCESS CRUDE –N=2,932,456.12**

This represents the 18 LGAs share of Federal Excess Crude revenue as seen in table 1, for Akpabuyo Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1d. (D) OTHER REVENUE –N52,231,277.68**

This represents revenue other than statutory receipts from the Federation for Akpabuyo Local Government Council for the year ended 31<sup>st</sup> December 2019.

**2. NON-TAX REVENUE (IGR) – N61,626,303.61**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Akpabuyo Local Government Council for the year ended 31<sup>st</sup> December 2019.

CODE	DETAILS	ACTUAL 2019
		N
101000	TAXES	688,820.00
102000	RATES	53,403,333.33
103000	LOCAL LICENCE FEES	2,314,500.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	4,002,372.20
105000	RENT ON GOVERNMENT PROPERTY	608,000.00
106000	INTEREST ON DIVIDENDS	
107000	REIMBURSEMENT	
108000	MISCELLANEOUS	609,278.08
	<b>TOTAL</b>	<b>61,626,303.61</b>

**3. REDISTRIBUTION FROM JAAC – NIL**

This represents the positive inflows to Councils after Salaries, Statutory deductions and Joint Commitments were made by JAAC.

**4. SALARIES AND WAGES – ₦ 806,019,134.09**

This consists of the salaries and wages paid to staff of Akpabuyo local government comprising of council staff, traditional rulers and non-pensionable allowances (LGC), teachers (SUBEB) and health workers (PHC). Pension allowances/Social benefits paid to all retired LGCs staff are also inclusive.

<b>SALARIES AND WAGES (SOCIAL BENEFITS)</b>		
	<b>DESCRIPTION</b>	<b>AMOUNT (₦)</b>
<b>1</b>	Council Staff Salaries	170,821,757.62
<b>2</b>	Primary Health Care Salaries	159,424,064.52
<b>3</b>	Local Government Education Authority	275,939,819.55
<b>4</b>	Traditional Rulers Stipend	
<b>5</b>	Pension Contribution	19,833,492.40
	<b>TOTAL</b>	<b>806,019,134.09</b>

**5. OVERHEAD COST – N17,833,980.02**

This represents total overhead cost incurred during the financial year by the Council.

<b>CODE</b>	<b>DETAILS</b>	<b>TOTAL OPERATING EXPENSES</b>
		<b>₦</b>
<b>431200</b>	TRAVEL & TRANSPORT	1,005,000.00
<b>431300</b>	UTILITIES	399,881.80
<b>431400</b>	MATERIALS & SUPPLIES	3,260,000.00
<b>431500</b>	MAINTENANCE, REPAIRS & SERVICES	2,065,000.00
<b>431600</b>	TRAINING & STAFF DEVELOPMENT	419,000.00
<b>431700</b>	CONSULTANCY & PROFESSIONAL SERVICES	3,204,666.67
<b>431800</b>	FINANCE EXPENSES	111,773.36
<b>431900</b>	ENTERTAINMENT & HOSPITALITY	6,050,658.17
<b>432100</b>	OTHER SERVICES	1,318,000.00
<b>432200</b>	GRANTS, CONTRIBUTION, SUBVENTION AND	
<b>115000</b>	CONSOLIDATED REVENUE FUND CHARGES	
	<b>TOTAL</b>	<b>17,833,980.02</b>

**6 STATUTORY DEDUCTIONS – ₦18,971,742.05**

This is made up of 31% Statutory deductions made from Akpabuyo Local Government Council Statutory Allocations and paid to Ministry of Local Government Affairs for administration.

**7. JAAC CHARGES – ₦572,523,324.93**

This represents Joint Commitments of Akpabuyo Local Government Council that were approved for payment by Councils from JAAC that resulted in negative redistribution for certain months of the year.

**8. PURCHASE/CONSTRUCTION OF PPE (CAPITAL EXPENDITURE ₦226,174,041.15**

During the year under review, the Akpabuyo LGC spent a total sum of ₦226.1m (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment). Details are as presented below in the tabular and Chart format;

CODE	DETAILS	COUNCIL EXPENDITURE
10000	ECONOMIC	111,173,293.33
20000	SOCIAL SERVICE	3,150,000.00
30000	ENVIRONMENT & REGIONAL DEV.	63,445,000.00
40000	GENERAL ADMINISTRATION	48,405,747.82
	<b>TOTAL</b>	<b>226,174,041.15</b>

**9. INVESTMENT EXPENDITURE – NIL**

Investment expenditure represents the total aggregate payouts on behalf of Akpabuyo Councils by the Ministry of Local Government Affairs for joint investments.

**10. DEPOSITS RECEIVED AND REMITTED – =N=10,263,506.22 & NIL**

Deposits received represent the retention fees and unpaid contract sums for contracts awarded by Akpabuyo council during the year while Deposits remitted represent the aforementioned amounts actually paid out.

**11. TAXES RECEIVED AND REMITTED –N14,236,333.00 & N(10,106,666.64)**

Taxes received represents Withholding and Value Added taxes deducted from contract and consultancy jobs while taxes remitted represents the portion actual remitted to the relevant tax authorities.

TAXES RECEIVED AND REMITTED			
S/N	LGC	TAXES RECEIVED	TAXES REMITTED
1	AKPABUYO	14,236,333.00	(10,106,666.64)
	<b>TOTAL</b>	<b>14,236,333.00</b>	<b>(10,106,666.64)</b>

**12. REPAYMENT OF BORROWINGS – =N=222,222,222.22**

This represents the cumulative total of loans from the State Government to offset shortfalls in Salaries of Akpabuyo LGC and the amount repaid during the period as seen below;

**13. OVERDRAFT RECEIVED NIL**

This represents overdrafts taken by some councils during the year and the portions that have been repaid. See details below.

**14. CASH AND CASH EQUIVALENTS – N=363,215,039.15**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Akpabuyo Local Government Council Cash Books as at 31<sup>st</sup> December 2019.

**15. RECEIVABLES – N – 441,951,127.31**

This represents cumulative amounts owed to Council by the State Government via unremitted 10% State IGR, as seen in the table below;

RECEIVABLES	AMOUNT (N)
<b>Balance Brought Forward</b>	<b>316,411,882.96</b>
<b>2019 Unpaid 10%</b>	125,539,244.45
<b>Remittance for the Period</b>	
<b>Balance Carried forward</b>	<b>441,951,127.31</b>

**16. INVESTMENTS – N158,878,724.60**

This represents joint investments and stocks held by the Akpabuyo LGC in certain State-owned projects/companies like the Tinapa Business Resort, the Obudu Ranch Resort and the Cross-River State Micro Finance Bank.

**17. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND N 117,737,622.93**

This represents the cumulative monthly contribution of one million per council yearly. details are found in the table below;

MONTH	DETAILS	AMOUNT (N)
<b>JAN</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>FEB</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>MAR</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>APR</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>MAY</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>JUN</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>JUL</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>AUG</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>SEP</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>OCT</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>NOV</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>DEC</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>TOTAL AS IN CASHFLOW STATEMENT</b>		<b>12,000,000.00</b>
<b>BALANCE B/F AS AT 1ST JANUARY</b>		<b>105,737,622.93</b>
<b>TOTAL AS IN STATEMENT OF ASSETS &amp; LIABILITIES</b>		<b>117,737,722.93</b>

**18. DEPOSITS – =N=11,953,620.88**

Deposits received represents unpaid retention fees, unclaimed salaries and unpaid contract sums for contracts awarded by councils during the year while Deposits remitted represent the aforementioned amounts actually paid out.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2019	CURRENT YEAR ADDITIONS (AS IN CASH FLOW)	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12-2019 (AS IN BALANCE SHEET)
1	UNCLAIMED SALARIES	1,690,114.66	10,263,506.22	-	11,953,620.88
	<b>TOTAL</b>	<b>1,690,114.66</b>	<b>10,263,506.22</b>	<b>-</b>	<b>11,953,620.88</b>

**19. SHORT TERM LOANS AND DEBTS – =N=643.06**

This represents loans owed to various banks by Akpabuyo Local Governments.

**20. UNREMITTED DEDUCTIONS – ₦ 582,847,959.56**

This represents the cumulative total of all unremitted statutory deductions by Akpabuyo LGC to certain State agencies as mandated by Law.

**21. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – ₦323,680,797.86**

This represents the cumulative total amounts owed the State Government by the 18 LGCs, borrowed to offset shortfalls in funds to pay salaries.

**22. RESERVES - ₦ 156,140,101.47**

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31<sup>st</sup> December for the year 2019, apportioned to each Akpabuyo Local Government in its Financial Statements for the purposes of disclosure

**23. PAYABLES – ₦14,511,047.35**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Akpabuyo LGCs as at 31<sup>st</sup> December 2019.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2019	CURRENT YEAR ADDITIONS (AS IN CASH FLOW STATEMENT)	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12-2019 (AS IN BALANCE SHEET)
1	5% CONTRACTORS' TAX	5,421,707.94	5,951,666.50	5,053,333.42	6,320,041.02
2	5% VALUE ADDED TAX (VAT)	4,959,673.25	5,951,666.50	5,053,333.42	5,858,006.33
3	1% STAMP DUTY	-	2,333,000.00	-	2,333,000.00
<b>TOTAL</b>		<b>10,381,381.19</b>	<b>14,236,333.00</b>	<b>10,106,666.84</b>	<b>14,511,047.35</b>



**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF AKPABUYO LOCAL GOVERNMENT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2018**

Month	Buildings	Equipment	Fixtures	Furniture & Fittings	Land & Buildings	Motor Vehicles	Plant & Machinery	Total
	₦	₦	₦	₦	₦	₦	₦	₦
January	-	-	-	-	-	-	-	-
February	-	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-	-
April	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-
November	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-
<b>TOTAL</b>								

**Note: The Cross-River State Local Governments are yet to fully implement IPSAS Accrual basis of Accounting. Cash basis is still in operation. However, plans are underway to fully implement IPSAS Accrual by the 18 Councils conducting a thorough Property, Plant and Equipment valuation and maintaining a Fixed Assets Register.**

**BAKAASI LOCAL GOVERNMENT  
COUNCIL**

**BAKASSI LOCAL GOVERNMENT, NEW OBUTONG**  
**AUDIT OPINION**

**STATEMENT OF OPINION OF THE AUDITOR-GENERAL**

The Accounts of the Bakassi Local Government Council found on pages 124-126 have been examined under my direction, which have been prepared under the accounting policies set out on pages 118-123.

**RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL**

The Local Government Treasurer is responsible for the preparation of the Financial Statements. It is my responsibility to form an independent opinion based on our Audit on the Financial Statements and report our opinion to you.

**THE SCOPE OF MY AUDIT**

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements 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 we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

In affirming our opinion, we evaluated the preparation of the information in the Financial Statements and assessed whether the Councils' books and Accounts had been properly kept.

**OUR OPINION**

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Bakassi Local Government Council as at 31<sup>st</sup> December 2019*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.

  
**MRS. FRANKA A. INOK, FCA**  
**AUDITOR-GENERAL**

**BAKASSI LOCAL GOVERNMENT, NEW OBUTONG**  
**RESPONSIBILITY FOR FINANCIAL STATEMENTS**

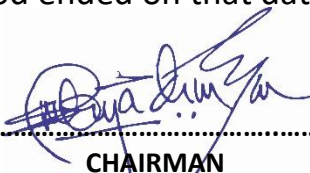
These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Bakassi Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Cash Basis) and Generally Accepted Accounting Practice.

The Management of Bakassi Local Government Council is responsible for establishing and maintaining a system of internal controls, designed to provide reasonable assurance that the transactions recorded are within their statutory authority and have properly recorded the use of all public financial resources by the Local Government Council.


The Director of Finance (Treasurer) has responsibility for ensuring the internal controls are functional throughout the year and that financial records are properly kept, and appropriate financial statements are prepared. To the best of my knowledge, this system of internal control has operated adequately throughout the reporting period.

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the IPSAS and Financial Memoranda, (as amended).

In our opinion, these financial statements fairly reflect the financial position of Bakassi Local Government as at 31<sup>st</sup> December 2019 and its operations for the period ended on that date.

  
.....  
**CHAIRMAN**

21st September 2020  
.....  
**DATE**

  
.....  
**THE DIRECTOR OF FINANCE (TREASURER)**

21st September 2020  
.....  
**DATE**



The Chairman,  
Bakassi Local Government Council,  
NEW OBUTONG.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF BAKASSI LOCAL GOVERNMENT COUNCIL  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019.**

**REPORT ON THE FINANCIAL STATEMENTS**

I have examined the Financial Statements set out on page(s) 124 to 126 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

**MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:**

It is the responsibility of the Director of Finance (Treasurer) to prepare the accounts in accordance with the provisions of the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda. It is my responsibility to audit and form an independent opinion on the General-Purpose Financial Statements (GPFS).

**BASIS OF AUDIT OPINION**

I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007, Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing

Proper Books of accounts were kept; projects and programmes have been verified and appropriate comments included in my inspection report to the Management of Council and in the Annual Report to the Cross-River State House of Assembly.

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my office, Councils Financial Statements were converted to IPSAS (Cash Basis) General Purpose Financial Statements for the first time in the interest of best practice.

**AUDIT OPINION**

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Bakassi Local Government Council as at 31<sup>st</sup> December 2019*** and the financial Position and Cashflows for the period ended on that date.

  
.....

**MRS FRANKA INOK, FCA  
AUDITOR-GENERAL  
CALABAR**



**BAKASSI LOCAL GOVERNMENT, NEW OBUTONG**  
**STATEMENT OF ACCOUNTING POLICIES**

**1. Basis of Preparation of Financial Statements**

These Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) (Cash Basis) as well as under the Guidelines of the Financial Memoranda and in conformity with the Standardized Chart of Accounts designed and introduced by the Federation Account Allocation Committee (FAAC) for adoption by all tiers of Government in Nigeria as well as the Financial Reporting Council (FRC) Guidelines on Public Sector reporting.

**2. Accounting Period**

The accounting year to which the Financial Statements relate is from 1<sup>st</sup> January to 31<sup>st</sup> December 2018.

**3. Reporting Currency**

The Financial Statements were prepared in Nigerian Naira.

**4. IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when cash (including cash equivalents) are received or paid by the LGCs. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of cash raised during the period, the purposes for which cash was used and the cash balances at the reporting date. Notes to the GPFS provide additional information about Liabilities, including Payables and Borrowings and non-cash assets that include Receivables, Investments and Property, Plant and Equipment.

## **5. Accounting Terminologies / Definitions**

### **5.1 Accounting Policies**

These are the specific principles, bases, conventions, rules and practices adopted by the 18 LGAs in preparing and presenting their Financial Statements.

### **5.2 Cash**

Cash comprises of cash in hand, demand deposits in financial institutions and cash equivalents.

### **5.3 Cash equivalents**

These are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **5.4 Cash basis**

means a basis of accounting that recognizes transactions and other events only when cash is received or paid.

### **5.5 Cash flows**

are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.

**5.6 Cash receipts** are cash inflows.

**5.7 Cash payments** are cash outflows

## **5.8 Notes to the GPFS**

These include narrative descriptions or more detailed schedules, or analyses of amounts shown on the face of the GPFS, as well as additional information.

## **6. General Purpose Financial Statements (GPFS)**

The GPFS comprise of Statements of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by the 18 LGAs and Accounting Policies and Notes to the Financial Statements.

### **6.1 Principal Statements contained in the IPSAS Financial Statements**

- The Cash flow Statement
- The Statement of Financial Position
- The Statement of Financial Performance
- The Notes to the Financial Statements
- Accounting Policies and Explanatory Notes.

## **7. Fundamental Accounting Concepts**

The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in State:

Cash Basis of Accounting

Understandability

Materiality

Relevance

Going Concern Concept

Consistency Concept

Prudence

Completeness etc.



## **8. Comparative Information**

The GPFS shall disclose all numerical information relating to the previous period (at least one year

## **9. Interest Received**

Interest actually received during the financial year shall be treated as a receipt under item 'Other Receipts'.

## **10. Receipts**

These are Cash inflows within the financial year. They comprise of receipts from Statutory Allocations, Value Added Tax, Excess Crude, Internally Generated Revenue and Other Revenue. These items shall be disclosed at the face of the Statement of Cashflows

## **11. Payments**

These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorized either by Function and/or by Sector in the Statement of Cash Receipts and Payment. Payments for purchase of items of capital nature (e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.

## **12. Investments**

Cash Payments made for investment purposes such as purchase of Government Stock, Treasury Bills and Certificates of Deposit, are capital costs and are disclosed as purchase of financial instruments in Council accounts.

### **13. Loans**

Loans granted to Local Governments especially by the State Government shall be categorized under loans in the Statement of Financial Position. Amount disclosed in the Statement of Cashflow shall be the actual amount received in the financial year while amount disclosed in the Statement of Financial Position shall be cumulative including loan amounts outstanding from previous years.

### **14. Loan Repayments**

Amounts repaid from Loans granted to Local Governments shall be classified under Loan Repayments, amount disclosed shall be actual amount

### **15. Budget Figures**

These are figures from the approved annual budget and supplementary budget as approved with the Cross-River State Local Government Law 2007 (as amended).

### **16. Interest on Loans**

Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest repayment in the Statement of Cashflow.

### **17. Prepayments**

Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.

### **18. Advances**

All Cash Advances shall be retired before the end of the financial year-end.

**19. Leases**

Cash Payment for Finance Leases, which effectively transfer to the Government substantially all the risks and benefits incidental to ownership of the leased item, are treated as capital payments and disclosed in the Statement of Cash Receipts and payments.

**20. Cash Balances**

This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.

**21. Other Borrowings / Grants & Aid Received**

These are categorized as either Short-term or Long-term Loans. Short term loans are those payable within one calendar year (12 months), while Long-term loans and debts shall fall due beyond one calendar year (above 12 months). Loans and Grants shall be disclosed separately in the Statement of Cashflows.

**Key to Abbreviations**

1. LGC - Local Government Council
2. FAAC -Federation Account Allocation Committee
3. VAT - Value Added Tax
4. IGR - Internally Generated Revenue
5. GAAP - Generally Accepted Accounting Principles
6. GPFS - General Purpose Financial Statements
7. IPSAS - International Public Sector Accounting Standards
8. PPE - Property, Plant and Equipment
9. JAAC - Joint Account Allocation Committee

**BAKASSI LOCAL GOVERNMENT, NEW OBUTONG**  
**STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2019</b>	<b>2018</b>
<b>Inflows:</b>	<b>₦</b>	<b>₦</b>
Government Share of FAAC (Statutory Allocation)	1,113,488,335.05	1,150,468,534.94
Government Share of VAT	288,708,305.89	269,047,526.65
Excess Crude	3,152,100.73	-
Other Revenue	32,440,574.34	44,179,483.68
Internally Generated Revenue (Non-Tax Revenue)	17,706,219.70	8,490,200.00
Redistribution from JAAC	-	-
10% State IGR (Non-Tax Revenue)	-	-
<b>Total Inflows from Operating Activities</b>	<b>1,455,495,535.71</b>	<b>1,472,185,745.27</b>
<b>Outflows:</b>		
Salaries and Wages (Social Benefits)	507,625,122.28	727,741,376.83
Overhead Cost	540,389,735.53	6,732,783.46
Statutory Deductions	23,584,197.28	30,969,447.69
JAAC Charges	175,386,763.19	334,508,051.65
<b>Total Outflows from Operating Activities</b>	<b>1,246,985,818.28</b>	<b>1,099,951,659.63</b>
<b>Net Cashflow from Operating Activities</b>	<b>208,509,717.43</b>	<b>372,234,085.64</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of PPE	-	-
Proceeds from Sale of Investment Property	-	-
Capital Expenditure (Purchase/Construction of PPE)	193,401,063.15	(316,741,833.33)
Investment Expenditure	-	(27,777,777.78)
<b>Net Cashflow from Investing Activities</b>	<b>193,401,063.15</b>	<b>(344,519,611.11)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Miscellaneous Deposits Received	14,607,747.53	-
Miscellaneous Deposits Remitted	-	-
Taxes Received	(9,968,000.00)	-
Tax Remitted	12,014,000.00	-
Proceeds from Borrowings (CRSG Loan)	-	-
Repayment of Borrowings	(222,222,222.22)	(27,777,777.77)
Overdraft Received	-	-
Overdraft Repayment	-	-
<b>Net Cash Flow from Financing Activities</b>	<b>(205,568,474.69)</b>	<b>(27,777,777.77)</b>
<b>Net Cash Flow from All Activities</b>	<b>196,342,305.89</b>	<b>(63,303.24)</b>
<b>Cash and its Equivalent as at 01 Jan 2019</b>	<b>(35,092,393.51)</b>	<b>(35,029,090.27)</b>
<b>Cash and its Equivalent as at 31 Dec 2019</b>	<b>161,249,912.38</b>	<b>(35,092,393.51)</b>

**BAKASSI LOCAL GOVERNMENT, NEW OBUTONG**  
**STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

	2019	2018
	₦	₦
<b>ASSETS</b>		
<b><u>Current Assets:</u></b>		
Cash and Cash Equivalents	161,249,912.38	(35,092,393.51)
Receivables	441,951,127.31	316,411,882.96
Inventories	-	-
Prepayments	-	-
<b>Total Current Assets (A)</b>	<b>603,201,039.69</b>	<b>281,319,489.45</b>
<b><u>Non-Current Assets</u></b>		
Long-Term Loans		-
Investments	158,878,724.67	158,878,724.67
Property, Plant & Equipment	-	-
Contribution to CRS Reserve Fund	117,737,622.93	105,737,622.93
<b>Total Non-Current Assets (B)</b>	<b>276,616,347.60</b>	<b>264,616,347.60</b>
<b>Total Assets (A) + (B)</b>	<b>879,817,387.29</b>	<b>545,935,837.05</b>
<b>LIABILITIES</b>		
<b><u>Current Liabilities</u></b>		
Deposits	18,472,008.21	3,864,260.68
Short term Loans & Debts	-	-
Unremitted Deductions	582,847,959.56	588,576,733.86
Payables (Unremitted Taxes)	6,853,398.34	4,807,398.34
<b>Total Current Liabilities (C)</b>	<b>608,173,366.11</b>	<b>597,248,392.88</b>
<b><u>Non-Current Liabilities</u></b>		
Long Term Borrowings (CRSG loan)	323,680,797.86	545,903,120.08
Internal Loans (Public Funds)	-	-
Long Term Provisions	-	-
<b>Total Non-Current Liabilities (D)</b>	<b>323,680,797.86</b>	<b>545,903,120.08</b>
<b>Total Liabilities (C) + (D)</b>	<b>931,854,163.97</b>	<b>1,143,151,512.96</b>
<b>Net Assets (Total Assets - Total Liabilities)</b>	<b>(52,036,776.68)</b>	<b>(597,215,675.91)</b>
<b>NET ASSETS/EQUITY</b>		
Reserves	156,140,101.47	364,061,074.01
Accumulated Surpluses/(Deficits)	(208,176,878.15)	(961,276,749.92)
<b>Total Net Assets/Equity</b>	<b>(52,036,776.68)</b>	<b>(597,215,675.91)</b>

**BAKASSI LOCAL GOVERNMENT, NEW OBUTONG**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

PREVIOUS YEAR ACTUAL (2018)		Notes	ACTUAL 2019	FINAL BUDGET 2019	VARIANCE ON FINAL BUDGET
=N=			=N=	=N=	=N=
	<b>REVENUE</b>				
	<b>RECEIPTS:</b>				
1,463,695,545.27	Government Share of FAAC	1	1,437,789,816.01	1,324,613,312.00	113,175,804.01
8,490,200.00	Internally Generated	2	17,706,269.70	20,386,000.00	(2,680,580.00)
	Redistribution from JAAC (Other Revenues)	3			
	Cross River State	11			
<b>1,472,185,745.27</b>	<b>Total Revenue (A)</b>		<b>1,455,495,535.71</b>	<b>1,345,000,312.00</b>	<b>110,495,223.71</b>
	<b>EXPENDITURE</b>				
727,741,376.83	Salaries and Wages	4	507,625,122.28	558,274,618.00	(50,649,495.72)
6,732,783.46	Statutory Deductions	6	23,584,197.28	478,236,825.00	454,652,627.72
30,969,447.69	Overhead Cost	5	540,389,735.19	25,113,656.00	515,276,079.53
334,508,051.65	JAAC Charges	7	175,386,763.19	-	(175,386,763.19)
316,741,833.33	Capital Expenditure	8	193,401,063.15	1,203,122,184	1,009,721,120.85
27,777,777.78	Investment Expenditure	9	-	-	-
<b>1,444,471,270.74</b>	<b>Total Expenditure (B)</b>		<b>1,440,386,881.43</b>	<b>2,264,747,283.00</b>	<b>824,360,401.57</b>
<b>27,714,474.53</b>	<b>Surplus/Deficit from</b>		<b>15,108,654.28</b>	<b>(919,746,971.00)</b>	
	Gain/Loss on Disposal of				
	<b>Total Non-Operating Revenue/Expenditure</b>				
	Surplus/Deficit from				
<b>27,714,474.53</b>	<b>Net Surplus/Deficit for the</b>				

**BAKASSI LOCAL GOVERNMENT, NEW OBUTONG**  
**NOTES TO THE FINANCIAL STATEMENTS**

**1a. (A) GOVERNMENT SHARE OF FAAC (STATUTORY ALLOCATION) ₦1,113,488,335.05**

This represents allocations received on a monthly basis by Bakassi Local Government council from the Federation Account in line with the provisions of the Constitution of the Federal Republic of Nigeria.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) EXCESS CRUDE	(D) OTHER REVENNUE	TOTAL
1	JAN.	92,299,626.34	24,476,144.76	-	169,262.67	116,945,033.77
2	FEB.	84,054,463.46	25,417,309.40	-	1,686,498.82	111,158,271.68
3	MARCH	79,735,829.08	23,993,091.56	-	8,370,537.14	112,099,457.78
4	APRIL	75,084,283.15	22,382,667.65	1,685,594.45	11,587,821.07	110,740,366.32
5	MAY	86,581,532.03	23,585,798.09	-	135,545.48	110,302,875.60
6	JUNE	97,094,390.79	26,123,345.81	-	198,810.95	123,416,547.55
7	JULY	106,312,868.39	26,421,409.23	-	178,651.67	132,912,929.29
8	AUG.	103,540,650.87	23,308,735.91	-	174,151.64	127,023,538.42
9	SEPT.	104,256,676.51	21,593,439.59	-	517,291.06	126,367,407.16
10	OCT.	101,414,160.47	22,843,108.13	-	162,478.80	124,419,747.40
11	NOV.	99,993,772.24	25,803,407.11	1,466,506.28	9,124,959.25	136,388,644.88
12	DEC.	83,120,081.72	22,759,848.65	-	134,565.79	106,014,496.16
	<b>TOTAL</b>	<b>1,113,488,335.05</b>	<b>288,708,305.89</b>	<b>3,152,100.73</b>	<b>32,440,574.34</b>	<b>1,437,789,316.01</b>

**1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) –N288,708,305.89**

This represents Federal Revenue arising from Value Added Tax (VAT) for Bakassi Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1c. (C) EXCESS CRUDE –N3,152,100.73**

This represents the 18 LGAs share of Federal Excess Crude revenue as seen in table 1, for Bakassi Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1d. (D) OTHER REVENUE –N32,440,574.34**

This represents revenue other than statutory receipts from the Federation for Abi Local Government Council for the year ended 31<sup>st</sup> December 2019.

**2. NON-TAX REVENUE (IGR) – N17,706,219.70**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Bakassi Local Government Council for the year ended 31<sup>st</sup> December 2019.

CODE	DETAILS	ACTUAL 2019
		<b>N</b>
<b>101000</b>	TAXES	468,000.00
<b>102000</b>	RATES	45,500.00
<b>103000</b>	LOCAL LICENCE FEES	1,733,000.00
<b>104000</b>	EARNINGS FROM COMMERCIAL UNDERTAKINGS	6,203,872.20
<b>105000</b>	RENT ON GOVERNMENT PROPERTY	400,000.00
<b>106000</b>	INTEREST ON DIVIDENDS	4,480,000.00
<b>107000</b>	REIMBURSEMENT	2,361,795.00
<b>108000</b>	MISCELLANEOUS	2,014,052.50
	<b>TOTAL</b>	<b>17,706,219.70</b>



**3. REDISTRIBUTION FROM JAAC – NIL**

This represents the positive inflows to Councils after Salaries, Statutory deductions and Joint Commitments were made by JAAC.

**4. SALARIES AND WAGES – ₦ 507,625,122.28**

This consists of the salaries and wages paid to staff of Bakassi local government comprising of council staff, traditional rulers and non-pensionable allowances (LGC), teachers (SUBEB) and health workers (PHC). Pension allowances/Social benefits paid to all retired LGCs staff are also inclusive.

<b>SALARIES AND WAGES (SOCIAL BENEFITS)</b>		
	<b>DESCRIPTION</b>	<b>AMOUNT (₦)</b>
<b>1</b>	Council Staff Salaries	198,827,489.42
<b>2</b>	Primary Health Care Salaries	74,974,752.68
<b>3</b>	Local Government Education Authority	195,531,794.36
<b>4</b>	Traditional Rulers Stipend	11,250,000.00
<b>5</b>	Pension Contribution	27,041,085.84
	<b>TOTAL</b>	<b>507,625,122.28</b>

**5. OVERHEAD COST – ₦23,584,197.28**

This represents total overhead cost incurred during the financial year by the Council.

<b>CODE</b>	<b>DETAILS</b>	<b>TOTAL OPERATING EXPENSES 2019</b>
		<b>₦</b>
<b>431200</b>	TRAVEL & TRANSPORT	1,958,500.00
<b>431300</b>	UTILITIES	
<b>431400</b>	MATERIALS & SUPPLIES	964,000.00
<b>431500</b>	MAINTENANCE, REPAIRS & SERVICES	509,000.00
<b>431600</b>	TRAINING & STAFF DEVELOPMENT	236,000.00
<b>431700</b>	CONSULTANCY & PROFESSIONAL SERVICES	179,701.00
<b>431800</b>	FINANCE EXPENSES	213,496.28
<b>431900</b>	ENTERTAINMENT & HOSPITALITY	2,901,000.00
<b>432100</b>	OTHER SERVICES	16,600,000.00
<b>432200</b>	GRANTS, CONTRIBUTION, SUBVENTION	
<b>115000</b>	CONSOLIDATED REVENUE FUND CHARGES	22,500.00
	<b>TOTAL</b>	<b>23,584,197.28</b>

**6. STATUTORY DEDUCTIONS – ₦540,389,735.53**

This is made up of 31% Statutory deductions made from Bakassi Local Government Council Statutory Allocations and paid to Ministry of Local Government Affairs for administration.

**7. JAAC CHARGES – =N=175,386,763.19**

This represents Joint Commitments of Bakassi Local Government Council that were approved for payment by Councils from JAAC that resulted in negative redistribution for certain months of the year.

**8. PURCHASE/CONSTRUCTION OF PPE (CAPITAL EXPENDITURE N193,401,063.15**

During the year under review, the Bakassi LGC spent a total sum of =N=193.4m (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment). Details are as presented below in the tabular and Chart format;

CODE	DETAILS	COUNCIL EXPENDITURE
		=N=
10000	ECONOMIC	48,070,200.00
20000	SOCIAL SERVICE	4,050,000.00
30000	ENVIRONMENT & REGIONAL DEV.	68,721,000.00
40000	GENERAL ADMINISTRATION	72,559,863.15
	<b>TOTAL</b>	<b>193,401,063.15</b>

**9. INVESTMENT EXPENDITURE – NIL**

Investment expenditure represents the total aggregate payouts on behalf of Bakassi Councils by the Ministry of Local Government Affairs for joint investments; in the year in question investment expenditure was NIL in Cross River State Micro Finance Bank Limited (CRMFB).

**10. DEPOSITS RECEIVED AND REMITTED – =N=14,607,747.53 & NIL**

Deposits received represent the retention fees and unpaid contract sums for contracts awarded by Bakassi council during the year while Deposits remitted represent the aforementioned amounts actually paid out.

**11. TAXES RECEIVED AND REMITTED – N (9,968,000.00) & N12,014,000.00**

Taxes received represents Withholding and Value Added taxes deducted from contract and consultancy jobs while taxes remitted represents the portion actual remitted to the relevant tax authorities.

TAXES RECEIVED AND REMITTED			
S/N	LGC	TAXES RECEIVED (N)	TAXES REMITTED (N)
1	BAKASSI	(9,968,000.00)	12,014,000.00
	<b>TOTAL</b>	<b>(9,968,000.00)</b>	<b>12,014,000.00</b>

**12. REPAYMENT OF BORROWINGS – (222,222,222.22)**

This represents the cumulative total of loans from the State Government to offset shortfalls in Salaries of Bakassi LGC and the amount repaid during the period.

**13. OVERDRAFT RECEIVED NIL AND REPAID – NIL**

This represents overdrafts taken by some councils during the year and the portions that have been repaid.

**14. CASH AND CASH EQUIVALENTS – N161,249,912.38**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Bakassi Local Government Council Cash Books as at 31<sup>st</sup> December 2019.

**15. RECEIVABLES – ₦ 441,951,127.31**

This represents cumulative amounts owed to Council by the State Government via unremitted 10% State IGR, as seen in the table below;

RECEIVABLES	AMOUNT (₦)
<b>Balance Brought Forward</b>	<b>316,411,882.96</b>
<b>2019 Unpaid 10%</b>	125,539,244.45
<b>Remittance for the Period</b>	
<b>Balance Carried forward</b>	<b>441,951,127.31</b>

**16. INVESTMENTS – ₦158,878,724.67**

This represents joint investments and stocks held by the Bakassi LGC in certain State-owned projects/companies like the Tinapa Business Resort, the Obudu Ranch Resort and the Cross-River State Micro Finance Bank.

**17. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND ₦ 117,737,722.93**

This represents the cumulative monthly contribution of one million per council yearly. details are found in the table below;

MONTH	DETAILS	AMOUNT (₦)
<b>JAN</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>FEB</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>MAR</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>APR</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>MAY</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>JUN</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>JUL</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>AUG</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>SEP</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>OCT</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>NOV</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>DEC</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>TOTAL AS IN CASHFLOW STATEMENT</b>		<b>12,000,000.00</b>
<b>BALANCE B/F AS AT 1ST JANUARY</b>		<b>105,737,622.93</b>
<b>TOTAL AS IN STATEMENT OF ASSETS &amp; LIABILITIES</b>		<b>117,737,722.93</b>

**18. DEPOSITS – ₦18,472,008.21**

Deposits received represents unpaid retention fees, unclaimed salaries and unpaid contract sums for contracts awarded by councils during the year while Deposits remitted represent the aforementioned amounts actually paid out.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2019	CURRENT YEAR ADDITIONS (AS IN CASH FLOW STATEMENT)	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12-2019 (AS IN BALANCE SHEET)
1	RETENTION DEPOSIT	2,138,831.68	14,607,747.53	-	16,746,579.21
2	NATIONAL HOUSING FUND (NHF)	1,725,429.00	-	-	1,725,429.00
	<b>TOTAL</b>	<b>3,864,260.68</b>	<b>14,607,747.53</b>	<b>-</b>	<b>18,472,008.21</b>

**19. SHORT TERM LOANS AND DEBTS – NIL**

This represents loans owed to various banks by Bakassi Local Governments.

**20. UNREMITTED DEDUCTIONS – ₦ 582,847,959.56**

This represents the cumulative total of all unremitted statutory deductions by Bakassi LGC to certain State agencies as mandated by Law.

**21. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – ₦323,680,797.86**

This represents Bakassi LGC's share of the cumulative total amounts owed the State Government by the 18 LGCs, borrowed to offset shortfalls in funds to pay salaries.

**22. RESERVES - ₦ 156,140,101.47**

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31<sup>st</sup> December for the year 2019, apportioned to Bakassi Local Government in its Financial Statements for the purposes of disclosure

**23. PAYABLES – ₦6,853,398.34**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Abi LGCs as at 31<sup>st</sup> December 2019.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2019	CURRENT YEAR ADDITIONS (AS IN CASH FLOW STATEMENT)	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12- 2019 (AS IN BALANCE SHEET)
1	5% WHT TAX	1,884,372.06	4,440,000.00	4,362,000.00	1,884,372.06
2	5% VALUE ADDED TAX (VAT)	1,884,372.06	4,440,000.00	4,362,000.00	1,884,372.06
3	PAY-AS YOU EARN (PAYE)	1,038,654.22	-	-	1,038,654.22
4	1% STAMP DUTY	-	938,000.00	-	938,000.00
5	INSPECTION /LEGAL	-	2,196,000.00	1,244,000.00	952,000.00
	<b>TOTAL</b>	<b>4,807,398.34</b>	<b>12,014,000.00</b>	<b>9,968,000.00</b>	<b>6,853,398.34</b>

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF BAKASSI LOCAL GOVERNMENT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2018**

<b>Month</b>	<b>Buildings</b>	<b>Equipment</b>	<b>Fixtures</b>	<b>Furniture &amp; Fittings</b>	<b>Land &amp; Buildings</b>	<b>Motor Vehicles</b>	<b>Plant &amp; Machinery</b>	<b>Total</b>
	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>
January	-	-	-	-	-	-	-	-
February	-	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-	-
April	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-
November	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-
<b>TOTAL</b>								

**Note: The Cross-River State Local Governments are yet to fully implement IPSAS Accrual basis of Accounting. Cash basis is still in operation. However, plans are underway to fully implement IPSAS Accrual by the 18 Councils conducting a thorough Property, Plant and Equipment valuation and maintaining a Fixed Assets Register.**

**BEKWARRA LOCAL GOVERNMENT  
COUNCIL**



**BEKWARRA LOCAL GOVERNMENT, ABUOCHICHE**  
**AUDIT OPINION**

**STATEMENT OF OPINION OF THE AUDITOR-GENERAL**

The Accounts of the Bekwarra Local Government Council found on pages 146-148 have been examined under my direction, which have been prepared under the accounting policies set out on pages 140-145.

**RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL**

The Local Government Treasurer is responsible for the preparation of the Financial Statements. It is my responsibility to form an independent opinion based on our Audit on the Financial Statements and report our opinion to you.

**THE SCOPE OF MY AUDIT**

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements 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 we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

In affirming our opinion, we evaluated the preparation of the information in the Financial Statements and assessed whether the Councils' books and Accounts had been properly kept.

**OUR OPINION**

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Bekwarra Local Government Council as at 31<sup>st</sup> December 2019*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.

  
MRS. FRANKA A. INOK, FCA  
AUDITOR-GENERAL

**BEKWARRA LOCAL GOVERNMENT, ABUOCHICHE**  
**RESPONSIBILITY FOR FINANCIAL STATEMENTS**

These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Bekwarra Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Cash Basis) and Generally Accepted Accounting Practice.

The Management of Bekwarra Local Government Council is responsible for establishing and maintaining a system of internal controls, designed to provide reasonable assurance that the transactions recorded are within their statutory authority and have properly recorded the use of all public financial resources by the Local Government Council.


The Director of Finance (Treasurer) has responsibility for ensuring the internal controls are functional throughout the year and that financial records are properly kept, and appropriate financial statements are prepared. To the best of my knowledge, this system of internal control has operated adequately throughout the reporting period.

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the IPSAS and Financial Memoranda, (as amended).

In our opinion, these financial statements fairly reflect the financial position of Bekwarra Local Government as at 31<sup>st</sup> December 2019 and its operations for the period ended on that date.

  
.....  
**CHAIRMAN**

21st September 2020  
.....  
**DATE**

  
.....  
**THE DIRECTOR OF FINANCE (TREASURER)**

21st September 2020  
.....  
**DATE**



The Chairman,  
Bekwarra Local Government Council,  
ABUOCHICHE.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF BEKWARRA LOCAL GOVERNMENT COUNCIL  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019.**

**REPORT ON THE FINANCIAL STATEMENTS**

I have examined the Financial Statements set out on page(s) 146 to 148 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

**MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:**

It is the responsibility of the Director of Finance (Treasurer) to prepare the accounts in accordance with the provisions of the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda. It is my responsibility to audit and form an independent opinion on the General-Purpose Financial Statements (GPFS).

**BASIS OF AUDIT OPINION**

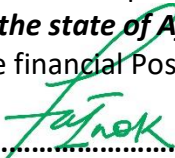
I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007, Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing.

Proper Books of accounts were kept; projects and programmes have been verified and appropriate comments included in my inspection report to the Management of Council and in the Annual Report to the Cross-River State House of Assembly.

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my office, Councils Financial Statements were converted to IPSAS (Cash Basis) General Purpose Financial Statements for the first time in the interest of best practice.

**AUDIT OPINION**

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Bekwarra Local Government Council as at 31<sup>st</sup> December 2019*** and the financial Position and Cashflows for the period ended on that date.

  
.....  
MRS FRANKA INOK, FCA  
AUDITOR-GENERAL  
CALABAR



**BEKWARRA LOCAL GOVERNMENT, ABUOCHICHE**  
**STATEMENT OF ACCOUNTING POLICIES**

**1. Basis of Preparation of Financial Statements**

These Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) (Cash Basis) as well as under the Guidelines of the Financial Memoranda and in conformity with the Standardized Chart of Accounts designed and introduced by the Federation Account Allocation Committee (FAAC) for adoption by all tiers of Government in Nigeria as well as the Financial Reporting Council (FRC) Guidelines on Public Sector reporting.

**2. Accounting Period**

The accounting year to which the Financial Statements relate is from 1<sup>st</sup> January to 31<sup>st</sup> December 2018.

**3. Reporting Currency**

The Financial Statements were prepared in Nigerian Naira.

**4. IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when cash (including cash equivalents) are received or paid by the LGCs. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of cash raised during the period, the purposes for which cash was used and the cash balances at the reporting date. Notes to the GPFS provide additional information about Liabilities, including Payables and Borrowings and non-cash assets that include Receivables, Investments and Property, Plant and Equipment.

## **5. Accounting Terminologies / Definitions**

### **5.1 Accounting Policies**

These are the specific principles, bases, conventions, rules and practices adopted by the 18 LGAs in preparing and presenting their Financial Statements.

### **5.2 Cash**

Cash comprises of cash in hand, demand deposits in financial institutions and cash equivalents.

### **5.3 Cash equivalents**

These are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **5.4 Cash basis**

means a basis of accounting that recognizes transactions and other events only when cash is received or paid.

### **5.5 Cash flows**

are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.

**5.6 Cash receipts** are cash inflows.

**5.7 Cash payments** are cash outflows

## **5.8 Notes to the GPFS**

These include narrative descriptions or more detailed schedules, or analyses of amounts shown on the face of the GPFS, as well as additional information.

## **6. General Purpose Financial Statements (GPFS)**

The GPFS comprise of Statements of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by the 18 LGAs and Accounting Policies and Notes to the Financial Statements.

### **6.1 Principal Statements contained in the IPSAS Financial Statements**

- The Cash flow Statement
- The Statement of Financial Position
- The Statement of Financial Performance
- The Notes to the Financial Statements
- Accounting Policies and Explanatory Notes.

## **7. Fundamental Accounting Concepts**

The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in State:

Cash Basis of Accounting

Understandability

Materiality

Relevance

Going Concern Concept

Consistency Concept

Prudence

Completeness etc.

**8. Comparative Information**

The GPFS shall disclose all numerical information relating to the previous period (at least one year

**9. Interest Received**

Interest actually received during the financial year shall be treated as a receipt under item 'Other Receipts'.

**10. Receipts**

These are Cash inflows within the financial year. They comprise of receipts from Statutory Allocations, Value Added Tax, Excess Crude, Internally Generated Revenue and Other Revenue. These items shall be disclosed at the face of the Statement of Cashflows

**11. Payments**

These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorized either by Function and/or by Sector in the Statement of Cash Receipts and Payment. Payments for purchase of items of capital nature (e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.

**12. Investments**

Cash Payments made for investment purposes such as purchase of Government Stock, Treasury Bills and Certificates of Deposit, are capital costs and are disclosed as purchase of financial instruments in Council accounts.

### **13. Loans**

Loans granted to Local Governments especially by the State Government shall be categorized under loans in the Statement of Financial Position. Amount disclosed in the Statement of Cashflow shall be the actual amount received in the financial year while amount disclosed in the Statement of Financial Position shall be cumulative including loan amounts outstanding from previous years.

### **14. Loan Repayments**

Amounts repaid from Loans granted to Local Governments shall be classified under Loan Repayments, amount disclosed shall be actual amount

### **15. Budget Figures**

These are figures from the approved annual budget and supplementary budget as approved with the Cross-River State Local Government Law 2007 (as amended).

### **16. Interest on Loans**

Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest repayment in the Statement of Cashflow.

### **17. Prepayments**

Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.

### **18. Advances**

All Cash Advances shall be retired before the end of the financial year-end.



## **19. Leases**

Cash Payment for Finance Leases, which effectively transfer to the Government substantially all the risks and benefits incidental to ownership of the leased item, are treated as capital payments and disclosed in the Statement of Cash Receipts and payments.

## **20. Cash Balances**

This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.

## **21. Other Borrowings / Grants & Aid Received**

These are categorized as either Short-term or Long-term Loans. Short term loans are those payable within one calendar year (12 months), while Long-term loans and debts shall fall due beyond one calendar year (above 12 months). Loans and Grants shall be disclosed separately in the Statement of Cashflows.

## **Key to Abbreviations**

1. LGC - Local Government Council
2. FAAC -Federation Account Allocation Committee
3. VAT - Value Added Tax
4. IGR - Internally Generated Revenue
5. GAAP - Generally Accepted Accounting Principles
6. GPFS - General Purpose Financial Statements
7. IPSAS - International Public Sector Accounting Standards
8. PPE - Property, Plant and Equipment
9. JAAC - Joint Account Allocation Committee

**BEKWARRA LOCAL GOVERNMENT, ABUOCHICHE**  
**STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2019</b>	<b>2018</b>
<b>Inflows:</b>	<b>₦</b>	<b>₦</b>
Government Share of FAAC (Statutory Allocation)	1,330,061,445.20	1,356,114,461.22
Government Share of VAT	350,897,213.06	326,699,942.91
Excess Crude	-	2,416,275.90
Other Revenue	42,517,986.60	50,228,995.73
Internally Generated Revenue (Non-Tax Revenue)	13,319,710.00	17,920,862.64
Redistribution from JAAC		-
10% State IGR (Non-Tax Revenue)	-	
<b>Total Inflows from Operating Activities</b>	<b>1,736,796,354.86</b>	<b>1,753,380,538.40</b>
<b>Outflows:</b>		
Salaries and Wages (Social Benefits)	999,909,075.82	1,038,224,515.44
Overhead Cost	16,931,891.49	6,732,783.46
Statutory Deductions	70,842,548.42	21,265,517.24
JAAC Charges	447,752,344.21	295,783,043.53
<b>Total Outflows from Operating Activities</b>	<b>1,535,435,859.94</b>	<b>1,362,005,859.67</b>
<b>Net Cashflow from Operating Activities</b>	<b>201,360,494.92</b>	<b>391,374,678.73</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of PPE	-	-
Proceeds from Sale of Investment Property	-	-
Capital Expenditure (Purchase/Construction of PPE)	(194,080,408.16)	(336,966,111.10)
Investment Expenditure		(27,777,777.78)
<b>Net Cashflow from Investing Activities</b>	<b>(194,080,408.16)</b>	<b>364,743,888.87</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Miscellaneous Deposits Received	55,336,841.29	-
Miscellaneous Deposits Remitted	(55,336,841.29)	-
Taxes Received	9,769,460.00	-
Tax Remitted	(9,769,460.00)	-
Proceeds from Borrowings (CRSG Loan)	-	
Repayment of Borrowings	(222,222,222.22)	(27,777,777.77)
Overdraft Received	-	-
Overdraft Repayment	-	-
<b>Net Cash Flow from Financing Activities</b>	<b>(222,222,222.22)</b>	<b>(27,777,777.77)</b>
<b>Net Cash Flow from All Activities</b>	<b>(214,942,135.46)</b>	<b>728,340,789.83</b>
<b>Cash and its Equivalent as at 01 Jan 2019</b>	<b>694,969,207.32</b>	<b>(33,371,582.51)</b>
<b>Cash and its Equivalent as at 31 Dec 2019</b>	<b>480,027,071.86</b>	<b>694,969,207.32</b>

**BEKWARRA LOCAL GOVERNMENT, ABUOCHICHE**  
**STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

	2019	2018
	₦	₦
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and Cash Equivalents	480,027,071.86	694,969,207.32
Receivables	441,951,127.31	316,411,882.96
Inventories	-	-
Prepayments	-	-
<b>Total Current Assets (A)</b>	<b>921,978,199.17</b>	<b>1,011,381,090.28</b>
<b>Non-Current Assets</b>		
Long-Term Loans		
Investments	158,878,724.67	158,878,724.67
Property, Plant & Equipment	-	-
Contribution to CRS Reserve Fund	117,737,622.93	105,737,622.93
<b>Total Non-Current Assets (B)</b>	<b>276,616,347.60</b>	<b>264,616,347.60</b>
<b>Total Assets (A) + (B)</b>	<b>1,198,594,546.77</b>	<b>1,275,997,437.88</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Deposits	40,392,394.41	35,941,531.59
Short term Loans & Debts	362,140.91	362,140.91
Unremitted Deductions	582,847,959.56	588,576,733.86
Payables (Unremitted Taxes)		4,450,862.82
<b>Total Current Liabilities (C)</b>	<b>623,602,494.88</b>	<b>629,331,269.18</b>
<b>Non-Current Liabilities</b>		
Long Term Borrowings (CRSG loan)	323,680,797.86	545,903,020.09
Internal Loans (Public Funds)		-
Long Term Provisions		-
<b>Total Non-Current Liabilities (D)</b>	<b>323,680,797.86</b>	<b>545,903,020.09</b>
<b>Total Liabilities (C) + (D)</b>	<b>947,283,292.74</b>	<b>1,175,234,289.27</b>
<b>Net Assets (Total Assets - Total Liabilities)</b>	<b>251,311,254.03</b>	<b>100,763,148.61</b>
<b>NET ASSETS/EQUITY</b>		
Reserves	156,140,101.47	364,061,074.01
Accumulated Surpluses/(Deficits)	95,171,152.56	(263,297,925.40)
<b>Total Net Assets/Equity</b>	<b>251,311,254.03</b>	<b>100,763,148.61</b>

**BEKWARRA LOCAL GOVERNMENT, ABUOCHICHE**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

PREVIOUS YEAR ACTUAL (2018)		Notes	ACTUAL 2019	FINAL BUDGET 2019	VARIANCE ON FINAL BUDGET
=N=			=N=	=N=	=N=
	<b>REVENUE</b>				
	<b>RECEIPTS:</b>				
1,735,459,675.76	Government Share of FAAC	1	1,723,476,644.86	2,017,424,939.00	(293,948,294.20)
17,920,862.64	Internally Generated	2	13,319,710.00	30,241,340.00	(16,921,630.00)
	Redistribution from JAAC	3			
	Cross River State	11			
<b>1,753,380,538.40</b>	<b>Total Revenue (A)</b>		<b>1,736,796,354.86</b>	<b>2,047,666.29</b>	<b>(310,869,924.14)</b>
	<b>EXPENDITURE</b>				
1,038,224,515.44	Salaries and Wages	4	999,909,075.82	1,051,542,660.00	51,663,584.18
6,732,783.46	Statutory Deductions	6	70,842,548.42	1,343,772,981.00	1,272,930,432.58
21,265,517.24	Overhead Cost	5	16,931,891.49	39,987,447.00	23,055,555.51
295,783,043.53	JAAC Charges	7	447,752,344.21	-	(447,752,344.21)
336,966,111.10	Capital Expenditure	8	194,080,408.16	1,389,867.00	1,195,787,321.84
27,777,777.78	Investment Expenditure	9	-	-	-
<b>1,726,749,748.54</b>	<b>Total Expenditure (B)</b>		<b>1,729,516,268.10</b>	<b>3,825,170,818.00</b>	<b>2,095,654,549.90</b>
<b>26,630,789.86</b>	<b>Surplus/Deficit from</b>		<b>7,280,086.76</b>	<b>(1,777,504539.00)</b>	
	Gain/Loss on Disposal of				
	<b>Total Non-Operating Revenue/Expenditure</b>				
	Surplus/Deficit from				
<b>26,630,789.86</b>	<b>Net Surplus/Deficit for the</b>		<b>7,280,086.76</b>	<b>(1,777,504539.00)</b>	

**BEKWARRA LOCAL GOVERNMENT, ABUOCHICHE**  
**NOTES TO THE FINANCIAL STATEMENTS**

**1a. (A) GOVERNMENT SHARE OF FAAC (STATUTORY ALLOCATION) ₦1,330,061,445.20**

This represents allocations received on a monthly basis by Bekwarra Local Government council from the Federation Account in line with the provisions of the Constitution of the Federal Republic of Nigeria.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) EXCESS CRUDE	(D) OTHER REVENNUE	TOTAL
1	JAN.	110,251,837.59	29,804,798.73		177,869.14	140,234,505.46
2	FEB.	100,402,400.24	30,942,095.48		2,014,643.58	133,359,139.30
3	MARCH	95,243,482.28	29,090,599.14		9,999,193.94	134,333,275.36
4	APRIL	89,686,877.65	27,257,652.78		15,856,045.13	132,800,575.56
5	MAY	103,421,164.56	28,688,404.21		161,918.78	132,271,487.55
6	JUNE	115,979,526.99	31,772,827.84		237,493.92	147,989,848.75
7	JULY	126,991,658.46	32,166,316.08		213,412.21	159,371,386.75
8	AUG.	123,680,046.17	28,288,328.32		208,036.60	152,176,411.09
9	SEPT.	124,535,390.05	26,251,649.37		617,941.20	151,404,980.62
10	OCT.	121,139,801.14	27,754,726.66		218,419.77	149,088,620.34
11	NOV.	119,443,045.71	31,351,535.31		1,980,378.65	152,774,959.67
12	DEC.	99,286,214.36	27,528,279.14		10,832,633.68	137,647,127.18
	<b>TOTAL</b>	<b>1,330,061,445.20</b>	<b>350,897,213.06</b>		<b>42,517,986.60</b>	<b>1,723,476,644.86</b>

**1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) –N350,897,213.06**

This represents Federal Revenue arising from Value Added Tax (VAT) for Bekwarra Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1c. (C) EXCESS CRUDE –NIL**

This represents the 18 LGAs share of Federal Excess Crude revenue as seen in table 1, for Bekwarra Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1d. (D) OTHER REVENUE –N42,517,986.60**

This represents revenue other than statutory receipts from the Federation for Bekwarra Local Government Council for the year ended 31<sup>st</sup> December 2019.

**2. NON-TAX REVENUE (IGR) – N13,319,710.00**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Bekwarra Local Government Council for the year ended 31<sup>st</sup> December 2019.

CODE	DETAILS	ACTUAL 2019
		N
101000	TAXES	600.00
102000	RATES	744,300.00
103000	LOCAL LICENCE FEES	1,856,310.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	7,629,000.00
105000	RENT ON GOVERNMENT PROPERTY	-
106000	INTEREST ON DIVIDENDS	-
107000	REIMBURSEMENT	-
108000	MISCELLANEOUS	3,089,500.00
	<b>TOTAL</b>	<b>13,319,710.00</b>

**3. REDISTRIBUTION FROM JAAC – NIL**

This represents the positive inflows to Councils after Salaries, Statutory deductions and Joint Commitments were made by JAAC.

**4. SALARIES AND WAGES – ₦ 999,909,075.82**

This consists of the salaries and wages paid to staff of Bekwarra local government comprising of council staff, traditional rulers and non-pensionable allowances (LGC), teachers (SUBEB) and health workers (PHC). Pension allowances/Social benefits paid to all retired LGCs staff are also inclusive.

<b>SALARIES AND WAGES (SOCIAL BENEFITS)</b>		
<b>1</b>	Council Staff Salaries	210,920,482.50
<b>2</b>	Primary Health Care Salaries	208,126,542.94
<b>3</b>	Local Government Education Authority	393,797,207.41
<b>4</b>	Traditional Rulers Stipend	-
<b>5</b>	Pension Contribution	187,064,842.98
	<b>TOTAL</b>	<b>999,909,075.82</b>

**5. OVERHEAD COST – ₦70,842,548.42**

This represents total overhead cost incurred during the financial year by the Council.

CODE	DETAILS	COUNCIL'S COMMITMENTS PAID THROUGH JAAC	DIRECT COUNCIL'S EXPENDITURE	TOTAL OPERATING EXPENSES 2019
		N	N	N
<b>431200</b>	TRAVEL & TRANSPORT	-	5,201,776.47	<b>5,201,776.47</b>
<b>431400</b>	MATERIALS & SUPPLIES	-	529,000.00	<b>529,000.00</b>
<b>431500</b>	MAINTENANCE, REPAIRS & SERVICES	-	1,349,659.00	<b>1,349,659.00</b>
<b>431600</b>	TRAINING & STAFF DEVELOPMENT	-	111,000.00	<b>111,000.00</b>
<b>431700</b>	CONSULTANCY & PROFESSIONAL SERVICES	-	660,400.00	<b>660,400.00</b>
<b>431800</b>	FINANCE EXPENSES	-	154,717.21	<b>154,717.21</b>
<b>431900</b>	ENTERTAINMENT & HOSPITALITY	-	2,932,000.00	<b>2,932,000.00</b>
<b>432100</b>	OTHER SERVICES	16,444,444.40	43,459,551.34	<b>59,903,995.74</b>
	<b>TOTAL</b>	<b>16,444,444.40</b>	<b>54,398,104.02</b>	<b>70,842,548.42</b>

**6. STATUTORY DEDUCTIONS – N16,931,891.49**

This is made up of 31% Statutory deductions made from Bekwarra Local Government Council Statutory Allocations and paid to Ministry of Local Government Affairs for administration.

**7. PURCHASE/CONSTRUCTION OF PPE (CAPITAL EXPENDITURE N194,080,408.18**

During the year under review, the Bekwarra LGC spent a total sum of =N=194.08m (approx.) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment). Details are as presented below in the tabular and Chart format;

CODE	DETAILS	COUNCIL'S COMMITMENTS PAID THROUGH JAAC	DIRECT COUNCIL'S EXPENDITURE	TOTAL CAPITAL EXPENDITURE 2019
		N	N	N
11000	AGRICULTURE			
12000	LIVESTOCK / VETERINARY			
13000	FORESTRY		200,000.00	200,000.00
14000	FISHERIES			-
15000	MANUFACTURING & CRAFTS			-
16000	ENERGY (FUEL & POWER)		11,490,021.02	11,490,021.02
17000	COMMERCE & FINANCE	40,000,000.00	20,000,000.00	60,000,000.00
18000	TRANSPORT (ROADS & BRIDGES)	29,805,555.56		29,805,555.56
19000	CULTURE & TOURISM		2,000,000.00	2,000,000.00
21000	EDUCATION			-
22000	HEALTH		23,974,831.58	23,974,831.58
23000	INFORMATION & COMMUNICATION			-
24000	SOCIAL DEVELOPMENT, YOUTH & SPORTS		2,200,000.00	2,200,000.00
31000	WATER SUPPLY		52,185,000.00	52,185,000.00
32000	SEWAGE AND DRAINAGE			-
33000	HOUSING		225,000.00	225,000.00
34000	TOWN & COUNTRY PLANNING			-
35000	ENVIRONMENT & REFUSE DISPOSAL			-
40000	GENERAL ADMINISTRATION SECTOR	9,000,000.00	3,000,000.00	12,000,000.00
				-
	<b>TOTAL</b>	<b>78,805,555.56</b>	<b>115,274,852.60</b>	<b>194,080,408.16</b>



**8. JAAC CHARGES – N447,752,344.21**

This represents Joint Commitments of Bekwarra Local Government Council that were approved for payment by Councils from JAAC that resulted in negative redistribution for certain months of the year.

**9. INVESTMENT EXPENDITURE – NIL**

Investment expenditure represents the total aggregate payouts on behalf of Bekwarra Councils by the Ministry of Local Government Affairs for joint investments; in the year in question investment expenditure was NIL in Cross River State Micro Finance Bank Limited (CRMFB).

**10. DEPOSITS RECEIVED AND REMITTED N55,336,841.29 & (N55,336,841.29)**

Deposits received represent the retention fees and unpaid contract sums for contracts awarded by Bekwarra council during the year while Deposits remitted represent the aforementioned amounts actually paid out.

**11. TAXES RECEIVED AND REMITTED – N9,769,460.00 & (N9,769,460.00)**

Taxes received represents Withholding and Value Added taxes deducted from contract and consultancy jobs while taxes remitted represents the portion actual remitted to the relevant tax authorities.

TAXES RECEIVED AND REMITTED			
S/N	LGC	TAXES RECEIVED	TAXES REMITTED
1	BEKWARRA	9,769,460.00	(9,769,460.00)
	<b>TOTAL</b>	<b>9,769,460.00</b>	<b>(9,769,460.00)</b>

**12. REPAYMENT OF BORROWINGS – =N=222,222,222.22**

This represents the cumulative total of loans from the State Government to offset shortfalls in Salaries of Bekwarra LGC and the amount repaid during the period.8

**13. OVERDRAFT RECEIVED NIL AND NIL**

This represents overdrafts taken by some councils during the year and the portions that have been repaid.

**14. CASH AND CASH EQUIVALENTS – ₦480,027,071.86**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Bekwarra Local Government Council Cash Books as at 31<sup>st</sup> December 2019.

**15. RECEIVABLES – ₦ 441,951,127.31**

This represents cumulative amounts owed to Council by the State Government via unremitted 10% State IGR, as seen in the table below;

RECEIVABLES	AMOUNT (₦)
Balance Brought Forward	316,411,882.96
2019 Unpaid 10%	125,539,244.45
Remittance for the Period	
Balance Carried forward	441,951,127.31

**16. INVESTMENTS – ₦158,878,724.60**

This represents joint investments and stocks held by the Bekwarra LGC in certain State-owned projects/companies like the Tinapa Business Resort, the Obudu Ranch Resort and the Cross-River State Micro Finance Bank.

**17. DEPOSITS – ₦40,392,394.41**

Deposits received represents unpaid retention fees, unclaimed salaries and unpaid contract sums for contracts awarded by councils during the year while Deposits remitted represent the aforementioned amounts actually paid out

**18. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND - N 117,737,622.93**

This represents the cumulative monthly contribution of one million per council yearly. details are found in the table below;

MONTH	DETAILS	2018
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	1,000,000.00
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00
JUN	DEDUCTION FROM ALLOCATION	1,000,000.00
JUL	DEDUCTION FROM ALLOCATION	1,000,000.00
AUG	DEDUCTION FROM ALLOCATION	1,000,000.00
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>TOTAL AS IN CASHFLOW STATEMENT</b>		<b>12,000,000.00</b>
<b>BALANCE B/F AS AT 1ST JANUARY</b>		<b>105,737,622.93</b>
<b>TOTAL AS IN STATEMENT OF ASSETS &amp; LIABILITIES</b>		<b>117,737,722.93</b>

**19. SHORT TERM LOANS AND DEBTS – =N=362,140.91**

This represents loans owed to various banks by Bekwarra Local Governments.

**20. UNREMITTED DEDUCTIONS – N 582,847,959.56**

This represents the cumulative total of all unremitted statutory deductions by Bekwarra LGC to certain State agencies as mandated by Law.

**21. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – N323,680,797.86**

This represents the cumulative total amounts owed the State Government by the 18 LGCs, borrowed to offset shortfalls in funds to pay salaries.

**22. RESERVES - ₦ 156,140,101.47**

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31<sup>st</sup> December for the year 2019, apportioned to each Bekwarra Local Government in its Financial Statements for the purposes of disclosure

**23. PAYABLES – NIL**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Bekwarra LGCs as at 31<sup>st</sup> December 2019.

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF BEKWARRA LOCAL GOVERNMENT  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2018**

Month	Buildings	Equipment	Fixtures	Furniture & Fittings	Land & Buildings	Motor Vehicles	Plant & Machinery	Total
	N	N	N	N	N	N	N	N
January	-	-	-	-	-	-	-	-
February	-	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-	-
April	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-
November	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-
<b>TOTAL</b>								

**Note: The Cross-River State Local Governments are yet to fully implement IPSAS Accrual basis of Accounting. Cash basis is still in operation. However, plans are underway to fully implement IPSAS Accrual by the 18 Councils conducting a thorough Property, Plant and Equipment valuation and maintaining a Fixed Assets Register.**

**BIASE LOCAL GOVERNMENT  
COUNCIL**

**BIASE LOCAL GOVERNMENT, AKPET CENTRAL**  
**AUDIT OPINION**

**STATEMENT OF OPINION OF THE AUDITOR-GENERAL**

The Accounts of the Biase Local Government Council found on pages 168-170 have been examined under my direction, which have been prepared under the accounting policies set out on pages 162-167.

**RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL**

The Local Government Treasurer is responsible for the preparation of the Financial Statements. It is my responsibility to form an independent opinion based on our Audit on the Financial Statements and report our opinion to you.


**THE SCOPE OF MY AUDIT**

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements 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 we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

In affirming our opinion, we evaluated the preparation of the information in the Financial Statements and assessed whether the Councils' books and Accounts had been properly kept.

**OUR OPINION**

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Biase Local Government Council as at 31<sup>st</sup> December 2019*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.

  
**MRS. FRANKA A. INOK, FCA**  
**AUDITOR-GENERAL**

**BIASE LOCAL GOVERNMENT, AKPET CENTRAL  
RESPONSIBILITY FOR FINANCIAL STATEMENTS**

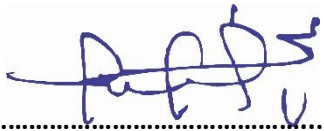
These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Biase Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Cash Basis) and Generally Accepted Accounting Practice.

The Management of Biase Local Government Council is responsible for establishing and maintaining a system of internal controls, designed to provide reasonable assurance that the transactions recorded are within their statutory authority and have properly recorded the use of all public financial resources by the Local Government Council.

The Director of Finance (Treasurer) has responsibility for ensuring the internal controls are functional throughout the year and that financial records are properly kept, and appropriate financial statements are prepared. To the best of my knowledge, this system of internal control has operated adequately throughout the reporting period.

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the IPSAS and Financial Memoranda, (as amended).

In our opinion, these financial statements fairly reflect the financial position of Biase Local Government as at 31<sup>st</sup> December 2019 and its operations for the period ended on that date.



CHAIRMAN

21st September 2020

DATE



THE DIRECTOR OF FINANCE (TREASURER)

21st September 2020

DATE





**The Chairman,**  
Biase Local Government Council,  
**AKPET CENTRAL.**

**AUDIT CERTIFICATE ON THE ACCOUNTS OF BIASE LOCAL GOVERNMENT COUNCIL  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019.**

**REPORT ON THE FINANCIAL STATEMENTS**

I have examined the Financial Statements set out on page(s) 168 to 170 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

**MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:**

It is the responsibility of the Director of Finance (Treasurer) to prepare the accounts in accordance with the provisions of the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda. It is my responsibility to audit and form an independent opinion on the General-Purpose Financial Statements (GPFS).

**BASIS OF AUDIT OPINION**

I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007, Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing

Proper Books of accounts were kept; projects and programmes have been verified and appropriate comments included in my inspection report to the Management of Council and in the Annual Report to the Cross-River State House of Assembly.

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my office, Councils Financial Statements were converted to IPSAS (Cash Basis) General Purpose Financial Statements for the first time in the interest of best practice.

**AUDIT OPINION**

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Biase Local Government Council as at 31<sup>st</sup> December 2019*** and the financial Position and Cashflows for the period ended on that date.

.....  
**MRS FRANKA INOK, FCA**  
**AUDITOR-GENERAL**  
**CALABAR**



**BIASE LOCAL GOVERNMENT, AKPET CENTRAL**

**STATEMENT OF ACCOUNTING POLICIES**

**1. Basis of Preparation of Financial Statements**

These Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) (Cash Basis) as well as under the Guidelines of the Financial Memoranda and in conformity with the Standardized Chart of Accounts designed and introduced by the Federation Account Allocation Committee (FAAC) for adoption by all tiers of Government in Nigeria as well as the Financial Reporting Council (FRC) Guidelines on Public Sector reporting.

**2. Accounting Period**

The accounting year to which the Financial Statements relate is from 1<sup>st</sup> January to 31<sup>st</sup> December 2018.

**3. Reporting Currency**

The Financial Statements were prepared in Nigerian Naira.

**4. IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when cash (including cash equivalents) are received or paid by the LGCs. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of cash raised during the period, the purposes for which cash was used and the cash balances at the reporting date. Notes to the GPFS provide additional information about Liabilities, including Payables and Borrowings and non-cash assets that include Receivables, Investments and Property, Plant and Equipment.

## **5. Accounting Terminologies / Definitions**

### **5.1 Accounting Policies**

These are the specific principles, bases, conventions, rules and practices adopted by the 18 LGAs in preparing and presenting their Financial Statements.

### **5.2 Cash**

Cash comprises of cash in hand, demand deposits in financial institutions and cash equivalents.

### **5.3 Cash equivalents**

These are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **5.4 Cash basis**

means a basis of accounting that recognizes transactions and other events only when cash is received or paid.

### **5.5 Cash flows**

are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.

**5.6 Cash receipts** are cash inflows.

**5.7 Cash payments** are cash outflows

## **5.8 Notes to the GPFS**

These include narrative descriptions or more detailed schedules, or analyses of amounts shown on the face of the GPFS, as well as additional information.

## **6. General Purpose Financial Statements (GPFS)**

The GPFS comprise of Statements of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by the 18 LGAs and Accounting Policies and Notes to the Financial Statements.

### **6.1 Principal Statements contained in the IPSAS Financial Statements**

- The Cash flow Statement
- The Statement of Financial Position
- The Statement of Financial Performance
- The Notes to the Financial Statements
- Accounting Policies and Explanatory Notes.

## **7. Fundamental Accounting Concepts**

The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in State:

Cash Basis of Accounting

Understandability

Materiality

Relevance

Going Concern Concept

Consistency Concept

Prudence

Completeness etc.

## **8. Comparative Information**

The GPFS shall disclose all numerical information relating to the previous period (at least one year

## **9. Interest Received**

Interest actually received during the financial year shall be treated as a receipt under item 'Other Receipts'.

## **10. Receipts**

These are Cash inflows within the financial year. They comprise of receipts from Statutory Allocations, Value Added Tax, Excess Crude, Internally Generated Revenue and Other Revenue. These items shall be disclosed at the face of the Statement of Cashflows

## **11. Payments**

These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorized either by Function and/or by Sector in the Statement of Cash Receipts and Payment. Payments for purchase of items of capital nature (e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.

## **12. Investments**

Cash Payments made for investment purposes such as purchase of Government Stock, Treasury Bills and Certificates of Deposit, are capital costs and are disclosed as purchase of financial instruments in Council accounts.

### **13. Loans**

Loans granted to Local Governments especially by the State Government shall be categorized under loans in the Statement of Financial Position. Amount disclosed in the Statement of Cashflow shall be the actual amount received in the financial year while amount disclosed in the Statement of Financial Position shall be cumulative including loan amounts outstanding from previous years.

### **14. Loan Repayments**

Amounts repaid from Loans granted to Local Governments shall be classified under Loan Repayments, amount disclosed shall be actual amount

### **15. Budget Figures**

These are figures from the approved annual budget and supplementary budget as approved with the Cross-River State Local Government Law 2007 (as amended).

### **16. Interest on Loans**

Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest repayment in the Statement of Cashflow.

### **17. Prepayments**

Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.

### **18. Advances**

All Cash Advances shall be retired before the end of the financial year-end.

## **19. Leases**

Cash Payment for Finance Leases, which effectively transfer to the Government substantially all the risks and benefits incidental to ownership of the leased item, are treated as capital payments and disclosed in the Statement of Cash Receipts and payments.

## **20. Cash Balances**

This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.

## **21. Other Borrowings / Grants & Aid Received**

These are categorized as either Short-term or Long-term Loans. Short term loans are those payable within one calendar year (12 months), while Long-term loans and debts shall fall due beyond one calendar year (above 12 months). Loans and Grants shall be disclosed separately in the Statement of Cashflows

## **Key to Abbreviations**

1. LGC - Local Government Council
2. FAAC -Federation Account Allocation Committee
3. VAT - Value Added Tax
4. IGR - Internally Generated Revenue
5. GAAP - Generally Accepted Accounting Principles
6. GPFS - General Purpose Financial Statements
7. IPSAS - International Public Sector Accounting Standards
8. PPE - Property, Plant and Equipment
9. JAAC - Joint Account Allocation Committee

**BIASE LOCAL GOVERNMENT, AKPET CENTRAL**  
**STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2019</b>	<b>2018</b>
<b>Inflows:</b>	<b>₦</b>	<b>₦</b>
Government Share of FAAC (Statutory Allocation)	1,530,077,550.17	1,564,161,165.09
Government Share of VAT	404,553,616.31	386,442,104.60
Excess Crude	-	7,127,291.82
Other Revenue	48,909,761.93	53,437,188.27
Internally Generated Revenue (Non-Tax Revenue)	10,947,690.10	14,201,103.63
Redistribution from JAAC	-	-
10% State IGR (Non-Tax Revenue)	-	-
<b>Total Inflows from Operating Activities</b>	<b>1,994,488,618.51</b>	<b>2,025,368,853.41</b>
<b>Outflows:</b>		
Salaries and Wages (Social Benefits)	1,230,853,855.10	1,223,036,706.85
Overhead Cost	68,849,381.35	6,732,782.46
Statutory Deductions	16,931,189.49	8,081,472.76
JAAC Charges	221,285,679.76	376,184,926.14
<b>Total Outflows from Operating Activities</b>	<b>1,537,920,105.70</b>	<b>1,614,035,888.21</b>
<b>Net Cashflow from Operating Activities</b>	<b>456,568,512.81</b>	<b>411,332,965.20</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of PPE	-	-
Proceeds from Sale of Investment Property	-	-
Capital Expenditure (Purchase/Construction of PPE)	(457,020,920.97)	(352,381,394.80)
Investment Expenditure		(27,777,777.77)
<b>Net Cashflow from Investing Activities</b>	<b>(457,020,920.97)</b>	<b>(380,159,172.57)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Miscellaneous Deposits Received	11,508,466.87	-
Miscellaneous Deposits Remitted	-	-
Taxes Received	(5,098,770.72)	-
Tax Remitted	5,098,770.72	-
Proceeds from Borrowings (CRSG Loan)	-	-
Repayment of Borrowings	(222,222,222.22)	(27,777,777.77)
Overdraft Received	-	-
Overdraft Repayment	-	-
<b>Net Cash Flow from Financing Activities</b>	<b>(210,713,755.35)</b>	<b>(27,777,777.77)</b>
<b>Net Cash Flow from All Activities</b>	<b>(211,166,163.51)</b>	<b>3,396,014.86</b>
<b>Cash and its Equivalent as at 01 Jan 2019</b>	<b>13,060,821.62</b>	<b>9,664,806.76</b>
<b>Cash and its Equivalent as at 31 Dec 2019</b>	<b>(198,105,341.89)</b>	<b>13,060,821.62</b>



**BIASE LOCAL GOVERNMENT, AKPET CENTRAL**  
**STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

	2019	2018
<b>ASSETS</b>	<b>₦</b>	<b>₦</b>
<b><u>Current Assets:</u></b>		
Cash and Cash Equivalents	(198,105,341.89)	
Receivables	441,951,127.31	316,411,882.96
Inventories		
Prepayments		
<b>Total Current Assets (A)</b>	<b>243,845,785.42</b>	<b>329,472,704.58</b>
<b><u>Non-Current Assets</u></b>		
Long-Term Loans		
Investments	158,878,724.67	158,878,724.67
Property, Plant & Equipment		
Contribution to CRS Reserve Fund	117,737,622.93	105,737,622.93
<b>Total Non-Current Assets (B)</b>	<b>276,616,347.60</b>	<b>264,616,347.60</b>
<b>Total Assets (A) + (B)</b>	<b>520,462,133.02</b>	<b>594,089,052.18</b>
<b>LIABILITIES</b>		
<b><u>Current Liabilities</u></b>		
Deposits	20,163,694.58	8,655,227.71
Short term Loans & Debts	-	-
Unremitted Deductions	582,847,959.56	588,576,733.86
Payables (Unremitted Taxes)	15,151,785.23	15,151,785.23
<b>Total Current Liabilities (C)</b>	<b>618,163,439.37</b>	<b>612,383,746.80</b>
<b><u>Non-Current Liabilities</u></b>		
Long Term Borrowings (CRSG loan)	323,680,797.86	545,903,020.09
Internal Loans (Public Funds)		
Long Term Provisions (Taxes)		
<b>Total Non-Current Liabilities (D)</b>	<b>323,680,797.86</b>	<b>545,903,020.09</b>
<b>Total Liabilities (C) + (D)</b>	<b>941,844,237.23</b>	<b>1,158,286,766.89</b>
<b>Net Assets (Total Assets - Total Liabilities)</b>	<b>(421,382,104.21)</b>	<b>(564,197,714.71)</b>
<b>NET ASSETS/EQUITY</b>		
Reserves	156,140,101.47	364,061,074.01
Accumulated Surpluses/(Deficits)	(577,522,205.68)	(928,258,788.72)
<b>Total Net Assets/Equity</b>	<b>(421,382,104.21)</b>	<b>(564,197,714.71)</b>

**BIASE LOCAL GOVERNMENT, AKPET CENTRAL**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

PREVIOUS YEAR ACTUAL (2018)		Notes	ACTUAL 2019	FINAL BUDGET 2019	VARIANCE ON FINAL BUDGET
=N=			=N=	=N=	=N=
	<b>REVENUE</b>				
	<b>RECEIPTS:</b>				
2,011,167,749.78	Government Share of FAAC	1	1,983,540,928.	3,227,342,544.00	(1,243,801,615.59)
14,201,103.63	Internally Generated Revenue	2	10,947,690.10	27,408,568.00	(16,460,877.90)
	Redistribution from JAAC (Other	3			
	Cross River State Government	11			
<b>2,025,368,853.41</b>	<b>Total Revenue (A)</b>		<b>1,994,488,618.</b>	<b>3,254,751,112.00</b>	<b>(1,260,262,493.49)</b>
	<b>EXPENDITURE</b>				
1,223,036,706.85	Salaries and Wages	4	1,230,853,855.	1,571,225,185.00	341,371,329.90
6,732,782.46	Statutory Deductions	6	16,931,189.49	777,313,969.00	790,382,779.51
8,081,472.76	Overhead Cost	5	68,849,381.35	68,060,255.00	789,126.35
376,184,926.14	JAAC Charges	7	221,285,679.7	-	(221,285,679.76)
352,381,394.80	Capital Expenditure	8	457,020,920.9	1,596,501,004.00	1,139,480.083.03
27,777,777.77	Investment Expenditure	9	-		
1,994,195,060.78	<b>Total Expenditure (B)</b>		<b>1,994,941,026.</b>	<b>4,014,100,413.00</b>	<b>2,019,159,386.33</b>
<b>31,173,792.63</b>	<b>Surplus/Deficit from Operating</b>		<b>(452,408.16)</b>	<b>(759,349,301.00)</b>	
	Gain/Loss on Disposal of Assets				
	<b>Total Non-Operating Revenue/Expenditure</b>				
	Surplus/Deficit from Ordinary				
2,011,167,749.78	<b>Net Surplus/Deficit for the</b>		<b>(452,408.16)</b>	<b>(759,349,301.00)</b>	

**BIASE LOCAL GOVERNMENT, AKPET CENTRAL**  
**NOTES TO THE FINANCIAL STATEMENTS**

**1a. (A) GOVERNMENT SHARE OF FAAC (STATUTORY ALLOCATION)**  
**₦1,530,077,550.17**

This represents allocations received on a monthly basis by Biase Local Government council from the Federation Account in line with the provisions of the Constitution of the Federal Republic of Nigeria.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) EXCESS CRUDE	(D) OTHER REVENNUE	TOTAL
1	JAN.	126,831,604.12	34,402,329.19	-	232,611.93	161,466,545.24
2	FEB.	115,500,557.01	35,708,847.54	-	2,317,698.00	153,527,102.55
3	MARCH	109,565,604.56	33,488,697.69	-	11,503,330.95	154,557,633.20
4	APRIL	103,173,143.09	31,463,950.49	-	18,241,203.81	152,878,297.39
5	MAY	118,973,421.45	33,090,901.95	-	186,275.55	152,250,598.95
6	JUNE	133,420,885.93	36,647,166.81	-	273,493.92	170,341,546.66
7	JULY	146,089,526.37	37,122,987.01	-	245,514.92	183,458,028.30
8	AUG.	142,279,762.06	32,584,690.57	-	239,330.68	175,103,783.31
9	SEPT.	143,263,771.76	30,270,724.63	-	706,592.78	174,241,089.17
10	OCT.	139,357,398.58	31,992,441.46	-	223,289.10	171,573,129.14
11	NOV.	137,405,407.30	36,138,426.81	-	2,278,278.74	175,822,112.85
12	DEC.	114,216,467.94	31,642,452.16	-	12,462,141.55	158,321,061.65
	<b>TOTAL</b>	<b>1,530,077,550.17</b>	<b>404,553,616.31</b>	<b>-</b>	<b>48,909,761.93</b>	<b>1,983,540,928.41</b>

**1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) –N404,553,616.31**

This represents Federal Revenue arising from Value Added Tax (VAT) for Biase Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1c. (C) EXCESS CRUDE –-NIL**

This represents the 18 LGAs share of Federal Excess Crude revenue as seen in table 1, for Biase Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1d. (D) OTHER REVENUE –N48,909,761.93**

This represents revenue other than statutory receipts from the Federation for Biase Local Government Council for the year ended 31<sup>st</sup> December 2019.

**2. NON-TAX REVENUE (IGR) – N10,947,690.10**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Biase Local Government Council for the year ended 31<sup>st</sup> December 2019.

CODE	DETAILS	ACTUAL 2019 N
101000	TAXES	450,000.00
102000	RATES	840,000.00
103000	LOCAL LICENCE FEES	1,439,572.20
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	4,410,100.00
105000	RENT ON GOVERNMENT PROPERTY	-
106000	INTEREST ON DIVIDENDS	-
107000	REIMBURSEMENT	3,808,801
108000	MISCELLANEOUS	-
	<b>T O T A L</b>	<b>10,947,690.10</b>

**3. SALARIES AND WAGES – ₦ 1,230,853,855.10**

This consists of the salaries and wages paid to staff of Biase local government comprising of council staff, traditional rulers and non-pensionable allowances (LGC), teachers (SUBEB) and health workers (PHC). Pension allowances/Social benefits paid to all retired LGCs staff are also inclusive.

SALARIES AND WAGES (SOCIAL BENEFITS)		
<b>1</b>	Council Staff Salaries	184,148,790.19
<b>2</b>	Primary Health Care Salaries	162,898,696.50
<b>3</b>	Local Government Education Authority	613,016,697.86
<b>4</b>	Traditional Rulers Stipend	21,240,000.00
<b>5</b>	Pension Contribution	249,549,670.55
	<b>TOTAL</b>	<b>1,230,853,855.10</b>

**4 OVERHEAD COST – ₦68,849,381.35**

This represents total overhead cost incurred during the financial year by the Council.

CODE	DESCRIPTION	ACTUAL PAID	OTHER	TOTAL
		BY COUNCIL	COUNCILS	
		2019	COMMITMENTS	
		N	PAID THROUGH	
			IAAC	
		N	N	N
<b>431200</b>	TRAVEL AND TRANSPORT	269,500.00	2,000,000.00	2,269,500.00
<b>431300</b>	UTILITES	-	-	-
<b>431400</b>	MATERIALS AND SUPPLIES	397,500.00	-	397,500.00
<b>431500</b>	MAINTENANCE, REPAIRS AND	924,000.00	-	924,000.00
<b>431600</b>	TRAINING AND STAFF	100,000.00		100,000.00
<b>431700</b>	CONSULTANCY AND	-	2,138,888.88	2,138,888.88
<b>431800</b>	FINANCE EXPENSES	206,178.18	6,000.00	212,178.18
<b>431900</b>	ENTERTAINMENT AND	991,600.00	-	991,600.00
<b>432100</b>	OTHER SERVICES	13,614,000.00	5,585,714.29	19,199,714.29
<b>432200</b>	GRANTS, CONTRIBUTION,	-	-	-
<b>1150000</b>	CRF CHARGES	2,282,666.67	40,333,333.33	42,616,000.00
		<b>18,785,444.85</b>	<b>50,063,936.50</b>	<b>68,849,381.35</b>

**5. REDISTRIBUTION FROM JAAC – NIL**

This represents the positive inflows to Councils after Salaries, Statutory deductions and Joint Commitments were made by JAAC.

**6. JAAC CHARGES – =N=221,285,679.76**

This represents Joint Commitments of Biase Local Government Council that were approved for payment by Councils from JAAC that resulted in negative redistribution for certain months of the year.

**7 PURCHASE/CONSTRUCTION OF PPE (CAPITAL EXPENDITURE N457,020,920.97**

During the year under review, the Biase LGC spent a total sum of =N=457.02m (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment). Details are as presented below in the tabular and Chart format;

HEAD	DETAILS	ACTUAL COUNCIL PAYMENT 2019	OTHER COUNCIL COMMITMENT PAID THROUGH	TOTAL
13000	FORESTRY	80,000.00	-	80,000.00
16000	ENERGY (FUEL AND POWER)	56,727,500.00	-	56,727,500.00
17000	COMMERCE AND FINANCE	302,273.43	-	302,273.43
18000	TRANSPORT (ROAD AND BRIDGES)	270,000,000.00	-	270,000,000.00
	<b>SUB TOTAL</b>	<b>327,109,773.43</b>	-	<b>327,109,773.43</b>
20000	<b>SOCIAL SERVICES SECTOR</b>			
21000	EDUCATION	-	-	-
22000	HEALTH	30,000.00	-	30,000.00
24000	SOCIAL DEV, YOUTH AND SPORT	-	1,000,000.00	1,000,000.00
	<b>SUB TOTAL</b>	<b>30,000.00</b>	<b>1,000,000.00</b>	<b>1,030,000.00</b>
30000	<b>ENV. &amp; REGIONAL DEVELOPMENT</b>			-
31000	WATER SUPPLY	150,000.00	-	150,000.00
32000	SEWAGE AND DRIANAGE	3,000,000.00	-	3,000,000.00
33000	HOUSING	206,000.00	-	206,000.00
35000	ENVIRONMENT AND REFUSE	810,000.00	-	810,000.00
	<b>SUB TOTAL</b>	<b>4,166,000.00</b>	-	<b>4,166,000.00</b>
40000	<b>GENERAL ADMINISTRATION</b>	74,909,591.98	<b>49,805,555.56</b>	124,715,147.54
	<b>GRAND TOTAL</b>	<b>406,215,365.41</b>	<b>50,805,555.56</b>	<b>457,020,920.97</b>

**8. STATUTORY DEDUCTIONS – ₦16,931,189.49**

This is made up of 31% Statutory deductions made from Biase Local Government Council Statutory Allocations and paid to Ministry of Local Government Affairs for administration.

**9. INVESTMENT EXPENDITURE – NIL**

Investment expenditure represents the total aggregate payouts on behalf of Biase Councils by the Ministry of Local Government Affairs for joint investments; in the year in question investment expenditure was NIL in Cross River State Micro Finance Bank Limited (CRMFB).

**10. DEPOSITS RECEIVED AND REMITTED – ₦11,508,466.87 & NIL**

Deposits received represent the retention fees and unpaid contract sums for contracts awarded by Biase council during the year while Deposits remitted represent the aforementioned amounts actually paid out.

**11. TAXES RECEIVED AND REMITTED – ₦ (5,098,770.72) & ₦5,098,770.072**

Taxes received represents Withholding and Value Added taxes deducted from contract and consultancy jobs while taxes remitted represents the portion actual remitted to the relevant tax authorities.

TAXES RECEIVED AND REMITTED			
S/N	LGC	TAXES RECEIVED (N)	TAXES REMITTED (N)
1	BIASE	5,098,770.72	(5,098,770.72)
	<b>TOTAL</b>	<b>5,098,770.72</b>	<b>(5,098,770.72)</b>

**12. REPAYMENT OF BORROWINGS – =N=222,222,222.22**

This represents the cumulative total of loans from the State Government to offset shortfalls in Salaries of Biase LGC and the amount repaid during the period as seen below;

**13. OVERDRAFT RECEIVED NIL AND NIL**

This represents overdrafts taken by some councils during the year and the portions that have been repaid. See details below.

**14. CASH AND CASH EQUIVALENTS – ₦ (198,105,341.89)**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Biase Local Government Council Cash Books as at 31<sup>st</sup> December 2019.

**15. RECEIVABLES – ₦ 441,951,127.31**

This represents cumulative amounts owed to Council by the State Government via unremitted 10% State IGR, as seen in the table below;

RECEIVABLES (10	AMOUNT (₦)
Balance Brought Forward	<b>316,411,882.96</b>
2019 Unpaid 10%	125,539,244.45
Remittance for the Period	
Balance Carried forward	<b>441,951,127.31</b>

**16. INVESTMENTS – ₦158,878,724.67**

This represents joint investments and stocks held by the Biase LGC in certain State-owned projects/companies like the Tinapa Business Resort, the Obudu Ranch Resort and the Cross-River State Micro Finance Bank.



**17. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND - ₦ 117,737,622.93**

This represents the cumulative monthly contribution of one million per council yearly. details are found in the table below;

MONTH	DETAILS	2019
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	1,000,000.00
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00
JUN	DEDUCTION FROM ALLOCATION	1,000,000.00
JUL	DEDUCTION FROM ALLOCATION	1,000,000.00
AUG	DEDUCTION FROM ALLOCATION	1,000,000.00
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>TOTAL AS IN CASHFLOW STATEMENT</b>		<b>12,000,000.00</b>
<b>BALANCE B/F AS AT 1ST JANUARY</b>		<b>105,737,622.93</b>
<b>TOTAL AS IN STATEMENT OF ASSETS &amp; LIABILITIES</b>		<b>117,737,722.93</b>

**18. DEPOSITS – =N=20,163,694.96**

Deposits received represents unpaid retention fees, unclaimed salaries and unpaid contract sums for contracts awarded by councils during the year while Deposits remitted represent the aforementioned amounts actually paid out.

S/NO.	DESCRIPTION	BALANCE AS AT 1/1/2019	ADDITION IN THE YEAR	PAYMENTS WITHIN THE YEAR	BALANCE AS AT 31/12/2019
		=N=	=N=	=N=	=N=
1	SALARIES DEPOSIT	-	11,508,466.87	-	11,508,466.87
2	UNCLAIMED SALARIES	8,655,227.71	-	-	8,655,227.71
	<b>TOTAL</b>	<b>8,655,227.71</b>	<b>11,508,466.87</b>	-	<b>20,163,694.58</b>

**19. SHORT TERM LOANS AND DEBTS – NIL**

This represents loans owed to various banks by Biase Local Governments.

**20. UNREMITTED DEDUCTIONS – ₦ 582,847,959.56**

This represents the cumulative total of all unremitted statutory deductions by Biase LGC to certain State agencies as mandated by Law.

**21. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – ₦323,680,797.86**

This represents the cumulative total amounts owed the State Government by the 18 LGCs, borrowed to offset shortfalls in funds to pay salaries.

**22. RESERVES - ₦ 156,140,101.47**

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31<sup>st</sup> December for the year 2019, apportioned to each Biase Local Government in its Financial Statements for the purposes of disclosure

**23. PAYABLES – ₦15,151,785.23**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Biase LGCs as at 31<sup>st</sup> December 2019.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2019	CURRENT YEAR ADDITIONS (AS IN CASH	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12-2019 (AS IN BALANCE SHEET)
1	WITHHOLDING TAX	8,056,908.58	2,317,623.00	2,317,623.00	8,056,908.58
2	VALUE ADDED TAX	6,702,976.65	2,317,623.00	2,317,623.00	6,702,976.65
3	PAYE	340,000.00	-	-	340,000.00
4	STAMP DUTY	51,900.00	463,524.72	463,524.72	51,900.00
	<b>TOTAL</b>	<b>15,151,785.23</b>	<b>5,098,770.72</b>	<b>5,098,770.72</b>	<b>15,151,785.23</b>

**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF BIASE LOCAL GOVERNMENT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2018**

<b>Month</b>	<b>Buildings</b>	<b>Equipment</b>	<b>Fixtures</b>	<b>Furniture &amp; Fittings</b>	<b>Land &amp; Buildings</b>	<b>Motor Vehicles</b>	<b>Plant &amp; Machinery</b>	<b>Total</b>
	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>
January	-	-	-	-	-	-	-	-
February	-	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-	-
April	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-
November	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-
<b>TOTAL</b>								

**Note: The Cross-River State Local Governments are yet to fully implement IPSAS Accrual basis of Accounting. Cash basis is still in operation. However, plans are underway to fully implement IPSAS Accrual by the 18 Councils conducting a thorough Property, Plant and Equipment valuation and maintaining a Fixed Assets Register.**

**BOKI LOCAL GOVERNMENT  
COUNCIL**

**BOKI LOCAL GOVERNMENT, BOJE**

## AUDIT OPINION

### STATEMENT OF OPINION OF THE AUDITOR-GENERAL

The Accounts of the Boki Local Government Council found on pages 190-192 have been examined under my direction, which have been prepared under the accounting policies set out on pages 184-189.

### RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL

The Local Government Treasurer is responsible for the preparation of the Financial Statements. It is my responsibility to form an independent opinion based on our Audit on the Financial Statements and report our opinion to you.

### THE SCOPE OF MY AUDIT

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements 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 we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

In affirming our opinion, we evaluated the preparation of the information in the Financial Statements and assessed whether the Councils' books and Accounts had been properly kept.

### OUR OPINION

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Boki Local Government Council as at 31<sup>st</sup> December 2019*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.

  
MRS. FRANKA A. INOK, FCA  
AUDITOR-GENERAL

**BOKI LOCAL GOVERNMENT, BOJE**  
**RESPONSIBILITY FOR FINANCIAL STATEMENTS**

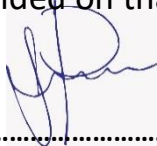
These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Boki Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Cash Basis) and Generally Accepted Accounting Practice.

The Management of Boki Local Government Council is responsible for establishing and maintaining a system of internal controls, designed to provide reasonable assurance that the transactions recorded are within their statutory authority and have properly recorded the use of all public financial resources by the Local Government Council.

The Director of Finance (Treasurer) has responsibility for ensuring the internal controls are functional throughout the year and that financial records are properly kept, and appropriate financial statements are prepared. To the best of my knowledge, this system of internal control has operated adequately throughout the reporting period.

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the IPSAS and Financial Memoranda, (as amended).

In our opinion, these financial statements fairly reflect the financial position of Boki Local Government as at 31<sup>st</sup> December 2019 and its operations for the period ended on that date.



.....  
**CHAIRMAN**

21st September 2020

.....  
**DATE**



.....  
**THE DIRECTOR OF FINANCE (TREASURER)**

21st September 2020

.....  
**DATE**



The Chairman,  
Boki Local Government Council,  
BOJE.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF BOKI LOCAL GOVERNMENT COUNCIL  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019.**

**REPORT ON THE FINANCIAL STATEMENTS**

I have examined the Financial Statements set out on page(s) 190 to 192 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

**MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:**

It is the responsibility of the Director of Finance (Treasurer) to prepare the accounts in accordance with the provisions of the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda. It is my responsibility to audit and form an independent opinion on the General-Purpose Financial Statements (GPFS).

**BASIS OF AUDIT OPINION**

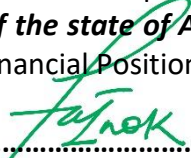
I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007, Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing

Proper Books of accounts were kept; projects and programmes have been verified and appropriate comments included in my inspection report to the Management of Council and in the Annual Report to the Cross-River State House of Assembly.

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my office, Councils Financial Statements were converted to IPSAS (Cash Basis) General Purpose Financial Statements for the first time in the interest of best practice.

**AUDIT OPINION**

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Boki Local Government Council as at 31<sup>st</sup> December 2019*** and the financial Position and Cashflows for the period ended on that date.

  
.....  
**MRS FRANKA INOK, FCA  
AUDITOR-GENERAL  
CALABAR**



**BOKI LOCAL GOVERNMENT, BOJE**

**STATEMENT OF ACCOUNTING POLICIES**

**1. Basis of Preparation of Financial Statements**

These Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) (Cash Basis) as well as under the Guidelines of the Financial Memoranda and in conformity with the Standardized Chart of Accounts designed and introduced by the Federation Account Allocation Committee (FAAC) for adoption by all tiers of Government in Nigeria as well as the Financial Reporting Council (FRC) Guidelines on Public Sector reporting.

**2. Accounting Period**

The accounting year to which the Financial Statements relate is from 1<sup>st</sup> January to 31<sup>st</sup> December 2018.

**3. Reporting Currency**

The Financial Statements were prepared in Nigerian Naira.

**4. IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when cash (including cash equivalents) are received or paid by the LGCs. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of cash raised during the period, the purposes for which cash was used and the cash balances at the reporting date. Notes to the GPFS provide additional information about Liabilities, including Payables and Borrowings and non-cash assets that include Receivables, Investments and Property, Plant and Equipment.



## **5. Accounting Terminologies / Definitions**

### **5.1 Accounting Policies**

These are the specific principles, bases, conventions, rules and practices adopted by the 18 LGAs in preparing and presenting their Financial Statements.

### **5.2 Cash**

Cash comprises of cash in hand, demand deposits in financial institutions and cash equivalents.

### **5.3 Cash equivalents**

These are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **5.4 Cash basis**

means a basis of accounting that recognizes transactions and other events only when cash is received or paid.

### **5.5 Cash flows**

are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.

**5.6 Cash receipts** are cash inflows.

**5.7 Cash payments** are cash outflows

## **5.8 Notes to the GPFS**

These include narrative descriptions or more detailed schedules, or analyses of amounts shown on the face of the GPFS, as well as additional information.

## **6. General Purpose Financial Statements (GPFS)**

The GPFS comprise of Statements of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by the 18 LGAs and Accounting Policies and Notes to the Financial Statements.

### **6.1 Principal Statements contained in the IPSAS Financial Statements**

- The Cash flow Statement
- The Statement of Financial Position
- The Statement of Financial Performance
- The Notes to the Financial Statements
- Accounting Policies and Explanatory Notes.

## **7. Fundamental Accounting Concepts**

The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in State:

Cash Basis of Accounting

Understandability

Materiality

Relevance

Going Concern Concept

Consistency Concept

Prudence

Completeness etc.

## **8. Comparative Information**

The GPFS shall disclose all numerical information relating to the previous period (at least one year

## **9. Interest Received**

Interest actually received during the financial year shall be treated as a receipt under item 'Other Receipts'.

## **10. Receipts**

These are Cash inflows within the financial year. They comprise of receipts from Statutory Allocations, Value Added Tax, Excess Crude, Internally Generated Revenue and Other Revenue. These items shall be disclosed at the face of the Statement of Cashflows

## **11. Payments**

These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorized either by Function and/or by Sector in the Statement of Cash Receipts and Payment. Payments for purchase of items of capital nature (e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.

## **12. Investments**

Cash Payments made for investment purposes such as purchase of Government Stock, Treasury Bills and Certificates of Deposit, are capital costs and are disclosed as purchase of financial instruments in Council accounts.

### **13. Loans**

Loans granted to Local Governments especially by the State Government shall be categorized under loans in the Statement of Financial Position. Amount disclosed in the Statement of Cashflow shall be the actual amount received in the financial year while amount disclosed in the Statement of Financial Position shall be cumulative including loan amounts outstanding from previous years.

### **14. Loan Repayments**

Amounts repaid from Loans granted to Local Governments shall be classified under Loan Repayments, amount disclosed shall be actual amount

### **15. Budget Figures**

These are figures from the approved annual budget and supplementary budget as approved with the Cross-River State Local Government Law 2007 (as amended).

### **16. Interest on Loans**

Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest repayment in the Statement of Cashflow.

### **17. Prepayments**

Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.

### **18. Advances**

All Cash Advances shall be retired before the end of the financial year-end.

## **19. Leases**

Cash Payment for Finance Leases, which effectively transfer to the Government substantially all the risks and benefits incidental to ownership of the leased item, are treated as capital payments and disclosed in the Statement of Cash Receipts and payments.

## **20. Cash Balances**

This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.

## **21. Other Borrowings / Grants & Aid Received**

These are categorized as either Short-term or Long-term Loans. Short term loans are those payable within one calendar year (12 months), while Long-term loans and debts shall fall due beyond one calendar year (above 12 months). Loans and Grants shall be disclosed separately in the Statement of Cashflows.

## **Key to Abbreviations**

1. LGC - Local Government Council
2. FAAC -Federation Account Allocation Committee
3. VAT - Value Added Tax
4. IGR - Internally Generated Revenue
5. GAAP - Generally Accepted Accounting Principles
6. GPFS - General Purpose Financial Statements
7. IPSAS - International Public Sector Accounting Standards
8. PPE - Property, Plant and Equipment
9. JAAC - Joint Account Allocation Committee

**BOKI LOCAL GOVERNMENT, BOJE**  
**STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2019</b>	<b>2018</b>
<b>Inflows:</b>	<b>₦</b>	<b>₦</b>
Government Share of FAAC (Statutory Allocation)	1,754,090,870.47	1,793,608,979.65
Government Share of VAT	418,914,027.95	-
Excess Crude	-	-
Other Revenue	56,077,080.87	477,934,193.48
Internally Generated Revenue (Non-Tax Revenue)	16,741,872.62	10,608,274.83
Redistribution from JAAC	-	-
10% State IGR (Non-Tax Revenue)	-	-
<b>Total Inflows from Operating Activities</b>	<b>2,245,823,851.91</b>	<b>2,282,151,447.96</b>
<b>Outflows:</b>		
Salaries and Wages (Social Benefits)	1,658,921,972.77	1,569,425,313.13
Overhead Cost	16,931,891.14	6,732,783.46
Statutory Deductions	138,858,725.96	42,917,329.40
JAAC Charges	147,863,014.85	307,404,526.67
<b>Total Outflows from Operating Activities</b>	<b>1,962,575,604.72</b>	<b>1,926,479,952.66</b>
<b>Net Cashflow from Operating Activities</b>	<b>283,248,247.19</b>	<b>355,671,495.30</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of PPE	-	-
Proceeds from Sale of Investment Property	-	-
Capital Expenditure (Purchase/Construction of PPE)	(203,809,888.89)	(365,887,534.61)
Investment Expenditure	-	(27,777,777.77)
<b>Net Cashflow from Investing Activities</b>	<b>(203,809,888.89)</b>	<b>(393,665,312.38)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Miscellaneous Deposits Received	-	-
Miscellaneous Deposits Remitted	-	-
Taxes Received	4,400,000.00	-
Tax Remitted	(4,400,000.00)	-
Proceeds from Borrowings (CRSG Loan)	-	(27,777,777.77)
Repayment of Borrowings	(222,222,222.22)	-
Overdraft Received	-	-
Overdraft Repayment	-	-
<b>Net Cash Flow from Financing Activities</b>	<b>(222,222,222.22)</b>	<b>(27,777,777.77)</b>
<b>Net Increase (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(142,783,863.92)</b>	<b>(65,771,594.85)</b>
<b>Cash and its Equivalent as at 01 Jan 2019</b>	<b>(92,577,337.10)</b>	<b>(26,805,742.25)</b>
<b>Cash and its Equivalent as at 31 Dec 2019</b>	<b>(235,361,201.02)</b>	<b>(92,577,337.10)</b>

**BOKI LOCAL GOVERNMENT, BOJE**  
**STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

	2019	2018
	₦	₦
<b>ASSETS</b>		
<b><u>Current Assets:</u></b>		
Cash and Cash Equivalents	(235,361,201.02)	(92,577,337.10)
Receivables	441,951,127.31	316,411,882.96
Inventories	-	
Prepayments	-	
<b>Total Current Assets (A)</b>	<b>206,589,926.29</b>	<b>223,834,545.86</b>
<b><u>Non-Current Assets</u></b>		
Long-Term Loans		
Investments	158,878,724.67	158,878,724.67
Property, Plant & Equipment		
Contribution to CRS Reserve Fund	117,737,622.93	105,737,622.93
<b>Total Non-Current Assets (B)</b>	<b>276,616,347.60</b>	<b>264,616,347.60</b>
<b>Total Assets (A) + (B)</b>	<b>483,206,273.89</b>	<b>488,450,893.46</b>
<b>LIABILITIES</b>		
<b><u>Current Liabilities</u></b>		
Deposits	30,102,652.63	30,102,652.63
Short term Loans & Debts	9,351,658.56	9,351,658.50
Unremitted Deductions	582,847,959.56	588,576,733.86
Payables (Unremitted Taxes)	11,551,627.84	11,551,627.84
<b>Total Current Liabilities (C)</b>	<b>633,853,898.59</b>	<b>639,582,672.83</b>
<b><u>Non-Current Liabilities</u></b>		
Long Term Borrowings (CRSG loan)	323,680,797.86	544,863,202.40
Internal Loans (Public Funds)	-	-
Long Term Provisions (Taxes)	-	-
<b>Total Non-Current Liabilities (D)</b>	<b>323,680,797.86</b>	<b>544,863,202.40</b>
<b>Total Liabilities (C) + (D)</b>	<b>957,534,696.45</b>	<b>1,184,445,875.23</b>
<b>Net Assets (Total Assets - Total Liabilities)</b>	<b>(474,328,422.56)</b>	<b>(695,994,981.77)</b>
<b>NET ASSETS/EQUITY</b>		
Reserves	156,140,101.47	364,061,074.01
Accumulated Surpluses/(Deficits)	(630,468,524.03)	(1,060,056,055.78)
<b>Total Net Assets/Equity</b>	<b>(474,328,422.56)</b>	<b>(695,994,981.77)</b>

**BOKI LOCAL GOVERNMENT, BOJE****STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

PREVIOUS YEAR ACTUAL (2018)		Notes	ACTUAL 2019	FINAL BUDGET 2019	VARIANCE ON FINAL BUDGET
=N=			=N=	=N=	=N=
	<b>REVENUE</b>				
	<b>RECEIPTS:</b>				
2,271,543,173.13	Government Share of FAAC	1	2,229,081,979.	3,400,108,084.00	(1,171,026,104.71)
10,608,274.84	Internally Generated Revenue	2	16,741,872.62	35,459,040.00	(18,717,167.38)
	Redistribution from JAAC (Other	3			
	Cross River State Government	11			
<b>2,282,151,447.96</b>	<b>Total Revenue (A)</b>		<b>2,245,823,859.</b>	<b>3,435,567,124.00</b>	<b>1,189,743,272.09</b>
	<b>EXPENDITURE</b>				
1,569,425,313.13	Salaries and Wages	4	1,658,921,92.7	1,867,977,000.00	209,055,802.23
6,732,783.46	Statutory Deductions	6	138,858,725.96	-	(138,858,725.96)
42,917,329.40	Overhead Cost	5	16,931,891.14	66,404,058.00	49,472,166.86
307,404,526.67	JAAC Charges	7	147,863,014.85	-	(147,863,014.85)
365,887,534.61	Capital Expenditure	8	203,809,888.89	1,245,267,072.00	1,041,457,183.11
27,777,777.77	Investment Expenditure	9	-	-	-
<b>1,965,845,265.04</b>	<b>Total Expenditure (B)</b>		<b>2,166,385,493.</b>	<b>3,179,648,130.00</b>	<b>1,013,262,636.39</b>
<b>316,306,182.92</b>	<b>Surplus/Deficit from Operating</b>		<b>79,438,358.30</b>	<b>255,928,994</b>	
	Gain/Loss on Disposal of Assets				
	<b>Total Non-Operating Revenue/Expenditure</b>				
	Surplus/Deficit from Ordinary				
<b>316,306,182.92</b>	<b>Net Surplus/Deficit for the</b>		<b>79,438,358.30</b>	<b>255,928,994</b>	



**BOKI LOCAL GOVERNMENT, BOJE****NOTES TO THE FINANCIAL STATEMENTS****1a. (A) GOVERNMENT SHARE OF FAAC (STATUTORY ALLOCATION)****₦1,754,090,870.47**

This represents allocations received on a monthly basis by Boki Local Government council from the Federation Account in line with the provisions of the Constitution of the Federal Republic of Nigeria.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) EXCESS CRUDE	(D) OTHER REVENUE	TOTAL
1	JAN.	145,400,549.64	35,632,816.74		266,677.31	181,300,043.69
2	FEB.	132,410,101.62	36,984,625.72		2,657,118.55	172,051,845.89
3	MARCH	125,605,991.59	34,665,809.33		13,187,962.36	173,459,763.28
4	APRIL	118,277,371.59	32,589,487.27		20,912,578.31	171,779,437.17
5	MAY	136,391,557.57	34,269,190.75		213,555.10	170,874,303.42
6	JUNE	152,954,813.78	37,951,739.66		313,231.33	191,219,784.77
7	JULY	167,478,742.02	38,449,595.27		281,469.91	206,209,807.20
8	AUG.	163,111,048.13	33,734,573.17		274,380.00	197,120,001.30
9	SEPT.	164,239,163.39	31,346,393.87		815,004.23	196,400,561.49
10	OCT.	159,760,712.49	33,126,627.59		255,989.18	193,143,329.26
11	NOV.	157,522,857.43	37,419,595.13		2,611,926.44	197,554,379.00
12	DEC.	130,937,961.22	32,743,573.45		14,287,188.15	177,968,722.82
	<b>TOTAL</b>	<b>1,754,090,870.47</b>	<b>418,914,027.95</b>		<b>56,077,080.87</b>	<b>2,229,081,979.29</b>

**1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) –N418,914,027.95**

This represents Federal Revenue arising from Value Added Tax (VAT) for Boki Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1c. (C) EXCESS CRUDE –-NIL**

This represents the 18 LGAs share of Federal Excess Crude revenue as seen in table 1, for Boki Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1d. (D) OTHER REVENUE –N56,077,080.87**

This represents revenue other than statutory receipts from the Federation for Boki Local Government Council for the year ended 31<sup>st</sup> December 2019.

**2. NON-TAX REVENUE (IGR) – N16,741,872.62**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Boki Local Government Council for the year ended 31<sup>st</sup> December 2019.

CODE		DETAILS	ACTUAL 2019
			N
101000	TAXES		900,000.00
102000	RATES		1,006,500.00
103000	LOCAL LICENCE FEES		5,169,872.20
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS		4,112,000.00
105000	RENT ON GOVERNMENT PROPERTY		89,000.00
106000	INTEREST ON DIVIDENDS		-
107000	REIMBURSEMENT		-
108000	MISCELLANEOUS		5,464,500.42
	<b>TOTAL</b>		<b>16,741,872.62</b>

**3. REDISTRIBUTION FROM JAAC – NIL**

This represents the positive inflows to Councils after Salaries, Statutory deductions and Joint Commitments were made by JAAC.

**4. SALARIES AND WAGES – ₦ 1,658,921,972.77**

This consists of the salaries and wages paid to staff of Boki local government comprising of council staff, traditional rulers and non-pensionable allowances (LGC), teachers (SUBEB) and health workers (PHC). Pension allowances/Social benefits paid to all retired LGCs staff are also inclusive.

<b>SALARIES AND WAGES (SOCIAL BENEFITS)</b>		
<b>S/N</b>	<b>DESCRIPTION</b>	<b>AMOUNT (₦)</b>
<b>1</b>	Council Staff Salaries, Primary Health Care Salaries & Local Government Education Authority	1,312,973,686.39
<b>2</b>	Pension Contribution	345,948,286.38
	<b>TOTAL</b>	<b>1,658,921,972.77</b>

**5. OVERHEAD COST – N138,858,725.96**

This represents total overhead cost incurred during the financial year by the Council.

<b>CODE</b>	<b>DETAILS</b>	<b>ACTUAL PAID BY COUNCIL 2019</b>	<b>OTHER COUNCIL COMMITMENT PAID THROUGH JAAC</b>	<b>TOTAL</b>
<b>431200</b>	TRAVEL & TRANSPORT	11,708,000.00	2,000,000.00	1,370,800.00
<b>431300</b>	UTILITIES	-	-	-
<b>431400</b>	MATERIALS & SUPPLIES	10,446,000.00	-	10,446,000.00
<b>431500</b>	MAINTENANCE, REPAIRS & SERVICES	5,374,500.00	-	5,374,500.00
<b>431600</b>	TRAINING & STAFF DEVELOPMENT	3,000,000.00	-	3,000,000.00
<b>431700</b>	CONSULTANCY & PROFESSIONAL	-	-	-
<b>431800</b>	FINANCE EXPENSES	5,186,715.17	-	5,186,715.17
<b>431900</b>	ENTERTAINMENT & HOSPITALITY	13,817,509.91	-	13,817,509.91
<b>432100</b>	OTHER SERVICES	88,866,000.00	3,438,888.88	92,304,889.76
	<b>TOTAL</b>	<b>138,858,725.96</b>	<b>5,438,888.88</b>	<b>138,858,725.96</b>

**6. STATUTORY DEDUCTIONS – ₦16,931,891.14**

This is made up of 31% Statutory deductions made from Boki Local Government Council Statutory Allocations and paid to Ministry of Local Government Affairs for administration.

**7. PURCHASE/CONSTRUCTION OF PPE (CAPITAL EXPENDITURE ₦203,809,888.89**

During the year under review, the Boki LGC spent a total sum of =N=203.8m (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment). Details are as presented below in the tabular and Chart format;

HEAD	DETAILS	ACTUAL COUNCIL PAYMENT	OTHER COUNCILS COMMITMENT PAID THROUGH JAAC	TOTAL
		₦	₦	₦
<b>10000</b>	<b>ECONOMIC SECTOR</b>			
<b>11000</b>	Agriculture			
<b>12000</b>	Livestock/veterinary			
<b>13000</b>	Forestry			
<b>14000</b>	Fisheries			
<b>15000</b>	Manufacturing & craft			
<b>16000</b>	Energy (fuel and power)	44,000,000.00		44,000,000.00
<b>17000</b>	Commerce and Finance	22,000,000.00		22,000,000.00
<b>18000</b>	Transport (Road and Bridges)			
<b>19000</b>	Culture and tourism			
	<b>TOTAL</b>	<b>66,000,000.00</b>		<b>66,000,000.00</b>
<b>22000</b>	<b>SOCIAL SERVICES SERVICE</b>			
<b>21000</b>	EDUCATION			
<b>22000</b>	HEALTH			
<b>23000</b>	INFORMATION AND			
<b>24000</b>	SOCIAL DEVE. YOUTH & SPORTS	2,000,000.00		2,000,000.00
<b>TOTAL</b>		<b>2,000,000.00</b>		<b>2,000,000.00</b>
<b>30000</b>	<b>ENV. &amp; REGIONAL SECTOR</b>			
<b>31000</b>	WATER SUPPLY	50,000,000.00		50,000,000.00
<b>32000</b>	SEWAGE AND DRAINAGE			
<b>33000</b>	HOUSING			
<b>34000</b>	TOWN AND COUNTRY PLANN.			
<b>35000</b>	ENV. & REFUSE DISPOSAL	2,731,000.00		2,731,000.00
	<b>TOTAL</b>	<b>52,731,000.00</b>		<b>52,731,000.00</b>
	GENERAL ADMINISTRATION	7,940,000.00	75,138,888.89	83,075,888.89
		7,940,000.00		80,078,888.89
	<b>TOTAL</b>	<b>128,671,000.00</b>	<b>75,138,888.89</b>	<b>203,809,888.89</b>

**8. JAAC CHARGES – N147,863,014.85**

This represents Joint Commitments of Boki Local Government Council that were approved for payment by Councils from JAAC that resulted in negative redistribution for certain months of the year.

**8. INVESTMENT EXPENDITURE – NIL**

Investment expenditure represents the total aggregate payouts on behalf of Boki Councils by the Ministry of Local Government Affairs for joint investments; in the year in question investment expenditure was NIL in Cross River State Micro Finance Bank Limited (CRMFB).

**10. DEPOSITS RECEIVED AND REMITTED – NIL & NIL**

Deposits received represent the retention fees and unpaid contract sums for contracts awarded by Boki council during the year while Deposits remitted represent the aforementioned amounts actually paid out.

**11. TAXES RECEIVED AND REMITTED –N 4,400,000.00 & (N4,400,000.00)**

Taxes received represents Withholding and Value Added taxes deducted from contract and consultancy jobs while taxes remitted represents the portion actual remitted to the relevant tax authorities.

TAXES RECEIVED AND REMITTED			
S/N	LGC	TAXES RECEIVED	TAXES REMITTED
1	BOKI	4,400,000.00	(4,400,000.00)
	<b>TOTAL</b>	<b>4,400,000.00</b>	<b>(4,400,000.00)</b>

**12. REPAYMENT OF BORROWINGS – =N=222,222,222.22**

This represents the cumulative total of loans from the State Government to offset shortfalls in Salaries of Boki LGC and the amount repaid during the period.

**13. OVERDRAFT RECEIVED NIL AND NIL**

This represents overdrafts taken by some councils during the year and the portions that have been repaid. See details below.

**14. CASH AND CASH EQUIVALENTS – ₦ (235,361,201.02)**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Boki Local Government Council Cash Books as at 31<sup>st</sup> December 2019.

**15. RECEIVABLES – ₦ – 441,951,127.31**

This represents cumulative amounts owed to Council by the State Government via unremitted 10% State IGR, as seen in the table below;

RECEIVABLES (10	AMOUNT (₦)
Balance Brought Forward	316,411,882.96
2019 Unpaid 10%	125,539,244.45
Remittance for the Period	
Balance Carried forward	441,951,127.31

**16. INVESTMENTS – ₦158,878,724.60**

This represents joint investments and stocks held by the Boki LGC in certain State-owned projects/companies like the Tinapa Business Resort, the Obudu Ranch Resort and the Cross-River State Micro Finance Bank.

**17. DEPOSITS – ₦30,102,652.63**

Deposits received represents unpaid retention fees, unclaimed salaries and unpaid contract sums for contracts awarded by councils during the year while Deposits remitted represent the aforementioned amounts actually paid out.

**18. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND - ₦ 117,737,622.93**

This represents the cumulative monthly contribution of one million per council yearly. details are found in the table below;

MONTH	DETAILS	2018
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	1,000,000.00
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00
JUN	DEDUCTION FROM ALLOCATION	1,000,000.00
JUL	DEDUCTION FROM ALLOCATION	1,000,000.00
AUG	DEDUCTION FROM ALLOCATION	1,000,000.00
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>TOTAL AS IN CASHFLOW STATEMENT</b>		<b>12,000,000.00</b>
<b>BALANCE B/F AS AT 1ST JANUARY</b>		<b>105,737,622.93</b>
<b>TOTAL AS IN STATEMENT OF ASSETS &amp; LIABILITIES</b>		<b>117,737,722.93</b>

**19. SHORT TERM LOANS AND DEBTS – =N=9,351,658.56**

This represents loans owed to various banks by Boki Local Governments.

**20. UNREMITTED DEDUCTIONS – ₦ 582,847,959.56**

This represents the cumulative total of all unremitted statutory deductions by Boki LGC to certain State agencies as mandated by Law.

**21. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – ₦323,680,797.86**

This represents the cumulative total amounts owed the State Government by the 18 LGCs, borrowed to offset shortfalls in funds to pay salaries.

**22. RESERVES - ₦ 156,140,101.47**

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31<sup>st</sup> December for the year 2019, apportioned to each Boki Local Government in its Financial Statements for the purposes of disclosure.

**23. PAYABLES – ₦11,551,657.84**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Boki LGCs as at 31<sup>st</sup> December 2019.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2019	CURRENT YEAR ADDITIONS (AS IN CASH FLOW STATEMENT)	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12- 2019 (AS IN BALANCE SHEET)
1	5% CONTRACTORS' TAX	7,478,484.44			7,478,484.44
2	5% VALUE ADDED TAX (VAT)	4,073,684.00			4,073,684.00
<b>TOTAL</b>		<b>11,551,652.84</b>	-	-	<b>11,551,652.84</b>



**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF BOKI LOCAL GOVERNMENT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2018**

<b>Month</b>	<b>Buildings</b>	<b>Equipment</b>	<b>Fixtures</b>	<b>Furniture &amp; Fittings</b>	<b>Land &amp; Buildings</b>	<b>Motor Vehicles</b>	<b>Plant &amp; Machinery</b>	<b>Total</b>
	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>
January	-	-	-	-	-	-	-	-
February	-	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-	-
April	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-
November	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-
<b>TOTAL</b>								

**Note: The Cross-River State Local Governments are yet to fully implement IPSAS Accrual basis of Accounting. Cash basis is still in operation. However, plans are underway to fully implement IPSAS Accrual by the 18 Councils conducting a thorough Property, Plant and Equipment valuation and maintaining a Fixed Assets Register.**

**CALABAR MUNICIPAL LOCAL  
GOVERNMENT COUNCIL**

**CALABAR MUNICIPAL LOCAL GOVERNMENT, CALABAR**

**AUDIT OPINION**

**STATEMENT OF OPINION OF THE AUDITOR-GENERAL**

The Accounts of the Calabar Municipal Local Government Council found on pages 212-214 have been examined under my direction, which have been prepared under the accounting policies set out on pages 206-211.

**RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL**

The Local Government Treasurer is responsible for the preparation of the Financial Statements. It is my responsibility to form an independent opinion based on our Audit on the Financial Statements and report our opinion to you.


**THE SCOPE OF MY AUDIT**

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements 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 we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

In affirming our opinion, we evaluated the preparation of the information in the Financial Statements and assessed whether the Councils' books and Accounts had been properly kept.

**OUR OPINION**

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Calabar Municipal Local Government Council as at 31<sup>st</sup> December 2019*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.

  
**MRS. FRANKA A. INOK, FCA**  
**AUDITOR-GENERAL**

**CALABAR MUNICIPAL LOCAL GOVERNMENT, CALABAR**  
**RESPONSIBILITY FOR FINANCIAL STATEMENTS**

These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Calabar Municipal Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Cash Basis) and Generally Accepted Accounting Practice.

The Management of Calabar Municipal Local Government Council is responsible for establishing and maintaining a system of internal controls, designed to provide reasonable assurance that the transactions recorded are within their statutory authority and have properly recorded the use of all public financial resources by the Local Government Council.

The Director of Finance (Treasurer) has responsibility for ensuring the internal controls are functional throughout the year and that financial records are properly kept, and appropriate financial statements are prepared. To the best of my knowledge, this system of internal control has operated adequately throughout the reporting period.

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the IPSAS and Financial Memoranda, (as amended).

In our opinion, these financial statements fairly reflect the financial position of Calabar Municipal Local Government as at 31<sup>st</sup> December 2019 and its operations for the period ended on that date.

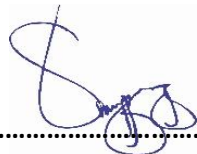


.....

**CHAIRMAN**

21st September 2020

.....  
**DATE**



.....  
**THE DIRECTOR OF FINANCE (TREASURER)**

21st September 2020

.....  
**DATE**



**The Chairman,**  
Calabar Municipal Local Government Council,  
**CALABAR.**

**AUDIT CERTIFICATE ON THE ACCOUNTS OF CALABAR MUNICIPAL LOCAL GOVERNMENT  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019.**

**REPORT ON THE FINANCIAL STATEMENTS**

I have examined the Financial Statements set out on page(s) 212 to 214 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

**MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:**

It is the responsibility of the Director of Finance (Treasurer) to prepare the accounts in accordance with the provisions of the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda. It is my responsibility to audit and form an independent opinion on the General-Purpose Financial Statements (GPFS).

**BASIS OF AUDIT OPINION**

I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007, Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing

Proper Books of accounts were kept; projects and programmes have been verified and appropriate comments included in my inspection report to the Management of Council and in the Annual Report to the Cross-River State House of Assembly.

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my office, Councils Financial Statements were converted to IPSAS (Cash Basis) General Purpose Financial Statements for the first time in the interest of best practice.

**AUDIT OPINION**

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Calabar Municipal Local Government Council as at 31<sup>st</sup> December 2019*** and the financial Position and Cashflows for the period ended on that date.

.....  
**MRS FRANKA INOK, FCA**  
**AUDITOR-GENERAL**  
**CALABAR**



**CALABAR MUNICIPAL LOCAL GOVERNMENT, CALABAR**

**STATEMENT OF ACCOUNTING POLICIES**

**1. Basis of Preparation of Financial Statements**

These Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) (Cash Basis) as well as under the Guidelines of the Financial Memoranda and in conformity with the Standardized Chart of Accounts designed and introduced by the Federation Account Allocation Committee (FAAC) for adoption by all tiers of Government in Nigeria as well as the Financial Reporting Council (FRC) Guidelines on Public Sector reporting.

**2. Accounting Period**

The accounting year to which the Financial Statements relate is from 1<sup>st</sup> January to 31<sup>st</sup> December 2018.

**3. Reporting Currency**

The Financial Statements were prepared in Nigerian Naira.

**4. IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when cash (including cash equivalents) are received or paid by the LGCs. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of cash raised during the period, the purposes for which cash was used and the cash balances at the reporting date. Notes to the GPFS provide additional information about Liabilities, including Payables and Borrowings and non-cash assets that include Receivables, Investments and Property, Plant and Equipment.

## **5. Accounting Terminologies / Definitions**

### **5.1 Accounting Policies**

These are the specific principles, bases, conventions, rules and practices adopted by the 18 LGAs in preparing and presenting their Financial Statements.

### **5.2 Cash**

Cash comprises of cash in hand, demand deposits in financial institutions and cash equivalents.

### **5.3 Cash equivalents**

These are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **5.4 Cash basis**

means a basis of accounting that recognizes transactions and other events only when cash is received or paid.

### **5.5 Cash flows**

are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.

**5.6 Cash receipts** are cash inflows.

**5.7 Cash payments** are cash outflow

### **5.8 Notes to the GPFS**

These include narrative descriptions or more detailed schedules, or analyses of amounts shown on the face of the GPFS, as well as additional information.

## **6. General Purpose Financial Statements (GPFS)**

The GPFS comprise of Statements of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by the 18 LGAs and Accounting Policies and Notes to the Financial Statements.

### **6.1 Principal Statements contained in the IPSAS Financial Statements**

- The Cash flow Statement
- The Statement of Financial Position
- The Statement of Financial Performance
- The Notes to the Financial Statements
- Accounting Policies and Explanatory Notes.

## **7. Fundamental Accounting Concepts**

The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in State:

Cash Basis of Accounting

Understandability

Materiality

Relevance

Going Concern Concept

Consistency Concept

Prudence

Completeness etc.



**8. Comparative Information**

The GPFS shall disclose all numerical information relating to the previous period (at least one year

**9. Interest Received**

Interest actually received during the financial year shall be treated as a receipt under item 'Other Receipts'.

**10. Receipts**

These are Cash inflows within the financial year. They comprise of receipts from Statutory Allocations, Value Added Tax, Excess Crude, Internally Generated Revenue and Other Revenue. These items shall be disclosed at the face of the Statement of Cashflows

**11. Payments**

These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorized either by Function and/or by Sector in the Statement of Cash Receipts and Payment. Payments for purchase of items of capital nature (e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.

**12. Investments**

Cash Payments made for investment purposes such as purchase of Government Stock, Treasury Bills and Certificates of Deposit, are capital costs and are disclosed as purchase of financial instruments in Council accounts.

### **13. Loans**

Loans granted to Local Governments especially by the State Government shall be categorized under loans in the Statement of Financial Position. Amount disclosed in the Statement of Cashflow shall be the actual amount received in the financial year while amount disclosed in the Statement of Financial Position shall be cumulative including loan amounts outstanding from previous years.

### **14. Loan Repayments**

Amounts repaid from Loans granted to Local Governments shall be classified under Loan Repayments, amount disclosed shall be actual amount

### **15. Budget Figures**

These are figures from the approved annual budget and supplementary budget as approved with the Cross-River State Local Government Law 2007 (as amended).

### **16. Interest on Loans**

Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest repayment in the Statement of Cashflow.

### **17. Prepayments**

Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.

### **18. Advances**

All Cash Advances shall be retired before the end of the financial year-end.

### **19. Leases**

Cash Payment for Finance Leases, which effectively transfer to the Government substantially all the risks and benefits incidental to ownership of the leased item, are treated as capital payments and disclosed in the Statement of Cash Receipts and payments.

### **20. Cash Balances**

This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.

### **21. Other Borrowings / Grants & Aid Received**

These are categorized as either Short-term or Long-term Loans. Short term loans are those payable within one calendar year (12 months), while Long-term loans and debts shall fall due beyond one calendar year (above 12 months). Loans and Grants shall be disclosed separately in the Statement of Cashflows

### **Key to Abbreviations**

1. LGC - Local Government Council
2. FAAC -Federation Account Allocation Committee
3. VAT - Value Added Tax
4. IGR - Internally Generated Revenue
5. GAAP - Generally Accepted Accounting Principles
6. GPFS - General Purpose Financial Statements
7. IPSAS - International Public Sector Accounting Standards
8. PPE - Property, Plant and Equipment
9. JAAC - Joint Account Allocation Committee

**CALABAR MUNICIPAL LOCAL GOVERNMENT, CALABAR**  
**STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2019</b>	<b>2018</b>
<b>Inflows:</b>	<b>₦</b>	<b>₦</b>
Government Share of FAAC (Statutory Allocation)	1,389,595,035.89	1,466,248,848.51
Government Share of VAT	413,198,749.07	384,456,778.08
Excess Crude	3,150,562.81	6,472,740.74
Other Revenue	41,271,117.74	48,529,662.32
Internally Generated Revenue (Non-Tax Revenue)	29,806,237.20	46,766,414.57
Redistribution from JAAC	-	-
10% State IGR (Non-Tax Revenue)	-	-
<b>Total Inflows from Operating Activities</b>	<b>1,877,021,702.71</b>	<b>1,952,474,444.22</b>
<b>Outflows:</b>		
Salaries and Wages (Social Benefits)	1,355,233,114.25	1,267,351,202.90
Overhead Cost	69,394,769.56	6,732,783.46
Statutory Deductions	16,931,891.49	15,131,219.91
JAAC Charges	335,910,412.76	74,910,708.96
<b>Total Outflows from Operating Activities</b>	<b>1,777,470,188.06</b>	<b>1,364,125,915.23</b>
<b>Net Cashflow from Operating Activities</b>	<b>99,551,514.65</b>	<b>588,348,528.99</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of PPE	-	-
Proceeds from Sale of Investment Property	-	-
Capital Expenditure (Purchase/Construction of PPE)	(223,713,284.19)	(380,656,710.76)
Investment Expenditure	-	(27,777,777.77)
<b>Net Cashflow from Investing Activities</b>	<b>(223,713,284.19)</b>	<b>(408,434,488.53)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Miscellaneous Deposits Received	-	-
Miscellaneous Deposits Remitted	-	-
Taxes Received	-	-
Tax Remitted	-	-
Proceeds from Borrowings (CRSG Loan)	-	(27,777,777.77)
Repayment of Borrowings	(222,222,222.22)	-
Overdraft Received	-	-
Overdraft Repayment	-	-
<b>Net Cash Flow from Financing Activities</b>	<b>(222,222,222.22)</b>	<b>(27,777,777.77)</b>
<b>Net Increase (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(346,383,991.76)</b>	<b>152,136,262.69</b>
<b>Cash and its Equivalent as at 01 Jan 2019</b>	<b>126,232,958.94</b>	<b>(25,903,303.75)</b>
<b>Cash and its Equivalent as at 31 Dec 2019</b>	<b>(220,151,032.82)</b>	<b>126,232,958.94</b>

**CALABAR MUNICIPAL LOCAL GOVERNMENT, CALABAR**  
**STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

	2019	2018
<b>ASSETS</b>	<b>₦</b>	<b>₦</b>
<b><u>Current Assets:</u></b>		
Cash and Cash Equivalents	(220,151,032.82)	126,232,958.94
Receivables	441,951,127.31	316,411,882.96
Inventories	-	-
Prepayments	-	-
<b>Total Current Assets (A)</b>	<b>221,800,094.49</b>	<b>442,644,841.90</b>
<b><u>Non-Current Assets</u></b>		
Long-Term Loans		
Investments	158,878,724.67	158,878,724.00
Property, Plant & Equipment		
Contribution to CRS Reserve Fund	117,737,622.93	105,737,622.93
<b>Total Non-Current Assets (B)</b>	<b>276,616,347.60</b>	<b>264,616,346.93</b>
<b>Total Assets (A) + (B)</b>	<b>498,416,442.09</b>	<b>707,261,188.83</b>
<b>LIABILITIES</b>		
<b><u>Current Liabilities</u></b>		
Deposits	14,786,543.68	14,786,543.68
Short term Loans & Debts	-	-
Unremitted Deductions	582,847,959.56	588,576,733.86
Payables (Unremitted Taxes)	48,620.00	48,620.00
<b>Total Current Liabilities (C)</b>	<b>597,683,123.24</b>	<b>603,411,897.54</b>
<b><u>Non-Current Liabilities</u></b>		
Long Term Borrowings (CRSG loan)	323,680,797.86	545,903,020.08
Internal Loans (Public Funds)	-	-
Long Term Provisions (Taxes)	-	-
<b>Total Non-Current Liabilities (D)</b>	<b>323,680,797.86</b>	<b>545,903,020.08</b>
<b>Total Liabilities (C) + (D)</b>	<b>921,363,921.10</b>	<b>1,149,314,917.62</b>
<b>Net Assets (Total Assets - Total Liabilities)</b>	<b>(422,947,479.01)</b>	<b>(442,053,728.79)</b>
<b>NET ASSETS/EQUITY</b>		
Reserves	156,140,101.47	364,061,074.01
Accumulated Surpluses/(Deficits)	(579,087,580.48)	(806,114,802.80)
<b>Total Net Assets/Equity</b>	<b>(422,947,479.01)</b>	<b>(442,053,728.79)</b>

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

**CALABAR MUNICIPAL LOCAL GOVERNMENT, CALABAR**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

PREVIOUS YEAR ACTUAL (2018)		Notes	ACTUAL 2019	FINAL BUDGET 2019	VARIANCE ON FINAL BUDGET
=N=			=N=	=N=	=N=
	<b>REVENUE</b>				
	<b>RECEIPTS:</b>				
1,905,708,029.65	Government Share of FAAC	1	1,847,215,465.51	3,081,659,420.00	(1,234,443,954.49)
46,766,414.57	Internally Generated	2	29,806,237.20	200,614,150.00	(170,807,912.80)
-	Redistribution from JAAC	3			
-	Cross River State	11			
<b>1,952,474,444.22</b>	<b>Total Revenue (A)</b>		<b>1,877,021,702.71</b>	<b>3,282,273,570.00</b>	<b>1,405,251,867.29</b>
	<b>EXPENDITURE</b>				
1,267,351,202.90	Salaries and Wages	4	1,355,233,114.25	927,479,262.00	427,753,852.29
6,732,783.46	Statutory Deductions	6	16,931,891.49	-	(16,931,891.49)
15,131,219.19	Overhead Cost	5	69,394,769.56	169,922,707.00	100,527,937.44
74,910,708.96	JAAC Charges	7	335,910,412.76		(335,910,412.76)
380,656,710.76	Capital Expenditure	8	223,713,284.19	1,914,848,972.00	1,691,135,687.81
27,777,777.77	Investment Expenditure	9			
<b>1,772,560,403.76</b>	<b>Total Expenditure (B)</b>		<b>2,001,183,472.25</b>	<b>3,012,250,941</b>	<b>1,011,067,468.75</b>
<b>179,914,040.46</b>	<b>Surplus/Deficit from</b>		<b>(124,161,769.54)</b>	<b>207,022,629.99</b>	
	Gain/Loss on Disposal of				
	<b>Total Non-Operating Revenue/Expenditure</b>				
	Surplus/Deficit from				
<b>179,914,040.46</b>	<b>Net Surplus/Deficit for the</b>		<b>(124,161,769.54)</b>	<b>207,022,629.99</b>	

**CALABAR MUNICIPAL LOCAL GOVERNMENT, CALABAR****NOTES TO THE FINANCIAL STATEMENTS****1a. (A) GOVERNMENT SHARE OF FAAC (STATUTORY ALLOCATION)****₦1,389,595,035.89**

This represents allocations received on a monthly basis by Calabar Municipal Council from the Federation Account in line with the provisions of the Constitution of the Federal Republic of Nigeria.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) EXCESS CRUDE	(D) OTHER REVENNUE	TOTAL
1	JAN.	115,186,705.09	35,143,103.30	211,249.48	0.00	150,541,057.87
2	FEB.	104,896,270.51	36,476,887.37	140,693.50	1,964,153.43	143,478,004.81
3	MARCH	99,506,367.94	34,197,338.69	971,249.46	9,475,646.88	144,150,602.97
4	APRIL	93,700,972.73	32,141,466.87	139,004.14	16,426,977.16	142,408,420.90
5	MAY	108,050,196.52	33,800,251.54	169,168.51	0.00	142,019,616.57
6	JUNE	121,170,845.19	37,432,541.51	248,127.44	0.00	158,851,514.14
7	JULY	132,676,032.17	37,921,627.40	222,967.50	0.00	170,820,627.07
8	AUG.	129,216,146.25	33,276,939.15	217,351.20	0.00	162,710,436.60
9	SEPT.	130,109,787.17	30,918,295.53	221,258.79	424,350.02	161,673,691.51
10	OCT.	126,562,164.67	32,675,240.50	202,782.83	0.00	159,440,188.00
11	NOV.	124,789,438.97	36,909,711.60	238,764.16	1,830,283.66	163,768,198.39
12	DEC.	103,730,108.68	32,305,345.61	167,945.80	11,149,706.59	147,353,106.68
	<b>TOTAL</b>	<b>1,389,595,035.89</b>	<b>413,198,749.07</b>	<b>3,150,562.81</b>	<b>41,271,117.74</b>	<b>1,847,215,465.51</b>

**1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) –N413,19,747.07**

This represents Federal Revenue arising from Value Added Tax (VAT) for Calabar Municipal Council for the year ended 31<sup>st</sup> December 2019.

**1c. (C) EXCESS CRUDE –N3,150,562.74**

This represents the 18 LGAs share of Federal Excess Crude revenue as seen in table 1, for Calabar Municipal Council for the year ended 31<sup>st</sup> December 2019.

**1d. (D) OTHER REVENUE –N41,271,117.74**

This represents revenue other than statutory receipts from the Federation for Calabar Municipal Council for the year ended 31<sup>st</sup> December 2019.

**2. NON-TAX REVENUE (IGR) – N29,806,237.20**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Calabar Municipal Council for the year ended 31<sup>st</sup> December 2019.

CODE	DETAILS	ACTUAL 2019
		N
101000	TAXES	446,000.00
102000	RATES	5,250,000.00
103000	LOCAL LICENCE FEES	11,337,500.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	8,294,500.00
105000	RENT ON GOVERNMENT PROPERTY	1,157,000.00
106000	INTEREST ON DIVIDENDS	
107000	REIMBURSEMENT	
108000	MISCELLANEOUS	3,321,237.20
	<b>TOTAL</b>	<b>29,806,237.20</b>

**3. REDISTRIBUTION FROM JAAC – NIL**

This represents the positive inflows to Councils after Salaries, Statutory deductions and Joint Commitments were made by JAAC.



**4. SALARIES AND WAGES – ₦ 1,355,233,114.25**

This consists of the salaries and wages paid to staff of Calabar Municipal Council local government comprising of council staff, traditional rulers and non-pensionable allowances (LGC), teachers (SUBEB) and health workers (PHC). Pension allowances/Social benefits paid to all retired LGCs staff are also inclusive.

<b>SALARIES AND WAGES (SOCIAL BENEFITS)</b>		
<b>S/N</b>	<b>DESCRIPTION</b>	<b>AMOUNT (₦)</b>
1	Council Staff Salaries	262,938,368.52
2	Primary Health Care Salaries	305,835,729.49
3	Local Government Education Authority	496,620,402.84
4	Traditional Rulers Stipend	12,690,000.00
5	Pension Contribution	277,148,613.39
	<b>TOTAL</b>	<b>1,355,233,114.25</b>

**5. OVERHEAD COST – ₦69,394,769.56**

This represents total overhead cost incurred during the financial year by the Council.

<b>CODE</b>	<b>DETAILS</b>	<b>COUNCIL'S COMMITMENTS PAID THROUGH JAAC</b>	<b>DIRECT COUNCIL'S EXPENDITURE</b>	<b>TOTAL OPERATING EXPENSES 2019</b>
		<b>₦</b>	<b>₦</b>	<b>₦</b>
431200	TRAVEL & TRANSPORT	-	6,113,925.00	6,113,925.00
431300	UTILITIES	-	63,000.00	63,000.00
431400	MATERIALS & SUPPLIES	-	5,593,846.00	5,593,846.00
431500	MAINTENANCE, REPAIRS & SERVICES	-	4,550,450.00	4,550,450.00
431600	TRAINING & STAFF DEVELOPMENT	-	1,500,000.00	1,500,000.00
431700	CONSULTANCY & PROFESSIONAL SERVICES	1,944,444.44	1,566,000.00	3,510,444.44
431800	FINANCE EXPENSES			
431900	ENTERTAINMENT & HOSPITALITY	2,000,000.00	5,246,000.00	7,246,000.00
432100	OTHER SERVICES (JOINT COUNCIL'S COMMITMENT)	4,285,714.29	30,488,146.69	34,773,860.98
432200	GRANTS, CONTRIBUTION, SUBVENTION AND SUBSCRIPTION			
115000	CONSOLIDATED REVENUE FUND CHARGES		6,000,000.00	6,000,000.00
	<b>TOTAL OVERHEAD EXPENDITURE</b>	<b>8,230,158.73</b>	<b>61,164,610.83</b>	<b>69,394,769.56</b>

**6. STATUTORY DEDUCTIONS – ₦16,931,891.49**

This is made up of 31% Statutory deductions made from Calabar Municipal Council Statutory Allocations and paid to Ministry of Local Government Affairs for administration.

**7. JAAC CHARGES – ₦335,910,412.76**

This represents Joint Commitments of Calabar Municipal Council that were approved for payment by Councils from JAAC that resulted in negative redistribution for certain months of the year.

**8. INVESTMENT EXPENDITURE – NIL**

Investment expenditure represents the total aggregate payouts on behalf of Calabar Municipal Council Councils by the Ministry of Local Government Affairs for joint investments; in the year in question investment expenditure was NIL in Cross River State Micro Finance Bank Limited (CRMFB).

**9. TAXES RECEIVED AND REMITTED – NIL**

Taxes received represents Withholding and Value Added taxes deducted from contract and consultancy jobs while taxes remitted represents the portion actual remitted to the relevant tax authorities.

**10. REPAYMENT OF BORROWINGS – ₦222,222,222.22**

This represents the cumulative total of loans from the State Government to offset shortfalls in Salaries of Calabar Municipal Council and the amount repaid during the period as seen below;

**11. DEPOSITS RECEIVED AND REMITTED – NIL**

Deposits received represent the retention fees and unpaid contract sums for contracts awarded by Calabar Municipal Council during the year while Deposits remitted represent the aforementioned amounts actually paid out.

**12. PURCHASE/CONSTRUCTION OF PPE (CAPITAL EXPENDITURE N223,713,284.19)**

During the year under review, the Calabar Municipal Council LGC spent a total sum of =N=223.7m (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment). Details are as presented below in the tabular and Chart format;

CODE	DETAILS	COUNCIL'S COMMITMENTS PAID THROUGH JAAC	DIRECT COUNCIL'S EXPENDITURE	TOTAL CAPITAL EXPENDITURE 2019
		₦	₦	₦
<b>10000</b>	<b>ECONOMIC SECTOR</b>			
<b>11000</b>	AGRICULTURE	-	380,000.00	380,000.00
<b>16000</b>	ENERGY (FUEL & POWER)	-	75,582,000.00	75,582,000.00
<b>17000</b>	COMMERCE & FINANCE	-	3,689,000.00	3,689,000.00
<b>18000</b>	TRANSPORT (ROADS & BRIDGES)	-	40,000.00	40,000.00
<b>19000</b>	CULTURE & TOURISM	-		
<b>10000</b>	<b>TOTAL EXP. ON ECONOMIC SECTOR</b>	-	<b>79,691,000.00</b>	<b>79,691,000.00</b>
	<b>SOCIAL SERVICES SECTOR</b>			
<b>21000</b>	EDUCATION	-	350,000.00	350,000.00
<b>23000</b>	INFORMATION & COMMUNICATION TECHNOLOGY (ICT)	-	1,215,000.00	1,215,000.00
<b>24000</b>	SOCIAL DEVELOPMENT, YOUTH & SPORTS	-	2,451,425.22	2,451,425.22
<b>20000</b>	<b>TOTAL EXP. ON SOCIAL SERVICE SECTOR</b>	-	<b>4,016,425.22</b>	<b>4,016,425.22</b>
	<b>ENV. &amp; REGIONAL DEVELOPMENT SECTOR</b>			
<b>31000</b>	WATER SUPPLY		47,964,399.28	47,964,399.28
<b>32000</b>	SEWAGE & DRIANAGE		2,000,000.00	2,000,000.00
<b>33000</b>	HOUSING		1,559,000.00	1,559,000.00
<b>34000</b>	TOWN & COUNTRY PLANNING		9,557,000.00	9,557,000.00
<b>35000</b>	ENVIRONMENT & REFUSE DISPOSAL		495,000.00	495,000.00
<b>30000</b>	<b>TOTAL EXP. ON ENV. &amp; REGIONAL DEV. SECTOR</b>		<b>61,575,399.28</b>	<b>61,575,399.28</b>
<b>40000</b>	GENERAL ADMINISTRATION SECTOR	<b>72,438,888.89</b>	<b>5,991,470.80</b>	<b>78,430,359.69</b>
	<b>TOTAL CAPITAL EXPENDITURE</b>	<b>72,438,888.89</b>	<b>151,274,395.30</b>	<b>223,713,284.19</b>

**13. OVERDRAFT RECEIVED NIL AND NIL**

This represents overdrafts taken by some councils during the year and the portions that have been repaid. See details below.

**14. CASH AND CASH EQUIVALENTS – ₦ (220,151,032,82)**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Calabar Municipal Council Cash Books as at 31<sup>st</sup> December 2019.

**15. RECEIVABLES – ₦ 441,951,127.31**

This represents cumulative amounts owed to Council by the State Government via unremitted 10% State IGR, as seen in the table below;

RECEIVABLES (10	AMOUNT (₦)
Balance Brought Forward	316,411,882.96
2019 Unpaid 10%	125,539,244.45
Remittance for the Period	
Balance Carried forward	441,951,127.31

**16. INVESTMENTS – ₦158,878,724.60**

This represents joint investments and stocks held by the Calabar Municipal Council LGC in certain State-owned projects/companies like the Tinapa Business Resort, the Obudu Ranch Resort and the Cross-River State Micro Finance Bank.

**17. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND - ₦ 117,737,622.93**

This represents the cumulative monthly contribution of one million per council yearly. details are found in the table below;

MONTH	DETAILS	AMOUNT (₦)
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	1,000,000.00
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00
JUN	DEDUCTION FROM ALLOCATION	1,000,000.00
JUL	DEDUCTION FROM ALLOCATION	1,000,000.00
AUG	DEDUCTION FROM ALLOCATION	1,000,000.00
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
TOTAL AS IN CASHFLOW STATEMENT		12,000,000.00
BALANCE B/F AS AT 1ST JANUARY		105,737,622.93
TOTAL AS IN STATEMENT OF ASSETS & LIABILITIES		117,737,722.93

**18. SHORT TERM LOANS AND DEBTS – NIL**

This represents loans owed to various banks by Calabar Municipal Council Local Governments.

**19. UNREMITTED DEDUCTIONS – ₦ 582,847,959.56**

This represents the cumulative total of all unremitted statutory deductions by Calabar Municipal Council LGC to certain State agencies as mandated by Law.

**20 LONG TERM LOANS/BORROWINGS (CRSG LOAN) – ₦323,680,797.86**

This represents the cumulative total amounts owed the State Government by the 18 LGCs, borrowed to offset shortfalls in funds to pay salaries.

**21.. DEPOSITS – ₦14,786,543.68**

Deposits received represents unpaid retention fees, unclaimed salaries and unpaid contract sums for contracts awarded by councils during the year while Deposits remitted represent the aforementioned amounts actually paid out.

S/NO	DETAILS	BAL. B/F AS AT 1 <sup>ST</sup> JANUARY 2019	CURRENT YEAR ADDITIONS (AS IN CASH FLOW STATEMENT)	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12- 2019 (AS IN BALANCE SHEET)
		₦	₦	₦	₦
1	RETENTION DEPOSIT	3,192,203.98	-	-	3,192,203.98
2	UNCLAIMED SALARIES	11,594,339.70	-	-	11,594,339.70
<b>TOTAL</b>		<b>14,786,543.68</b>	<b>-</b>	<b>-</b>	<b>14,786,543.68</b>

**22. RESERVES - ₦ 156,140,101.47**

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31<sup>st</sup> December for the year 2019, apportioned to each Calabar Municipal Council Local Government in its Financial Statements for the purposes of disclosure.

**23. PAYABLES – ₦48,620.00**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Calabar Municipal Council LGCs as at 31<sup>st</sup> December 2019.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2019	CURRENT YEAR ADDITIONS (AS IN CASH FLOW STATEMENT)	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12- 2019 (AS IN BALANCE SHEET)
1	5% CONTRACTORS' TAX (WHT) BFWD	24,310.00	-	-	24,310.00
2	5% VALUE ADDED TAX (VAT) BFWD	24,310.00	-	-	24,310.00
<b>TOTAL</b>		<b>48,620.00</b>	-	-	<b>48,620.00</b>

**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF CALABAR MUNICIPAL LOCAL GOVERNMENT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2018**

<b>Month</b>	<b>Buildings</b>	<b>Equipment</b>	<b>Fixtures</b>	<b>Furniture &amp; Fittings</b>	<b>Land &amp; Buildings</b>	<b>Motor Vehicles</b>	<b>Plant &amp; Machinery</b>	<b>Total</b>
	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>
January	-	-	-	-	-	-	-	-
February	-	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-	-
April	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-
November	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-
<b>TOTAL</b>								

**Note: The Cross-River State Local Governments are yet to fully implement IPSAS Accrual basis of Accounting. Cash basis is still in operation. However, plans are underway to fully implement IPSAS Accrual by the 18 Councils conducting a thorough Property, Plant and Equipment valuation and maintaining a Fixed Assets Register.**

**CALABAR SOUTH LOCAL  
GOVERNMENT COUNCIL**



**CALABAR SOUTH LOCAL GOVERNMENT, ANANTIGHA**  
**AUDIT OPINION**

**STATEMENT OF OPINION OF THE AUDITOR-GENERAL**

The Accounts of the Calabar South Local Government Council found on pages 234-236 have been examined under my direction, which have been prepared under the accounting policies set out on pages 228-233.

**RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL**

The Local Government Treasurer is responsible for the preparation of the Financial Statements. It is my responsibility to form an independent opinion based on our Audit on the Financial Statements and report our opinion to you.


**THE SCOPE OF MY AUDIT**

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements 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 we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

In affirming our opinion, we evaluated the preparation of the information in the Financial Statements and assessed whether the Councils' books and Accounts had been properly kept.

**OUR OPINION**

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Calabar South Local Government Council as at 31<sup>st</sup> December 2019*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.

  
**MRS. FRANKA A. INOK, FCA**  
**AUDITOR-GENERAL**

**CALABAR SOUTH LOCAL GOVERNMENT, ANANTIGHA**  
**RESPONSIBILITY FOR FINANCIAL STATEMENTS**

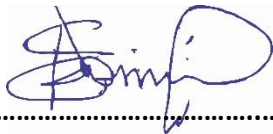
These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Calabar South Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Cash Basis) and Generally Accepted Accounting Practice.

The Management of Calabar South Local Government Council is responsible for establishing and maintaining a system of internal controls, designed to provide reasonable assurance that the transactions recorded are within their statutory authority and have properly recorded the use of all public financial resources by the Local Government Council.

The Director of Finance (Treasurer) has responsibility for ensuring the internal controls are functional throughout the year and that financial records are properly kept, and appropriate financial statements are prepared. To the best of my knowledge, this system of internal control has operated adequately throughout the reporting period.

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the IPSAS and Financial Memoranda, (as amended).

In our opinion, these financial statements fairly reflect the financial position of Calabar South Local Government as at 31<sup>st</sup> December 2019 and its operations for the period ended on that date.



CHAIRMAN

21st September 2020

DATE



THE DIRECTOR OF FINANCE (TREASURER)

21st September 2020

DATE



The Chairman,  
Calabar South Local Government Council,  
ANANTIGHA.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF CALABAR SOUTH LOCAL GOVERNMENT FOR  
THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019.**

**REPORT ON THE FINANCIAL STATEMENTS**

I have examined the Financial Statements set out on page(s) 234 to 236 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

**MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:**

It is the responsibility of the Director of Finance (Treasurer) to prepare the accounts in accordance with the provisions of the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda. It is my responsibility to audit and form an independent opinion on the General-Purpose Financial Statements (GPFS).

**BASIS OF AUDIT OPINION**

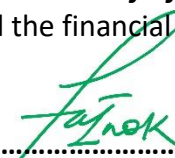
I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007 and Generally Accepted Auditing Standards.

Proper Books of accounts were kept; projects and programmes have been verified and appropriate comments included in my inspection report to the Management of Council and in the Annual Report to the Cross-River State House of Assembly.

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my office, Councils Financial Statements were converted to IPSAS (Cash Basis) General Purpose Financial Statements for the first time in the interest of best practice.

**AUDIT OPINION**

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Calabar South Local Government Council as at 31<sup>st</sup> December 2019*** and the financial Position and Cashflows for the period ended on that date.

  
.....  
MRS FRANKA INOK, FCA  
AUDITOR-GENERAL  
CALABAR



**CALABAR SOUTH LOCAL GOVERNMENT, ANANTIGHA**

**STATEMENT OF ACCOUNTING POLICIES**

**1. Basis of Preparation of Financial Statements**

These Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) (Cash Basis) as well as under the Guidelines of the Financial Memoranda and in conformity with the Standardized Chart of Accounts designed and introduced by the Federation Account Allocation Committee (FAAC) for adoption by all tiers of Government in Nigeria as well as the Financial Reporting Council (FRC) Guidelines on Public Sector reporting.

**2. Accounting Period**

The accounting year to which the Financial Statements relate is from 1<sup>st</sup> January to 31<sup>st</sup> December 2018.

**3. Reporting Currency**

The Financial Statements were prepared in Nigerian Naira.

**4. IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when cash (including cash equivalents) are received or paid by the LGCs. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of cash raised during the period, the purposes for which cash was used and the cash balances at the reporting date. Notes to the GPFS provide additional information about Liabilities, including Payables and Borrowings and non-cash assets that include Receivables, Investments and Property, Plant and Equipment.

## **5. Accounting Terminologies / Definitions**

### **5.1 Accounting Policies**

These are the specific principles, bases, conventions, rules and practices adopted by the 18 LGAs in preparing and presenting their Financial Statements.

### **5.2 Cash**

Cash comprises of cash in hand, demand deposits in financial institutions and cash equivalents.

### **5.3 Cash equivalents**

These are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **5.4 Cash basis**

means a basis of accounting that recognizes transactions and other events only when cash is received or paid.

### **5.5 Cash flows**

are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.

**5.6 Cash receipts** are cash inflows.

**5.7 Cash payments** are cash outflows.

## **5.8 Notes to the GPFS**

These include narrative descriptions or more detailed schedules, or analyses of amounts shown on the face of the GPFS, as well as additional information.

## **6. General Purpose Financial Statements (GPFS)**

The GPFS comprise of Statements of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by the 18 LGAs and Accounting Policies and Notes to the Financial Statements.

### **6.1 Principal Statements contained in the IPSAS Financial Statements**

- The Cash flow Statement
- The Statement of Financial Position
- The Statement of Financial Performance
- The Notes to the Financial Statements
- Accounting Policies and Explanatory Notes.

## **7. Fundamental Accounting Concepts**

The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in State:

Cash Basis of Accounting

Understandability

Materiality

Relevance

Going Concern Concept

Consistency Concept

Prudence

Completeness etc.

## **8. Comparative Information**

The GPFS shall disclose all numerical information relating to the previous period (at least one year

## **9. Interest Received**

Interest actually received during the financial year shall be treated as a receipt under item 'Other Receipts'.

## **10. Receipts**

These are Cash inflows within the financial year. They comprise of receipts from Statutory Allocations, Value Added Tax, Excess Crude, Internally Generated Revenue and Other Revenue. These items shall be disclosed at the face of the Statement of Cashflows

## **11. Payments**

These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorized either by Function and/or by Sector in the Statement of Cash Receipts and Payment. Payments for purchase of items of capital nature (e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.

## **12. Investments**

Cash Payments made for investment purposes such as purchase of Government Stock, Treasury Bills and Certificates of Deposit, are capital costs and are disclosed as purchase of financial instruments in Council accounts.

### **13. Loans**

Loans granted to Local Governments especially by the State Government shall be categorized under loans in the Statement of Financial Position. Amount disclosed in the Statement of Cashflow shall be the actual amount received in the financial year while amount disclosed in the Statement of Financial Position shall be cumulative including loan amounts outstanding from previous years.

### **14. Loan Repayments**

Amounts repaid from Loans granted to Local Governments shall be classified under Loan Repayments, amount disclosed shall be actual amount

### **15. Budget Figures**

These are figures from the approved annual budget and supplementary budget as approved with the Cross-River State Local Government Law 2007 (as amended).

### **16. Interest on Loans**

Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest repayment in the Statement of Cashflow.

### **17. Prepayments**

Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.

### **18. Advances**

All Cash Advances shall be retired before the end of the financial year-end.



## **19. Leases**

Cash Payment for Finance Leases, which effectively transfer to the Government substantially all the risks and benefits incidental to ownership of the leased item, are treated as capital payments and disclosed in the Statement of Cash Receipts and payments.

## **20. Cash Balances**

This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.

## **21. Other Borrowings / Grants & Aid Received**

These are categorized as either Short-term or Long-term Loans. Short term loans are those payable within one calendar year (12 months), while Long-term loans and debts shall fall due beyond one calendar year (above 12 months). Loans and Grants shall be disclosed separately in the Statement of Cashflows

## **Key to Abbreviations**

1. LGC - Local Government Council
2. FAAC -Federation Account Allocation Committee
3. VAT - Value Added Tax
4. IGR - Internally Generated Revenue
5. GAAP - Generally Accepted Accounting Principles
6. GPFS - General Purpose Financial Statements
7. IPSAS - International Public Sector Accounting Standards
8. PPE - Property, Plant and Equipment
9. JAAC - Joint Account Allocation Committee

**CALABAR SOUTH LOCAL GOVERNMENT, ANANTIGHA**  
**STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2019</b>	<b>2018</b>
<b>Inflows:</b>	<b>₦</b>	<b>₦</b>
Government Share of FAAC (Statutory Allocation)	1,481,108,692.41	1,528,590,819.34
Government Share of VAT	423,562,296.59	394,064,337.52
Excess Crude	2,517,053.58	6,899,143.79
Other Revenue	44,830,982.46	50,908,473.16
Internally Generated Revenue (Non-Tax Revenue)	17,580,865.00	15,589,693.00
Redistribution from JAAC	-	-
10% State IGR (Non-Tax Revenue)	-	-
<b>Total Inflows from Operating Activities</b>	<b>1,969,599,890.04</b>	<b>1,996,052,466.81</b>
<b>Outflows:</b>		
Salaries and Wages (Social Benefits)	1,012,685,388.56	1,091,445,144.22
Overhead Cost	16,931,891.49	6,732,783.46
Statutory Deductions	54,299,764.99	14,938,321.42
JAAC Charges	789,870,695.54	331,349,260.58
<b>Total Outflows from Operating Activities</b>	<b>1,873,787,740.58</b>	<b>1,444,465,509.68</b>
<b>Net Cashflow from Operating Activities</b>	<b>95,812,149.46</b>	<b>551,586,957.13</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of PPE	-	-
Proceeds from Sale of Investment Property	-	-
Capital Expenditure (Purchase/Construction of PPE)	(217,261,451.98)	(358,531,006.86)
Investment Expenditure	-	(27,777,777.78)
<b>Net Cashflow from Investing Activities</b>	<b>(217,261,451.98)</b>	<b>(386,308,784.64)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Miscellaneous Deposits Received	-	-
Miscellaneous Deposits Remitted	-	-
Taxes Received	9,757,000.00	-
Tax Remitted	-	-
Proceeds from Borrowings (CRSG Loan)	-	(27,777,777.77)
Repayment of Borrowings	(222,222,222.22)	-
Overdraft Received	-	-
Overdraft Repayment	-	-
<b>Net Cash Flow from Financing Activities</b>	<b>(212,465,222.22)</b>	<b>(27,777,777.77)</b>
<b>Net Increase (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(333,914,524.74)</b>	<b>137,500,394.72</b>
<b>Cash and its Equivalent as at 01 Jan 2019</b>	<b>153,313,442.81</b>	<b>15,813,048.09</b>
<b>Cash and its Equivalent as at 31 Dec 2019</b>	<b>(180,601,081.93)</b>	<b>153,313,442.81</b>

**CALABAR SOUTH LOCAL GOVERNMENT, ANANTIGHA**  
**STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

	2019	2018
<b>ASSETS</b>	<b>₦</b>	<b>₦</b>
<b><u>Current Assets:</u></b>		
Cash and Cash Equivalents	(180,601,081.93)	153,313,442.81
Receivables	441,951,127.31	316,411,882.96
Inventories	-	-
Prepayments	-	-
<b>Total Current Assets (A)</b>	<b>261,350,045.38</b>	<b>469,725,325.77</b>
<b><u>Non-Current Assets</u></b>		
Long-Term Loans		
Investments	158,878,724.67	158,878,724.67
Property, Plant & Equipment	-	-
Contribution to CRS Reserve Fund	117,737,622.93	105,737,622.93
<b>Total Non-Current Assets (B)</b>	<b>276,616,347.60</b>	<b>264,616,347.60</b>
<b>Total Assets (A) + (B)</b>	<b>537,966,392.98</b>	<b>734,341,673.37</b>
<b>LIABILITIES</b>		
<b><u>Current Liabilities</u></b>		
Deposits	1,520,013.64	-
Short term Loans & Debts	-	1,520,013.64
Unremitted Deductions	582,847,959.56	588,576,733.86
Payables (Unremitted Taxes)	15,842,418.85	6,085,418.85
<b>Total Current Liabilities (C)</b>	<b>600,210,392.05</b>	<b>596,182,166.35</b>
<b><u>Non-Current Liabilities</u></b>		
Long Term Borrowings (CRSG loan)	323,680,797.86	545,903,020.08
Internal Loans (Public Funds)	-	-
Long Term Provisions (Taxes)	-	-
<b>Total Non-Current Liabilities (D)</b>	<b>323,680,797.86</b>	<b>545,903,020.08</b>
<b>Total Liabilities (C) + (D)</b>	<b>923,891,189.91</b>	<b>1,142,085,186.43</b>
<b>Net Assets (Total Assets - Total Liabilities)</b>	<b>(385,924,796.93)</b>	<b>(407,743,513.06)</b>
<b>NET ASSETS/EQUITY</b>		
Reserves	156,140,101.47	364,061,074.01
Accumulated Surpluses/(Deficits)	(542,064,898.40)	(771,804,587.07)
<b>Total Net Assets/Equity</b>	<b>(385,924,796.93)</b>	<b>(407,743,513.06)</b>

**CALABAR SOUTH LOCAL GOVERNMENT, ANANTIGHA**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

PREVIOUS YEAR ACTUAL (2018)		Notes	ACTUAL 2019	FINAL BUDGET 2019	VARIANCE ON FINAL BUDGET
=N=			=N=	=N=	=N=
	<b>REVENUE</b>				
	<b>RECEIPTS:</b>				
1,980,462,773.81	Government Share of FAAC	1	1,952,019,025.04	2,745,352,966.00	(793,333,941.00)
15,589,693.00	Internally Generated	2	17,580,865.00	53,375,00.00	(35,794,435.00)
	Redistribution from JAAC	3			
	Cross River State	11			
<b>1,996,052,466.81</b>	<b>Total Revenue (A)</b>		<b>1,969,599,890.04</b>	<b>2,798,728,266.00</b>	<b>(829,128,375.96)</b>
	<b>EXPENDITURE</b>				
1,091,445,144.22	Salaries and Wages	4	1,012,685,388.56	1,001,488,631.00	(11,196,757.56)
6,732,783.46	Statutory Deductions	6	54,299,764.99	922,965,185.00	868,665,420.01
14,938,321.42	Overhead Cost	5	16,931,891.49	155,273,879.00	138,341,987.51
331,349,260.58	JAAC Charges	7	789,870,695.54	-	789,870,695.54
358,531,006.86	Capital Expenditure	8	217,261,451.98	1,754,822,478.00	1,537,561,026.02
27,777,777.78	Investment Expenditure	9	-	-	-
<b>1,830,774,294.32</b>	<b>Total Expenditure (B)</b>		<b>2,091,049,192.56</b>	<b>63,834,550,173.00</b>	<b>1,743,500,980.44</b>
<b>165,278,172.49</b>	<b>Surplus/Deficit from</b>		<b>(121,449,302.52)</b>	<b>(1,035,821,873.00)</b>	
	Gain/Loss on Disposal of				
	<b>Total Non-Operating Revenue/Expenditure</b>				
	Surplus/Deficit from				
<b>165,278,172.49</b>	<b>Net Surplus/Deficit for the</b>		<b>(121,449,302.52)</b>	<b>(1,035,821,873.00)</b>	

**CALABAR SOUTH LOCAL GOVERNMENT, ANANTIGHA****NOTES TO THE FINANCIAL STATEMENTS****1a. (A) GOVERNMENT SHARE OF FAAC (STATUTORY ALLOCATION) ₦1,481,108,692.41**

This represents allocations received on a monthly basis by Calabar South Local Government council from the Federation Account in line with the provisions of the Constitution of the Federal Republic of Nigeria.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) EXCESS CRUDE	(D) OTHER REVENUE	TOTAL
1	JAN.	122,772,468.51	36,031,103.45	225,165.91		159,028,737.87
2	FEB.	111,804,133.65	37,397,572.20	149,961.93	2,093,545.46	151,445,213.24
3	MARCH	106,059,161.87	35,046,819.17	194,174.17	10,940,929.64	152,241,084.85
4	APRIL	99,871,326.16	32,953,864.81	148,161.28	17,501,789.53	150,475,141.78
5	MAY	115,165,830.03	34,650,581.67	180,312.78	-	149,996,724.48
6	JUNE	129,150,824.26	38,374,006.46	264,473.26	-	167,789,303.98
7	JULY	141,413,935.45	38,878,994.53	237,655.87	-	180,530,585.85
8	AUG.	137,726,123.52	34,106,769.51	231,669.59	-	172,064,562.62
9	SEPT.	138,678,634.59	31,694,568.68	235,834.60	459,648.05	171,068,685.92
10	OCT.	134,897,306.29	33,493,743.27	216,141.51	-	168,607,191.07
11	NOV.	133,007,799.19	37,834,286.31	254,493.16	1,950,856.88	173,047,435.44
12	DEC.	110,561,148.89	33,099,986.63	179,009.52	11,884,212.90	155,724,357.94
	<b>TOTAL</b>	<b>1,481,108,692.41</b>	<b>423,562,296.69</b>	<b>2,517,053.58</b>	<b>44,830,982.46</b>	<b>1,952,019,025.04</b>

**1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) –N432,562,296.59**

This represents Federal Revenue arising from Value Added Tax (VAT) for Calabar South Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1c. (C) EXCESS CRUDE –N2,517,053.58**

This represents the 18 LGAs share of Federal Excess Crude revenue as seen in table 1, for Calabar South Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1d. (D) OTHER REVENUE –N44,830,982.46**

This represents revenue other than statutory receipts from the Federation for Calabar South Local Government Council for the year ended 31<sup>st</sup> December 2019.

**2. NON-TAX REVENUE (IGR) – N17,580,865.00**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Calabar South Local Government Council for the year ended 31<sup>st</sup> December 2019.

CODE	DETAILS	ACTUAL 2019
		<b>N</b>
<b>101000</b>	TAXES	6,792,365.00
<b>102000</b>	RATES	-
<b>103000</b>	LOCAL LICENCE FEES	5,677,000.00
<b>104000</b>	EARNINGS FROM COMMERCIAL UNDERTAKINGS	3,849,500.00
<b>105000</b>	RENT ON GOVERNMENT PROPERTY	540,000.00
<b>106000</b>	INTEREST ON DIVIDENDS	
<b>107000</b>	REIMBURSEMENT	
<b>108000</b>	MISCELLANEOUS	722,000.00
	<b>TOTAL</b>	<b>17,580,865.00</b>

**3. REDISTRIBUTION FROM JAAC – NIL**

This represents the positive inflows to Councils after Salaries, Statutory deductions and Joint Commitments were made by JAAC.

**4. SALARIES AND WAGES – N 1,012,685,388.56**

This consists of the salaries and wages paid to staff of Calabar South local government comprising of council staff, traditional rulers and non-pensionable allowances (LGC), teachers (SUBEB) and health workers (PHC). Pension allowances/Social benefits paid to all retired LGCs staff are also inclusive.

<b>SALARIES AND WAGES (SOCIAL BENEFITS)</b>		
	<b>DESCRIPTION</b>	<b>AMOUNT (N)</b>
<b>1</b>	Council Staff Salaries	256,291,703.97
<b>2</b>	Primary Health Care Salaries	238,245,989.94
<b>3</b>	Local Government Education Authority	347,085,654.10
<b>4</b>	Traditional Rulers Stipend	13,590,000.00
<b>5</b>	Pension Contribution	157,470,140.53
	<b>TOTAL</b>	<b>1,012,685,488.54</b>

**5. OVERHEAD COST – N54,299,764.99**

This represents total overhead cost incurred during the financial year by the Council.

<b>CODE</b>	<b>DESCRIPTION</b>	<b>TOTAL N</b>
431200	TRAVEL & TRANSPORT	1,653,000.00
431300	UTILITIES	34,343.11
431400	MATERIALS & SUPPLIES	1,752,300.00
431500	MAINTAINANCE & SERVICES	1,981,500.00
431600	TRANING & STAFF DEVELOPMENT	321,000.00
431700	CONSULTANCES & PROF. SERVICES	2,385,000.00
431800	FINANCE EXPENSES	95,862.28
431900	ENTERTAINMENT & HOSPITALITY	1,367,000.00
432100	OTHER SERVICES	43,803,864.76
432200	GRANT & SUBVENTION	900,000.00
115000	DEBT SERVICING	-
	<b>TOTAL</b>	<b>54,299,764.99</b>

**6. STATUTORY DEDUCTIONS – ₦16,931,891.49**

This is made up of 31% Statutory deductions made from Calabar South Local Government Council Statutory Allocations and paid to Ministry of Local Government Affairs for administration.

**7. JAAC CHARGES – =N=789,870,695.54**

This represents Joint Commitments of Calabar South Local Government Council that were approved for payment by Councils from JAAC that resulted in negative redistribution for certain months of the year.

**8. PURCHASE/CONSTRUCTION OF PPE (CAPITAL EXPENDITURE ₦217,261,451.98**

During the year under review, the Calabar South LGC spent a total sum of =N=217.2m (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment). Details are as presented below in the tabular and Chart format;

HEAD	DETAILS	ACTUAL PAID BY COUNCIL 2019 N
<b>ECONOMIC SECTOR</b>		
<b>16000</b>	ENERGY (FUEL & POWER)	72,776,000.00
<b>17000</b>	COMMERCE & FINANCE	2,414,000.00
<b>18000</b>	TRANSPORTATION	30,000.00
<b>19000</b>	CULTURE & TOURISM	
<b>SUB TOTAL</b>		<b>75,220,000.00</b>
<b>SOCIAL SERVICE SECTOR</b>		
<b>23000</b>	INFORMATION	30,000.00
<b>24000</b>	SOCIAL DEV. YOUTH & SPORT	500,000.00
<b>SUB TOTAL</b>		<b>530,000.00</b>
<b>ENV. &amp; REGIONAL DEVELOPMENT SECTOR</b>		
<b>31000</b>	WATER SUPPLY	737,143.25
<b>32000</b>	SEWAGE & DRAINAGE	1,700,000.00
<b>35000</b>	ENVIRONMENTAL & REFUSE DISPOSAL	13,500.00
<b>SUB TOTAL</b>		<b>2,450,643.25</b>
<b>4000</b>	GENERAL ADMINISTRATION	139,060,808.73
<b>GRAND TOTAL</b>		<b>217,261,451.98</b>



**9. INVESTMENT EXPENDITURE – NIL**

Investment expenditure represents the total aggregate payouts on behalf of Calabar South Councils by the Ministry of Local Government Affairs for joint investments; in the year in question investment expenditure was NIL in Cross River State Micro Finance Bank Limited (CRMFB).

**10. DEPOSITS RECEIVED AND REMITTED – NIL & NIL**

Deposits received represent the retention fees and unpaid contract sums for contracts awarded by Calabar South council during the year while Deposits remitted represent the aforementioned amounts actually paid out.

**11. TAXES RECEIVED AND REMITTED – =N=,9,757,000.00 & NIL**

Taxes received represents Withholding and Value Added taxes deducted from contract and consultancy jobs while taxes remitted represents the portion actual remitted to the relevant tax authorities.

TAXES RECEIVED AND REMITTED			
S/N	LGC	TAXES RECEIVED	TAXES REMITTED
1	CALABAR SOUTH	9,757,000.00	-
	<b>TOTAL</b>	<b>9,757,000.00</b>	<b>-</b>

**12. REPAYMENT OF BORROWINGS – =N=222,222,222.22**

This represents the cumulative total of loans from the State Government to offset shortfalls in Salaries of Calabar South LGC and the amount repaid during the period as seen below;

**13. OVERDRAFT RECEIVED NIL AND NIL**

This represents overdrafts taken by some councils during the year and the portions that have been repaid. See details below.

**14. CASH AND CASH EQUIVALENTS – ₦ (180,621,081.93)**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Calabar South Local Government Council Cash Books as at 31<sup>st</sup> December 2019.

**15. RECEIVABLES – ₦ 441,951,127.31**

This represents cumulative amounts owed to Council by the State Government via unremitted 10% State IGR, as seen in the table below;

RECEIVABLES	AMOUNT (₦)
Balance Brought Forward	316,411,882.96
2019 Unpaid 10%	125,539,244.45
Remittance for the Period	
Balance Carried forward	441,951,127.31

**16. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND - ₦ 117,737,622.93**

This represents the cumulative monthly contribution of one million per council yearly. details are found in the table below;

MONTH	DETAILS	2018
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	1,000,000.00
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00
JUN	DEDUCTION FROM ALLOCATION	1,000,000.00
JUL	DEDUCTION FROM ALLOCATION	1,000,000.00
AUG	DEDUCTION FROM ALLOCATION	1,000,000.00
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>TOTAL AS IN CASHFLOW STATEMENT</b>		<b>12,000,000.00</b>
<b>BALANCE B/F AS AT 1ST JANUARY</b>		<b>105,737,622.93</b>
<b>TOTAL AS IN STATEMENT OF ASSETS &amp; LIABILITIES</b>		<b>117,737,722.93</b>

**17. INVESTMENTS – ₦158,878,724.60**

This represents joint investments and stocks held by the Calabar South LGC in certain State-owned projects/companies like the Tinapa Business Resort, the Obudu Ranch Resort and the Cross-River State Micro Finance Bank.

**18. DEPOSITS – NIL**

Deposits received represents unpaid retention fees, unclaimed salaries and unpaid contract sums for contracts awarded by councils during the year while Deposits remitted represent the aforementioned amounts actually paid out.

**19. SHORT TERM LOANS AND DEBTS – ₦1,520,013.64**

This represents loans owed to various banks by Calabar South Local Governments.

**20. UNREMITTED DEDUCTIONS – ₦ 582,847,959.56**

This represents the cumulative total of all unremitted statutory deductions by Calabar South LGC to certain State agencies as mandated by Law.

**21. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – ₦323,680,797.86**

This represents the cumulative total amounts owed the State Government by the 18 LGCs, borrowed to offset shortfalls in funds to pay salaries.

**22. RESERVES - ₦ 156,140,101.47**

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31<sup>st</sup> December for the year 2019, apportioned to each Calabar South Local Government in its Financial Statements for the purposes of disclosure

**23. PAYABLES – N15,842,418.85**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Calabar South LGCs as at 31<sup>st</sup> December 2019.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2018	CURRENT YEAR ADDITIONS (AS IN CASH FLOW STATEMENT)	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12- 2018 (AS IN BALANCE SHEET)
1	WHT	3,043,519.95	4,435,000.00	-	7,478,519.95
2	VAT	3,041,898.90	4,435,000.00	-	7,478,519.95
3	STAMP DUTY	-	887,000.00	-	887,000.00
	<b>TOTAL</b>	<b>6,085,418.85</b>	<b>9,757,000.00</b>	<b>-</b>	<b>15,842,418.85</b>

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF CALABAR SOUTH LOCAL GOVERNMENT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2018**

<b>Month</b>	<b>Buildings</b>	<b>Equipment</b>	<b>Fixtures</b>	<b>Furniture &amp; Fittings</b>	<b>Land &amp; Buildings</b>	<b>Motor Vehicles</b>	<b>Plant &amp; Machinery</b>	<b>Total</b>
	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>
January	-	-	-	-	-	-	-	-
February	-	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-	-
April	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-
November	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-
<b>TOTAL</b>								

**Note: The Cross-River State Local Governments are yet to fully implement IPSAS Accrual basis of Accounting. Cash basis is still in operation. However, plans are underway to fully implement IPSAS Accrual by the 18 Councils conducting a thorough Property, Plant and Equipment valuation and maintaining a Fixed Assets Register.**

**ETUNG LOCAL GOVERNMENT  
COUNCIL**

**ETUNG LOCAL GOVERNMENT, EFFRAYA**

**AUDIT OPINION**

**STATEMENT OF OPINION OF THE AUDITOR-GENERAL**

The Accounts of the Etung Local Government Council found on pages 256-258 have been examined under my direction, which have been prepared under the accounting policies set out on pages 250-257.

**RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL**

The Local Government Treasurer is responsible for the preparation of the Financial Statements. It is my responsibility to form an independent opinion based on our Audit on the Financial Statements and report our opinion to you.

**THE SCOPE OF MY AUDIT**

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements 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 we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

In affirming our opinion, we evaluated the preparation of the information in the Financial Statements and assessed whether the Councils' books and Accounts had been properly kept.

**OUR OPINION**

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Etung Local Government Council as at 31<sup>st</sup> December 2019*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.

  
**MRS. FRANKA A. INOK, FCA**  
**AUDITOR-GENERAL**

**ETUNG LOCAL GOVERNMENT, EFFRAYA**  
**RESPONSIBILITY FOR FINANCIAL STATEMENTS**


These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Etung Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Cash Basis) and Generally Accepted Accounting Practice.

The Management of Etung Local Government Council is responsible for establishing and maintaining a system of internal controls, designed to provide reasonable assurance that the transactions recorded are within their statutory authority and have properly recorded the use of all public financial resources by the Local Government Council.


The Director of Finance (Treasurer) has responsibility for ensuring the internal controls are functional throughout the year and that financial records are properly kept, and appropriate financial statements are prepared. To the best of my knowledge, this system of internal control has operated adequately throughout the reporting period.

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the IPSAS and Financial Memoranda, (as amended).

In our opinion, these financial statements fairly reflect the financial position of Etung Local Government as at 31<sup>st</sup> December 2019 and its operations for the period ended on that date.

  
.....  
**CHAIRMAN**

21st September 2020  
.....  
**DATE**

  
.....  
**THE DIRECTOR OF FINANCE (TREASURER)**

21st September 2020  
.....  
**DATE**





The Chairman,  
Etung Local Government Council,  
EFFRAYA.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF ETUNG LOCAL GOVERNMENT COUNCIL  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019.**

**REPORT ON THE FINANCIAL STATEMENTS**

I have examined the Financial Statements set out on page(s) 256 to 258 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

**MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:**

It is the responsibility of the Director of Finance (Treasurer) to prepare the accounts in accordance with the provisions of the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda. It is my responsibility to audit and form an independent opinion on the General-Purpose Financial Statements (GPFS).

**BASIS OF AUDIT OPINION**


I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007 and Generally Accepted Auditing Standards.

Proper Books of accounts were kept; projects and programmes have been verified and appropriate comments included in my inspection report to the Management of Council and in the Annual Report to the Cross-River State House of Assembly.

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my office, Councils Financial Statements were converted to IPSAS (Cash Basis) General Purpose Financial Statements for the first time in the interest of best practice.

**AUDIT OPINION**

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Etung Local Government Council as at 31<sup>st</sup> December 2019*** and the financial Position and Cashflows for the period ended on that date.

  
.....  
**MRS FRANKA INOK, FCA**  
**AUDITOR-GENERAL**  
**CALABAR**



**ETUNG LOCAL GOVERNMENT, EFFRAYA**

**STATEMENT OF ACCOUNTING POLICIES**

**1. Basis of Preparation of Financial Statements**

These Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) (Cash Basis) as well as under the Guidelines of the Financial Memoranda and in conformity with the Standardized Chart of Accounts designed and introduced by the Federation Account Allocation Committee (FAAC) for adoption by all tiers of Government in Nigeria as well as the Financial Reporting Council (FRC) Guidelines on Public Sector reporting.

**2. Accounting Period**

The accounting year to which the Financial Statements relate is from 1<sup>st</sup> January to 31<sup>st</sup> December 2018.

**3. Reporting Currency**

The Financial Statements were prepared in Nigerian Naira.

**4. IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when cash (including cash equivalents) are received or paid by the LGCs. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of cash raised during the period, the purposes for which cash was used and the cash balances at the reporting date. Notes to the GPFS provide additional information about Liabilities, including Payables and Borrowings and non-cash assets that include Receivables, Investments and Property, Plant and Equipment.

## **5. Accounting Terminologies / Definitions**

### **5.1 Accounting Policies**

These are the specific principles, bases, conventions, rules and practices adopted by the 18 LGAs in preparing and presenting their Financial Statements.

### **5.2 Cash**

Cash comprises of cash in hand, demand deposits in financial institutions and cash equivalents.

### **5.3 Cash equivalents**

These are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **5.4 Cash basis**

means a basis of accounting that recognizes transactions and other events only when cash is received or paid.

### **5.5 Cash flows**

are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.

**5.6 Cash receipts** are cash inflows.

**5.7 Cash payments** are cash outflows

## 5.8 Notes to the GPFS

These include narrative descriptions or more detailed schedules, or analyses of amounts shown on the face of the GPFS, as well as additional information.

## 6. General Purpose Financial Statements (GPFS)

The GPFS comprise of Statements of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by the 18 LGAs and Accounting Policies and Notes to the Financial Statements.

### 6.1 Principal Statements contained in the IPSAS Financial Statements

- The Cash flow Statement
- The Statement of Financial Position
- The Statement of Financial Performance
- The Notes to the Financial Statements
- Accounting Policies and Explanatory Notes.

## 7. Fundamental Accounting Concepts

The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in State:

Cash Basis of Accounting

Understandability

Materiality

Relevance

Going Concern Concept

Consistency Concept

Prudence

Completeness etc.

**8. Comparative Information**

The GPFS shall disclose all numerical information relating to the previous period (at least one year

**9. Interest Received**

Interest actually received during the financial year shall be treated as a receipt under item 'Other Receipts'.

**10. Receipts**

These are Cash inflows within the financial year. They comprise of receipts from Statutory Allocations, Value Added Tax, Excess Crude, Internally Generated Revenue and Other Revenue. These items shall be disclosed at the face of the Statement of Cashflows

**11. Payments**

These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorized either by Function and/or by Sector in the Statement of Cash Receipts and Payment. Payments for purchase of items of capital nature (e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.

**12. Investments**

Cash Payments made for investment purposes such as purchase of Government Stock, Treasury Bills and Certificates of Deposit, are capital costs and are disclosed as purchase of financial instruments in Council accounts.

**13. Loans**

Loans granted to Local Governments especially by the State Government shall be categorized under loans in the Statement of Financial Position. Amount disclosed in the Statement of Cashflow shall be the actual amount received in the financial year while amount disclosed in the Statement of Financial Position shall be cumulative including loan amounts outstanding from previous years.

**14. Loan Repayments**

Amounts repaid from Loans granted to Local Governments shall be classified under Loan Repayments, amount disclosed shall be actual amount

**15. Budget Figures**

These are figures from the approved annual budget and supplementary budget as approved with the Cross-River State Local Government Law 2007 (as amended).

**16. Interest on Loans**

Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest repayment in the Statement of Cashflow.

**17. Prepayments**

Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.

**18. Advances**

All Cash Advances shall be retired before the end of the financial year-end.

**19. Leases**

Cash Payment for Finance Leases, which effectively transfer to the Government substantially all the risks and benefits incidental to ownership of the leased item, are treated as capital payments and disclosed in the Statement of Cash Receipts and payments.

**20. Cash Balances**

This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.

**21. Other Borrowings / Grants & Aid Received**

These are categorized as either Short-term or Long-term Loans. Short term loans are those payable within one calendar year (12 months), while Long-term loans and debts shall fall due beyond one calendar year (above 12 months). Loans and Grants shall be disclosed separately in the Statement of Cashflows

**Key to Abbreviations**

LGC - Local Government Council

FAAC -Federation Account Allocation Committee

VAT - Value Added Tax

IGR - Internally Generated Revenue

GAAP - Generally Accepted Accounting Principles

GPFS - General Purpose Financial Statements

IPSAS - International Public Sector Accounting Standards

PPE - Property, Plant and Equipment

JAAC - Joint Account Allocation Committee

**ETUNG LOCAL GOVERNMENT, EFFRAYA**  
**STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2019</b>	<b>2018</b>
<b>Inflows:</b>	<b>₦</b>	<b>₦</b>
Government Share of FAAC (Statutory Allocation)	1,159,956,663.59	1,225,259,196.65
Government Share of VAT	329,196,259.39	306,582,005.46
Excess Crude	1,970,951.05	
Other Revenue	35,104,406.48	45,906,272.07
Internally Generated Revenue (Non-Tax Revenue)	8,439,165.00	7,157,214.92
Redistribution from JAAC	-	
10% State IGR (Non-Tax Revenue)	-	
<b>Total Inflows from Operating Activities</b>	<b>1,534,667,445.51</b>	<b>1,584,904,689.10</b>
<b>Outflows:</b>		
Salaries and Wages (Social Benefits)	761,354,433.45	906,540,033.06
Overhead Cost	18,375,112.01	6,732,783.46
Statutory Deductions	60,783,595.45	13,976,262.13
JAAC Charges	416,678,907.38	296,039,102.11
<b>Total Outflows from Operating Activities</b>	<b>1,257,192,048.29</b>	<b>1,223,288,180.76</b>
<b>Net Cashflow from Operating Activities</b>	<b>277,475,397.22</b>	<b>361,616,508.34</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of PPE	-	
Proceeds from Sale of Investment Property	-	
Capital Expenditure (Purchase/Construction of PPE)	(260,513,896.22)	(361,581,355.55)
Investment Expenditure		(27,777,777.77)
<b>Net Cashflow from Investing Activities</b>	<b>(260,513,896.22)</b>	<b>(389,359,133.32)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Miscellaneous Deposits Received	-	
Miscellaneous Deposits Remitted	-	
Taxes Received	-	
Tax Remitted	-	
Proceeds from Borrowings (CRSG Loan)	-	(27,777,777.77)
Repayment of Borrowings	(222,222,222.22)	
Overdraft Received	-	
Overdraft Repayment	-	
<b>Net Cash Flow from Financing Activities</b>	<b>(222,222,222.22)</b>	<b>(27,777,777.77)</b>
<b>Net Increase (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(205,260,721.22)</b>	<b>(55,520,402.75)</b>
<b>Cash and its Equivalent as at 01 Jan 2019</b>	<b>(88,465,186.15)</b>	<b>(32,944,783.40)</b>
<b>Cash and its Equivalent as at 31 Dec 2019</b>	<b>(293,725,907.37)</b>	<b>(88,465,186.15)</b>



**ETUNG LOCAL GOVERNMENT, EFFRAYA**  
**STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

	2019	2018
	₦	₦
<b>ASSETS</b>		
<b><u>Current Assets:</u></b>		
Cash and Cash Equivalents	(293,725,907.37)	(88,465,186.15)
Receivables	441,951,127.31	316,411,882.96
Inventories		
Prepayments		
<b>Total Current Assets (A)</b>	<b>148,225,219.94</b>	<b>227,946,696.81</b>
<b><u>Non-Current Assets</u></b>		
Long-Term Loans		
Investments	158,878,724.67	158,878,724.67
Property, Plant & Equipment		
Contribution to CRS Reserve Fund	117,737,622.93	105,737,622.93
<b>Total Non-Current Assets (B)</b>	<b>276,616,347.60</b>	<b>264,616,347.60</b>
<b>Total Assets (A) + (B)</b>	<b>424,841,567.54</b>	<b>492,563,044.41</b>
<b>LIABILITIES</b>		
<b><u>Current Liabilities</u></b>		
Deposits	8,393,924.24	8,393,924.24
Short term Loans & Debts		
Unremitted Deductions	582,847,959.56	588,576,733.86
Payables (Unremitted Taxes)	5,240,985.69	5,240,985.69
<b>Total Current Liabilities (C)</b>	<b>596,482,869.49</b>	<b>602,211,643.79</b>
<b><u>Non-Current Liabilities</u></b>		
Long Term Borrowings (CRSG loan)	323,680,797.86	545,903,020.09
Internal Loans (Public Funds)		
Long Term Provisions (Taxes)		
<b>Total Non-Current Liabilities (D)</b>	<b>323,680,797.86</b>	<b>545,903,020.09</b>
<b>Total Liabilities (C) + (D)</b>	<b>920,163,667.35</b>	<b>1,148,114,663.88</b>
<b>Net Assets (Total Assets - Total Liabilities)</b>	<b>(495,322,099.81)</b>	<b>(655,551,619.47)</b>
<b>NET ASSETS/EQUITY</b>		
Reserves	156,140,101.47	364,061,074.01
Accumulated Surpluses/(Deficits)	(651,462,201.28)	(1,019,612,693.48)
<b>Total Net Assets/Equity</b>	<b>(495,322,099.81)</b>	<b>(655,551,619.47)</b>

**ETUNG LOCAL GOVERNMENT, EFFRAYA**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

PREVIOUS YEAR ACTUAL (2018)		Notes	ACTUAL 2019	FINAL BUDGET 2019	VARIANCE ON FINAL BUDGET
=N=			=N=	=N=	=N=
	<b>REVENUE</b>				
	<b>RECEIPTS:</b>				
1,577,747,474.18	Government Share of	1	1,526,228,290.51	2,596,292,245.00	91,070,053,964.49)
7,157,214.92	Internally Generated	2	8,439,165.00	18,475,533.00	(10,036,368.00)
	Redistribution from JAAC	3			
	Cross River State	11			
<b>1,584,904,689.10</b>	<b>Total Revenue (A)</b>		<b>1,534,667,445.51</b>	<b>2,614,767,778.00</b>	<b>(1,080,100,332.49)</b>
	<b>EXPENDITURE</b>				
906,540,033.06	Salaries and Wages	4	761,354,443.45	975,312,365.01	213,957,931.56
6,732,783.46	Statutory Deductions	6	60,783,595.45	240,677,741.91	179,894,146.46
13,976,262.13	Overhead Cost	5	18,375,112.01	75,214,821.08	56,839,709.07
296,039,102.11	JAAC Charges	7	416,678,907.38	-	416,678,907.38
361,581,355.55	Capital Expenditure	8	260,513,896.22	606,134,303.00	345,620,406.78
27,777,777.77	Investment Expenditure	9	-	-	-
<b>1,612,647,314.00</b>	<b>Total Expenditure (B)</b>		<b>1,517,705,944.51</b>	<b>1,897,338,903.00</b>	<b>379,632,958.49</b>
<b>(27,742,624.98)</b>	<b>Surplus/Deficit from</b>		<b>16,961,501.00</b>	<b>717,428,875.00</b>	
	Gain/Loss on Disposal of				
	<b>Total Non-Operating Revenue/Expenditure</b>				
	Surplus/Deficit from				
<b>(27,742,624.98)</b>	<b>Net Surplus/Deficit for the</b>		<b>16,961,501.00</b>		

**ETUNG LOCAL GOVERNMENT, EFFRAYA****NOTES TO THE FINANCIAL STATEMENTS****1a. (A) GOVERNMENT SHARE OF FAAC (STATUTORY ALLOCATION)****₦1,159,956,663.59**

This represents allocations received on a monthly basis by Etung Local Government council from the Federation Account in line with the provisions of the Constitution of the Federal Republic of Nigeria.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) EXCESS CRUDE	(D) OTHER REVENNUE	TOTAL
1	JAN.	96,143,197.17	27,945,353.40	176,313.68		124,264,864.25
2	FEB.	57,654,563.53	29,014,209.43	117,426.03	1,639,327.68	118,425,526.67
3	MARCH	83,056,026.73	27,311,812.85	152,045.94	8,567,174.30	119,087,059.82
4	APRIL	78,210,710.22	25,556,516.17	116,016.06	13,710,333.38	117,593,575.83
5	MAY	90,186,902.80	26,907,838.77	141,191.94		117,235,933.51
6	JUNE	101,137,698.29	29,801,428.86	207,092.87		131,146,220.02
7	JULY	110,740,192.27	30,161,618.41	186,093.81		141,087,904.49
8	AUG.	107,852,491.81	26,550,688.78	181,406.32		134,584,586.91
9	SEPT.	108,598,345.10	24,626,156.99	184,667.68	354,172.30	133,763,342.07
10	OCT.	105,637,417.67	26,040,806.75	169,247.22		131,847,471.64
11	NOV.	104,157,859.98	29,415,503.98	199,278.07	1,527,596.89	135,300,238.92
12	DEC.	86,581,258.02	25,864,325.00	140,171.43	9,305,801.85	121,891,556.30
	<b>TOTAL</b>	<b>1,159,956,663.59</b>	<b>329,196,259.39</b>	<b>1,970,951.05</b>	<b>35,104,406.40</b>	<b>1,526,228,280.43</b>

**1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) –N329,196,259.39**

This represents Federal Revenue arising from Value Added Tax (VAT) for Etung Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1c. (C) EXCESS CRUDE –N1,970,951.05**

This represents the 18 LGAs share of Federal Excess Crude revenue as seen in table 1, for Etung Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1d. (D) OTHER REVENUE –N35,104,406.48**

This represents revenue other than statutory receipts from the Federation for Etung Local Government Council for the year ended 31<sup>st</sup> December 2019.

**2. NON-TAX REVENUE (IGR) – N8,439,165.00**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Etung Local Government Council for the year ended 31<sup>st</sup> December 2019.

CODE	DETAILS	ACTUAL 2019
		<b>N</b>
<b>101000</b>	TAXES	54,000.00
<b>102000</b>	RATES	4,418,665.00
<b>103000</b>	LOCAL LICENCE FEES	1,728,500.00
<b>104000</b>	EARNINGS FROM COMMERCIAL UNDERTAKINGS	300,000.00
<b>105000</b>	RENT ON GOVERNMENT PROPERTY	-
<b>106000</b>	INTEREST ON DIVIDENDS	-
<b>107000</b>	REIMBURSEMENT	-
<b>108000</b>	MISCELLANEOUS	1,938,000.00
	<b>TOTAL</b>	<b>8,439,165.00</b>

**3. REDISTRIBUTION FROM JAAC – NIL**

This represents the positive inflows to Councils after Salaries, Statutory deductions and Joint Commitments were made by JAAC

**4. SALARIES AND WAGES – N 761,354,433.45**

This consists of the salaries and wages paid to staff of Etung local government comprising of council staff, traditional rulers and non-pensionable allowances (LGC), teachers (SUBEB) and health workers (PHC). Pension allowances/Social benefits paid to all retired LGCs staff are also inclusive.

SALARIES AND WAGES (SOCIAL BENEFITS)		
1	Council Staff Salaries	231,437,875.45
2	Primary Health Care Salaries	125,551,415.85
3	Local Government Education Authority	323,484,227.02
4	Traditional Rulers Stipend	
5	Pension Contribution	80,880,933.12
	<b>TOTAL</b>	<b>761,354,433.45</b>

**5. OVERHEAD COST – N60,783,595.45**

This represents total overhead cost incurred during the financial year by the Council.

CODE	DESCRIPTION	OTHER COUNCILS COMMITMENTS PAID THROUGH JAAC	ACTUAL PAID BY COUNCIL 2019	TOTAL
		=N=	=N=	=N=
431200	TRAVEL AND TRANSPORT	-	3,766,700.00	3,766,700.00
431300	UTILITIES	-	1,505,000.00	1,505,000.00
431400	MATERIALS & SUPPLIES	-	1,681,000.00	1,681,000.00
431500	MAINTENANCE & SERVICES	-	440,000.00	440,000.00
431600	TRAINING & STAFF DEVELOP	-	205,000.00	205,000.00
431700	CONSULTANCY & PRO SERVICES	1,944,444.44	170,000.00	2,114,444.44
431800	FINANCE EXPENSES	6,000.00	244,451.01	250,451.01
431900	ENTERTAINMENT & HOSPITALITY	7,000,000.00	20,711,000.00	27,711,000.00
432100	OTHER SERVICES	15,500,000.00	7,610,000.00	23,110,000.00
	<b>TOTAL</b>	<b>24,450,444.44</b>	<b>36,333,151.01</b>	<b>60,783,595.45</b>

**6. STATUTORY DEDUCTIONS – =N=18,375,112.01**

This is made up of 31% Statutory deductions made from Etung Local Government Council Statutory Allocations and paid to Ministry of Local Government Affairs for administration.

**7. JAAC CHARGES – N416,678,907.38**

This represents Joint Commitments of Etung Local Government Council that were approved for payment by Councils from JAAC that resulted in negative redistribution for certain months of the year.

**8. PURCHASE/CONSTRUCTION OF PPE (CAPITAL EXPENDITURE N260,513,896.22**

During the year under review, the Etung LGC spent a total sum of =N=434.3m (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment). Details are as presented below in the tabular and Chart format;

HEAD	DETAILS	ACTUAL PAYMENT BY COUNCIL	OTHER COUNCIL COMMITMENT PAID THROUGH JAAC	TOTAL
		N	N	N
17000	COMMERCE & FINANCE	38,000,000.00		38,000,000.00
18000	TRANSPORTATION	93,554,007.33		93,554,007.33
21000	EDUCATION	-	100,000.00	100,000.00
24000	SOCIAL DEV. YOUTH & SPORT	4,021,00.00		4,021,00.00
31000	WATER SUPPLY	50,000,000.00		50,000,000.00
40000	GENERAL ADMINISTRATION		73,938,888.81	73,938,888.81
	<b>TOTAL</b>	<b>185,575,007.33</b>	<b>74,938,888.81</b>	<b>260,513,896.22</b>

**9. INVESTMENT EXPENDITURE – NIL**

Investment expenditure represents the total aggregate payouts on behalf of Etung Councils by the Ministry of Local Government Affairs for joint investments; in the year in question investment expenditure was nil.

**10. DEPOSITS RECEIVED AND REMITTED – NIL**

Deposits received represent the retention fees and unpaid contract sums for contracts awarded by Etung council during the year while Deposits remitted represent the aforementioned amounts actually paid out.

**11. TAXES RECEIVED AND REMITTED – NIL**

Taxes received represents Withholding and Value Added taxes deducted from contract and consultancy jobs while taxes remitted represents the portion actual remitted to the relevant tax authorities.

**12. REPAYMENT OF BORROWINGS – =N=222,222,222.22**

This represents the cumulative total of loans from the State Government to offset shortfalls in Salaries of Etung LGC and the amount repaid during the period as seen below;

**13. OVERDRAFT RECEIVED NIL AND NIL**

This represents overdrafts taken by some councils during the year and the portions that have been repaid. See details below.

**14. CASH AND CASH EQUIVALENTS – ₦ (293,725,907.37)**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Etung Local Government Council Cash Books as at 31<sup>st</sup> December 2019.

**15. INVESTMENTS – ₦158,878,724.60**

This represents joint investments and stocks held by the Etung LGC in certain State-owned projects/companies like the Tinapa Business Resort, the Obudu Ranch Resort and the Cross-River State Micro Finance Bank.

**16. RECEIVABLES – ₦ – 441,951,127.31**

This represents cumulative amounts owed to Council by the State Government via unremitted 10% State IGR, as seen in the table below;

RECEIVABLES	AMOUNT (₦)
<b>Balance Brought Forward</b>	<b>316,411,882.96</b>
<b>2019 Unpaid 10%</b>	125,539,244.45
<b>Remittance for the Period</b>	
<b>Balance Carried forward</b>	<b>441,951,127.31</b>

**17. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND - ₦ 117,737,622.93**

This represents the cumulative monthly contribution of one million per council yearly. details are found in the table below;

MONTH	DETAILS	2018
<b>JAN</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>FEB</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>MAR</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>APR</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>MAY</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>JUN</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>JUL</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>AUG</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>SEP</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>OCT</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>NOV</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>DEC</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>TOTAL AS IN CASHFLOW STATEMENT</b>		<b>12,000,000.00</b>
<b>BALANCE B/F AS AT 1ST JANUARY</b>		<b>105,737,622.93</b>
<b>TOTAL AS IN STATEMENT OF ASSETS &amp; LIABILITIES</b>		<b>117,737,722.93</b>

**18. SHORT TERM LOANS AND DEBTS – NIL**

This represents loans owed to various banks by Etung Local Governments.

**19. UNREMITTED DEDUCTIONS – ₦ 582,847,959.56**

This represents the cumulative total of all unremitted statutory deductions by Etung LGC to certain State agencies as mandated by Law.



**20. DEPOSITS – N8,393,924.24**

Deposits received represents unpaid retention fees, unclaimed salaries and unpaid contract sums for contracts awarded by councils during the year while Deposits remitted represent the aforementioned amounts actually paid out.

S/NO.	DETAILS	BALANCE B/FWD, 01/01/2019	ADDITION DURING THE YEAR AS PER CASHFLOW	PAYMENT DURING THE YEAR, 2016	BALANCE AS 31/12/2019
1	NHF	192,804.14	-	-	192,804.14
2	RETENTION FEE	3,175,440.22	-	-	3,175,440.22
3	UNCLAIMED SALARIES	5,025,679.88	-	-	5,025,679.88
	<b>TOTAL</b>	<b>8,393,924.24</b>	<b>-</b>	<b>-</b>	<b>8,393,924.24</b>

**21. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – N323,680,797.86**

This represents the cumulative total amounts owed the State Government by the 18 LGCs, borrowed to offset shortfalls in funds to pay salaries.

**22. RESERVES - N 156,140,101.47**

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31<sup>st</sup> December for the year 2019, apportioned to each Etung Local Government in its Financial Statements for the purposes of disclosure

**23. PAYABLES – N5,240,985.69**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Etung LGCs as at 31<sup>st</sup> December 2019.

S/ N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2019	CURRENT YEAR ADDITIONS (AS IN CASH FLOW STATEMENT)	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12-2019 (AS IN BALANCE SHEET)
1	5% CONTRACTORS' TAX	2,512,935.14	-	-	2,512,935.14
2	UNCLAIMED SALARIES	2,512,935.14	-	-	2,512,935.14
3	5% VALUE ADDED TAX (VAT)	215,115.41	-	-	215,115.41
<b>TOTAL</b>		<b>5,240,985.69</b>	-	-	<b>5,240,985.69</b>

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF ETUNG LOCAL GOVERNMENT  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2018**

Month	Buildings	Equipment	Fixtures	Furniture & Fittings	Land & Buildings	Motor Vehicles	Plant & Machinery	Total
	N	N	N	N	N	N	N	N
January	-	-	-	-	-	-	-	-
February	-	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-	-
April	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-
November	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-
<b>TOTAL</b>								

**Note: The Cross-River State Local Governments are yet to fully implement IPSAS Accrual basis of Accounting. Cash basis is still in operation. However, plans are underway to fully implement IPSAS Accrual by the 18 Councils conducting a thorough Property, Plant and Equipment valuation and maintaining a Fixed Assets Register.**

**IKOM LOCAL GOVERNMENT  
COUNCIL**

**IKOM LOCAL GOVERNMENT, IKOM**  
**AUDIT OPINION**

## STATEMENT OF OPINION OF THE AUDITOR-GENERAL

The Accounts of the Ikom Local Government Council found on pages 278-280 have been examined under my direction, which have been prepared under the accounting policies set out on pages 272-277

## RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL

The Local Government Treasurer is responsible for the preparation of the Financial Statements. It is my responsibility to form an independent opinion based on our Audit on the Financial Statements and report our opinion to you.

## THE SCOPE OF MY AUDIT

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements 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 we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

In affirming our opinion, we evaluated the preparation of the information in the Financial Statements and assessed whether the Councils' books and Accounts had been properly kept.

## OUR OPINION

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Ikom Local Government Council as at 31<sup>st</sup> December 2018*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.



MRS. FRANKA A. INOK, FCA  
AUDITOR-GENERAL

## **IKOM LOCAL GOVERNMENT, IKOM** **RESPONSIBILITY FOR FINANCIAL STATEMENTS**

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Ikom Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Cash Basis) and Generally Accepted Accounting Practice.

The Management of Ikom Local Government Council is responsible for establishing and maintaining a system of internal controls, designed to provide reasonable assurance that the transactions recorded are within their statutory authority and have properly recorded the use of all public financial resources by the Local Government Council.

The Director of Finance (Treasurer) has responsibility for ensuring the internal controls are functional throughout the year and that financial records are properly kept, and appropriate financial statements are prepared. To the best of my knowledge, this system of internal control has operated adequately throughout the reporting period.

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the IPSAS and Financial Memoranda, (as amended).

In our opinion, these financial statements fairly reflect the financial position of Ikom Local Government as at 31<sup>st</sup> December 2019 and its operations for the period ended on that date.



CHAIRMAN

21st September 2020

DATE



THE DIRECTOR OF FINANCE (TREASURER)

21st September 2020

DATE



Government of Cross River State, Nigeria

The Chairman,

Ikom Local Government Council,  
**IKOM.**

**AUDIT CERTIFICATE ON THE ACCOUNTS OF IKOM LOCAL GOVERNMENT COUNCIL  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019.**

**REPORT ON THE FINANCIAL STATEMENTS**

I have examined the Financial Statements set out on page(s) 278 to 280 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

**MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:**

It is the responsibility of the Director of Finance (Treasurer) to prepare the accounts in accordance with the provisions of the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda. It is my responsibility to audit and form an independent opinion on the General-Purpose Financial Statements (GPFS).

**BASIS OF AUDIT OPINION**

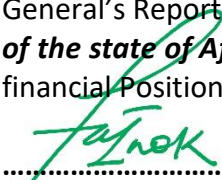
I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007, Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing

Proper Books of accounts were kept; projects and programmes have been verified and appropriate comments included in my inspection report to the Management of Council and in the Annual Report to the Cross-River State House of Assembly.

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my office, Councils Financial Statements were converted to IPSAS (Cash Basis) General Purpose Financial Statements for the first time in the interest of best practice.

**AUDIT OPINION**

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Ikom Local Government Council as at 31<sup>st</sup> December 2019*** and the financial Position and Cashflows for the period ended on that date.

  
.....  
**MRS FRANKA INOK, FCA**  
**AUDITOR-GENERAL**  
**CALABAR**

**IKOM LOCAL GOVERNMENT, IKOM**

**STATEMENT OF ACCOUNTING POLICIES**

### **1. Basis of Preparation of Financial Statements**

These Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) (Cash Basis) as well as under the Guidelines of the Financial Memoranda and in conformity with the Standardized Chart of Accounts designed and introduced by the Federation Account Allocation Committee (FAAC) for adoption by all tiers of Government in Nigeria as well as the Financial Reporting Council (FRC) Guidelines on Public Sector reporting.

### **2. Accounting Period**

The accounting year to which the Financial Statements relate is from 1<sup>st</sup> January to 31<sup>st</sup> December 2018.

### **3. Reporting Currency**

The Financial Statements were prepared in Nigerian Naira.

### **4. IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when cash (including cash equivalents) are received or paid by the LGCs. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of cash raised during the period, the purposes for which cash was used and the cash balances at the reporting date. Notes to the GPFS provide additional information about Liabilities, including Payables and Borrowings and non-cash assets that include Receivables, Investments and Property, Plant and Equipment.



## **5. Accounting Terminologies / Definitions**

### **5.1 Accounting Policies**

These are the specific principles, bases, conventions, rules and practices adopted by the 18 LGAs in preparing and presenting their Financial Statements.

### **5.2 Cash**

Cash comprises of cash in hand, demand deposits in financial institutions and cash equivalents.

### **5.3 Cash equivalents**

These are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **5.4 Cash basis**

means a basis of accounting that recognizes transactions and other events only when cash is received or paid.

### **5.5 Cash flows**

are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.

**5.6 Cash receipts** are cash inflows.

**5.7 Cash payments** are cash outflows

### **5.8 Notes to the GPFS**

These include narrative descriptions or more detailed schedules, or analyses of amounts shown on the face of the GPFS, as well as additional information.

## **6. General Purpose Financial Statements (GPFS)**

The GPFS comprise of Statements of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by the 18 LGAs and Accounting Policies and Notes to the Financial Statements.

### **6.1 Principal Statements contained in the IPSAS Financial Statements**

- The Cash flow Statement
- The Statement of Financial Position
- The Statement of Financial Performance
- The Notes to the Financial Statements
- Accounting Policies and Explanatory Notes.

## **7. Fundamental Accounting Concepts**

The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in State:

Cash Basis of Accounting

Understandability

Materiality

Relevance

Going Concern Concept

Consistency Concept

Prudence

Completeness etc.

## **8. Comparative Information**

The GPFS shall disclose all numerical information relating to the previous period (at least one year

## **9. Interest Received**

Interest actually received during the financial year shall be treated as a receipt under item 'Other Receipts'.

## **10. Receipts**

These are Cash inflows within the financial year. They comprise of receipts from Statutory Allocations, Value Added Tax, Excess Crude, Internally Generated Revenue and Other Revenue. These items shall be disclosed at the face of the Statement of Cashflows

## **11. Payments**

These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorized either by Function and/or by Sector in the Statement of Cash Receipts and Payment. Payments for purchase of items of capital nature (e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.

## **12. Investments**

Cash Payments made for investment purposes such as purchase of Government Stock, Treasury Bills and Certificates of Deposit, are capital costs and are disclosed as purchase of financial instruments in Council accounts.

### **13. Loans**

Loans granted to Local Governments especially by the State Government shall be categorized under loans in the Statement of Financial Position. Amount disclosed in the Statement of Cashflow shall be the actual amount received in the financial year while amount disclosed in the Statement of Financial Position shall be cumulative including loan amounts outstanding from previous years.

### **14. Loan Repayments**

Amounts repaid from Loans granted to Local Governments shall be classified under Loan Repayments, amount disclosed shall be actual amount

### **15. Budget Figures**

These are figures from the approved annual budget and supplementary budget as approved with the Cross-River State Local Government Law 2007 (as amended).

### **16. Interest on Loans**

Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest repayment in the Statement of Cashflow.

### **17. Prepayments**

Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.

### **18. Advances**

All Cash Advances shall be retired before the end of the financial year-end.

## **19. Leases**

Cash Payment for Finance Leases, which effectively transfer to the Government substantially all the risks and benefits incidental to ownership of the leased item, are treated as capital payments and disclosed in the Statement of Cash Receipts and payments.

## **20. Cash Balances**

This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.

## **21. Other Borrowings / Grants & Aid Received**

These are categorized as either Short-term or Long-term Loans. Short term loans are those payable within one calendar year (12 months), while Long-term loans and debts shall fall due beyond one calendar year (above 12 months). Loans and Grants shall be disclosed separately in the Statement of Cashflows

## **Key to Abbreviations**

LGC - Local Government Council

FAAC -Federation Account Allocation Committee

VAT - Value Added Tax

IGR - Internally Generated Revenue

GAAP - Generally Accepted Accounting Principles

GPFS - General Purpose Financial Statements

IPSAS - International Public Sector Accounting Standards

PPE - Property, Plant and Equipment

JAAC - Joint Account Allocation Committee

**IKOM LOCAL GOVERNMENT, IKOM**  
**STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2019</b>	<b>2018</b>
<b>Inflows:</b>	<b>₦</b>	<b>₦</b>
Government Share of FAAC (Statutory Allocation)	1,582,433,999.82	1,599,634,360.41
Government Share of VAT	398,794,959.12	371,103,699.25
Excess Crude	2,689,334.91	37,746,889.35
Other Revenue	47,899,467.54	24,891,571.60
Internally Generated Revenue (Non-Tax Revenue)	32,121,395.86	39,616,062.19
Redistribution from JAAC	-	-
10% State IGR (Non-Tax Revenue)	-	-
<b>Total Inflows from Operating Activities</b>	<b>2,063,939,157.25</b>	<b>2,072,992,582.80</b>
<b>Outflows:</b>		
Salaries and Wages (Social Benefits)	1,532,824,405.29	1,350,045,209.92
Overhead Cost	16,931,896.99	6,732,783.46
Statutory Deductions	45,726,701.44	246,639,832.09
JAAC Charges	282,675,131.28	8,162,971.68
<b>Total Outflows from Operating Activities</b>	<b>1,878,158,135.00</b>	<b>1,611,580,797.15</b>
<b>Net Cashflow from Operating Activities</b>	<b>185,781,022.25</b>	<b>461,411,785.65</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of PPE		
Proceeds from Sale of Investment Property		
Capital Expenditure (Purchase/Construction of PPE)	(260,547,106.31)	(105,869,313.83)
Investment Expenditure		(27,777,777.78)
<b>Net Cashflow from Investing Activities</b>	<b>(260,547,106.31)</b>	<b>(133,647,091.61)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Miscellaneous Deposits Received	2,980,000.00	
Miscellaneous Deposits Remitted	(2,980,000.00)	
Taxes Received	7,400,000.00	
Tax Remitted	(5,200,000.00)	(38,178.88)
Proceeds from Borrowings (CRSG Loan)		(27,777,777.77)
Repayment of Borrowings	(222,222,222.22)	
Overdraft Received		
Overdraft Repayment		
<b>Net Cash Flow from Financing Activities</b>	<b>(220,022,222.22)</b>	<b>(27,815,956.65)</b>
<b>Net Increase (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(294,788,306.28)</b>	<b>299,948,737.39</b>
<b>Cash and its Equivalent as at 01 Jan 2019</b>	<b>266,885,075.32</b>	<b>(33,063,662.07)</b>
<b>Cash and its Equivalent as at 31 Dec 2019</b>	<b>(27,903,230.96)</b>	<b>266,885,075.32</b>

**IKOM LOCAL GOVERNMENT, IKOM**  
**STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

	2019	2018
	₦	₦
<b>ASSETS</b>		
<b><u>Current Assets:</u></b>		
Cash and Cash Equivalents	(27,903,230.96)	266,885,075.32
Receivables	441,951,127.31	316,411,882.96
Inventories	-	-
Prepayments	-	-
<b>Total Current Assets (A)</b>	<b>414,047,896.35</b>	<b>583,296,958.28</b>
<b><u>Non-Current Assets</u></b>	-	-
Long-Term Loans	-	-
Investments	158,878,724.67	158,878,724.67
Property, Plant & Equipment	-	-
Contribution to CRS Reserve Fund	117,737,622.93	105,737,622.93
<b>Total Non-Current Assets (B)</b>	<b>276,616,347.60</b>	<b>264,616,347.60</b>
<b>Total Assets (A) + (B)</b>	<b>690,664,243.95</b>	<b>847,913,305.88</b>
<b>LIABILITIES</b>		
<b><u>Current Liabilities</u></b>		
Deposits	68,406,549.16	68,406,549.16
Short term Loans & Debts	-	-
Unremitted Deductions	582,847,959.56	588,576,733.86
Payables (Unremitted Taxes)	6,121,714.95	3,921,714.95
<b>Total Current Liabilities (C)</b>	<b>657,376,223.67</b>	<b>660,904,997.97</b>
<b><u>Non-Current Liabilities</u></b>		
Long Term Borrowings (CRSG loan)	323,680,797.86	545,903,020.08
Internal Loans (Public Funds)	-	-
Long Term Provisions (Taxes)	-	-
<b>Total Non-Current Liabilities (D)</b>	<b>323,680,797.86</b>	<b>545,903,020.08</b>
<b>Total Liabilities (C) + (D)</b>	<b>981,057,021.53</b>	<b>1,206,808,018.05</b>
<b>Net Assets (Total Assets - Total Liabilities)</b>	<b>(290,392,777.58)</b>	<b>(358,894,712.17)</b>
<b>NET ASSETS/EQUITY</b>		
Reserves	156,140,101.47	364,061,074.01
Accumulated Surpluses/(Deficits)	(446,532,879.05)	(722,955,786.18)
<b>Total Net Assets/Equity</b>	<b>(290,392,777.58)</b>	<b>(358,894,712.17)</b>

**IKOM LOCAL GOVERNMENT, IKOM**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR IKOM LOCAL GOVERNMENT**  
**COUNCIL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

PREVIOUS YEAR ACTUAL (2018)		Notes	ACTUAL 2019	FINAL BUDGET 2019	VARIANCE ON FINAL BUDGET
=N=			=N=	=N=	=N=
	<b>REVENUE</b>				
	<b>RECEIPTS:</b>				
2,033,376,520.61	Government Share of FAAC	1	2,031,817,761.39	3,337,542,172	(1,305,724,410.61)
39,616,062.19	Internally Generated	2	32,121,395.86	53,714,775	(21,593,379.14)
	Redistribution from JAAC	3			
	Cross River State	11			
<b>2,072,992,582.86</b>	<b>Total Revenue (A)</b>		<b>2,063,939,157.25</b>	<b>3,391,256,947</b>	<b>(1,327,317,789.75)</b>
	<b>EXPENDITURE</b>				
1,350,045,209.92	Salaries and Wages	4	1,532,824,40.29	1,051,542,660	(481,281,745.29)
6,732,793.46	Statutory Deductions	6	45,726,701.44	612,149,738	566,423,036.56
246,639,832.09	Overhead Cost	5	16,931,896.99	50,914,084	33,982,187.01
8,162,971.68	JAAC Charges	7	282,675,131.28	-	(282,675,131.28)
105,869,313.83	Capital Expenditure	8	260,547,106.31	1,676,650,465	(1,416,103,358.69)
2,777,777.78	Investment Expenditure	9	-		
<b>1,745,227,888.76</b>	<b>Total Expenditure (B)</b>		<b>2,138,705,241.31</b>	<b>3391,256,947</b>	<b>1,252,551,705.69</b>
<b>327,764,694.04</b>	<b>Surplus/Deficit from</b>		<b>(74,766,084.06)</b>	-	
	Gain/Loss on Disposal of				
	<b>Total Non-Operating Revenue/Expenditure</b>				
	Surplus/Deficit from				
<b>327,764,694.04</b>	<b>Net Surplus/Deficit for the</b>		<b>(74,766,084.06)</b>		



**IKOM LOCAL GOVERNMENT, IKOM****NOTES TO THE FINANCIAL STATEMENTS****1a. (A) GOVERNMENT SHARE OF FAAC (STATUTORY ALLOCATION)****N1,582,433,999.82**

This represents allocations received on a monthly basis by Ikom Local Government council from the Federation Account in line with the provisions of the Constitution of the Federal Republic of Nigeria.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) EXCESS CRUDE	(D) OTHER REVENNUE	TOTAL
1	JAN.	131,171,531.62	33,908,915.15	240,577.53	-	165,321,024.30
2	FEB.	119,452,462.11	35,197,272.37	160,226.17	2,236,839.50	157,046,800.15
3	MARCH	113,314,272.09	33,016,687.16	207,464.54	11,689,788.53	158,228,212.32
4	APRIL	106,702,906.02	31,012,354.54	158,302.28	18,707,556.59	156,581,119.43
5	MAY	123,044,251.93	32,618,419.12	192,654.41		155,855,325.46
6	JUNE	137,986,457.97	36,124,045.25	282,575.30		174,393,078.52
7	JULY	151,088,925.60	36,591,029.46	253,922.38		187,933,877.44
8	AUG.	147,148,699.04	32,123,598.36	247,526.36		179,519,823.76
9	SEPT.	148,166,405.34	29,839,391.29	251,976.44	483,263.11	178,741,036.18
10	OCT.	144,126,261.62	31,537,643.39	230,935.45		175,894,840.46
11	NOV.	142,107,426.01	35,624,690.25	271,912.11	2,084,384.41	180,088,412.78
12	DEC.	118,124,400.47	31,200,912.78	191,261.94	12,697,635.40	162,214,210.59
	<b>TOTAL</b>	<b>1,582,433,999.82</b>	<b>398,794,959.12</b>	<b>2,689,334.91</b>	<b>47,899,467.54</b>	<b>2,031,817,761.39</b>

**1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) –N398,794,959.12**

This represents Federal Revenue arising from Value Added Tax (VAT) for Ikom Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1c. (C) EXCESS CRUDE –N2,689,334.91**

This represents the 18 LGAs share of Federal Excess Crude revenue as seen in table 1, for Ikom Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1d. (D) OTHER REVENUE –N47,899,467.54**

This represents revenue other than statutory receipts from the Federation for Ikom Local Government Council for the year ended 31<sup>st</sup> December 2019.

**2. NON-TAX REVENUE (IGR) – N32,121,395.86**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Ikom Local Government Council for the year ended 31<sup>st</sup> December 2019.

CODE	DETAILS	ACTUAL 2019
		N
101000	TAXES	334,000.00
102000	RATES	1,514,455.00
103000	LOCAL LICENCE FEES	8,880,100.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	14,706.400.00
105000	RENT ON GOVERNMENT PROPERTY	2,484.800.05
106000	INTEREST ON DIVIDENDS	-
107000	REIMBURSEMENT	-
108000	MISCELLANEOUS	4,201,640.81
	<b>TOTAL</b>	<b>32,121,395.86</b>

**3. REDISTRIBUTION FROM JAAC – NIL**

This represents the positive inflows to Councils after Salaries, Statutory deductions and Joint Commitments were made by JAAC.

**4. SALARIES AND WAGES – ₦ 1,532,824,405.29**

This consists of the salaries and wages paid to staff of Ikom local government comprising of council staff, traditional rulers and non-pensionable allowances (LGC), teachers (SUBEB) and health workers (PHC). Pension allowances/Social benefits paid to all retired LGCs staff are also inclusive.

<b>SALARIES AND WAGES (SOCIAL BENEFITS)</b>		
<b>1</b>	Council Staff Salaries	264,683,490.35
<b>2</b>	Primary Health Care Salaries	186,993,681.50
<b>3</b>	Local Government Education Authority	638,768,188.11
<b>4</b>	Traditional Rulers Stipend	22,680,000.00
<b>5</b>	Pension Contribution	419,699,095.33
	<b>TOTAL</b>	<b>1,532,824,405.29</b>

**5. OVERHEAD COST – ₦45,726,701.44**

This represents total overhead cost incurred during the financial year by the Council.

CODE	DESCRIPTION	OTHER COUNCILS	ACTUAL PAID	TOTAL
		COMMITMENTS PAID THROUGH JAAC	BY COUNCIL 2019	
		₦	₦	₦
<b>431200</b>	TRAVEL AND TRANSPORT		5,021,920.00	5,021,920.00
<b>431300</b>	UTILITIES		567,500.00	567,500.00
<b>431400</b>	MATERIALS & SUPPLIES		3,021,800.00	3,021,800.00
<b>431500</b>	MAINTENANCE & SERVICES		3,728,157.00	3,728,157.00
<b>431600</b>	TRAINING & STAFF DEVELOP		620,000.00	620,000.00
<b>431700</b>	CONSULTANCY & PRO SERVICES	1,944,444.44	594,000.00	2,538,444.44
<b>431800</b>	FINANCE EXPENSES	6,000.00	51,100.00	57,000.00
<b>431900</b>	ENTERTAINMENT & HOSPITALITY	7,500,000.00	4,908,230.00	12,408,230.00
<b>432100</b>	OTHER SERVICES	15,000,000.00	2,303,650.00	17,303,650.00
<b>432200</b>	GRANT & SUBVENTION		-	-
<b>115000</b>	CONSOLIDATED REV. FUND CH.		459,900.00	459,900.00
	<b>TOTAL</b>	<b>24,450,444.44</b>	<b>21,276,257.00</b>	<b>45,726,701.44</b>

**6. STATUTORY DEDUCTIONS – ₦16,931,896.99**

This is made up of 31% Statutory deductions made from Ikom Local Government Council Statutory Allocations and paid to Ministry of Local Government Affairs for administration.

**7. JAAC CHARGES – =N=282,675,131.28**

This represents Joint Commitments of Ikom Local Government Council that were approved for payment by Councils from JAAC that resulted in negative redistribution for certain months of the year.

**8. PURCHASE/CONSTRUCTION OF PPE (CAPITAL EXPENDITURE N260,547,106.31**

During the year under review, the Ikom LGC spent a total sum of =N=260.5m (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment). Details are as presented below in the tabular and Chart format;

HEAD	DETAILS	2019 ACTUAL COUNCIL	ACTUAL BY JAAC	TOTAL
		₦	₦	₦
10000	ECONOMIC SECTOR	96,192,000.00	-	96,192,000.00
20000	SOCIAL SERVICES	5,905,000.00	-	5,905,000.00
30000	ENVIRONMENTAL/REGIONAL DEVELOPMENT	52,023,900.00	-	52,023,900.00
40000	GENERAL ADMINISTRATION	31,487,317.42	74,938,888.89	31,577,317.42
	<b>GRAND TOTAL</b>	<b>185,608,217.42</b>	<b>74,938,888.89</b>	<b>260,547,106.31</b>

**9. INVESTMENT EXPENDITURE – NIL**

Investment expenditure represents the total aggregate payouts on behalf of Ikom Councils by the Ministry of Local Government Affairs for joint investments; in the year in question investment expenditure was NIL in Cross River State Micro Finance Bank Limited (CRMFB).

**10. DEPOSITS RECEIVED AND REMITTED – N2,980,000.00 & (N2,980,000.00)**

Deposits received represent the retention fees and unpaid contract sums for contracts awarded by Ikom council during the year while Deposits remitted represent the aforementioned amounts actually paid out.

**11. TAXES RECEIVED AND REMITTED – N7,400,000.00 & (5,200,000.00)**

Taxes received represents Withholding and Value Added taxes deducted from contract and consultancy jobs while taxes remitted represents the portion actual remitted to the relevant tax authorities.

TAXES RECEIVED AND REMITTED			
S/N	LGC	TAXES RECEIVED	TAXES REMITTED
1	IKOM	7,400,000.00	(5,200,000.00)
	<b>TOTAL</b>	<b>7,400,000.00</b>	<b>(5,200,000.00)</b>

**12. REPAYMENT OF BORROWINGS – =N=222,222,222.22**

This represents the cumulative total of loans from the State Government to offset shortfalls in Salaries of Ikom LGC and the amount repaid during the period as seen below;

**13. OVERDRAFT RECEIVED NIL AND NIL**

This represents overdrafts taken by some councils during the year and the portions that have been repaid. See details below.

**14. CASH AND CASH EQUIVALENTS – N (27,903,230.00)**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Ikom Local Government Council Cash Books as at 31<sup>st</sup> December 2019.

**15. RECEIVABLES – ₦ – 441,951,127.31**

This represents cumulative amounts owed to Council by the State Government via unremitted 10% State IGR, as seen in the table below;

RECEIVABLES	AMOUNT (₦)
<b>Balance Brought Forward</b>	<b>316,411,882.96</b>
<b>2019 Unpaid 10%</b>	125,539,244.45
<b>Remittance for the Period</b>	
<b>Balance Carried forward</b>	<b>441,951,127.31</b>

**16. INVESTMENTS – ₦158,878,724.60**

This represents joint investments and stocks held by the Ikom LGC in certain State-owned projects/companies like the Tinapa Business Resort, the Obudu Ranch Resort and the Cross-River State Micro Finance Bank.

**17. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND - ₦ 117,737,622.93**

This represents the cumulative monthly contribution of one million per council yearly. details are found in the table below;

MONTH	DETAILS	2018
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	1,000,000.00
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00
JUN	DEDUCTION FROM ALLOCATION	1,000,000.00
JUL	DEDUCTION FROM ALLOCATION	1,000,000.00
AUG	DEDUCTION FROM ALLOCATION	1,000,000.00
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>TOTAL AS IN CASHFLOW STATEMENT</b>		<b>12,000,000.00</b>
<b>BALANCE B/F AS AT 1ST JANUARY</b>		<b>105,737,622.93</b>
<b>TOTAL AS IN STATEMENT OF ASSETS &amp; LIABILITIES</b>		<b>117,737,722.93</b>

**18. DEPOSITS – N68,406,549.16**

Deposits received represents unpaid retention fees, unclaimed salaries and unpaid contract sums for contracts awarded by councils during the year while Deposits remitted represent the aforementioned amounts actually paid out.

S/NO	DETAILS	BALANCE B/FWD	ADDITION DURING THE YEAR AS PER CASHFLOW	REMITANCES/AS IN CASHFLOW	BALANCE AS 31/12/2019
		=N=	=N=	=N=	=N=
1	UNCLAIMED SALARIES	68,392,909.34	NIL	NIL	68,392,909.34
2	1% INSPECTION FEE	13,639.82	NIL	NIL	13,639.82
	<b>TOTAL</b>	<b>68,406,549.16</b>	<b>NIL</b>	<b>NIL</b>	<b>68,406,549.16</b>

**19 SHORT TERM LOANS AND DEBTS – NIL**

This represents loans owed to various banks by Ikom Local Governments.

**20. UNREMITTED DEDUCTIONS – N 582,847,959.56**

This represents the cumulative total of all unremitted statutory deductions by Ikom LGC to certain State agencies as mandated by Law.

**21. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – N323,680,797.86**

This represents the cumulative total amounts owed the State Government by the 18 LGCs, borrowed to offset shortfalls in funds to pay salaries.

**22. RESERVES - N 156,140,101.47**

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31<sup>st</sup> December for the year 2019, apportioned to each Ikom Local Government in its Financial Statements for the purposes of disclosure

**23. PAYABLES – N6,121,714.95**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Ikom LGCs as at 31<sup>st</sup> December 2019.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2019	CURRENT YEAR ADDITIONS (AS IN CASH FLOW STATEMENT)	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12-2019 (AS IN BALANCE SHEET)
1	WITHHOLDING TAX (WHT)	1,979,946.66	3,700,000.00	1,500,000.00	4,179,946.66
2	VALUE ADDED TAX (VAT)	1,941,768.29	3,700,000.00	3,700,000.00	1,941,768.29
	<b>TOTAL</b>	<b>3,921,714.95</b>	<b>7,400,000.00</b>	<b>5,200,000.00</b>	<b>6,121,714.95</b>



**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF IKOM LOCAL GOVERNMENT  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2018**

Month	Buildings	Equipment	Fixtures	Furniture & Fittings	Land & Buildings	Motor Vehicles	Plant & Machinery	Total
	N	N	N	N	N	N	N	N
January	-	-	-	-	-	-	-	-
February	-	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-	-
April	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-
November	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-
<b>TOTAL</b>								

**Note: The Cross-River State Local Governments are yet to fully implement IPSAS Accrual basis of Accounting. Cash basis is still in operation. However, plans are underway to fully implement IPSAS Accrual by the 18 Councils conducting a thorough Property, Plant and Equipment valuation and maintaining a Fixed Assets Register.**

**OBANLIKU LOCAL GOVERNMENT  
COUNCIL**

**OBANLIKU LOCAL GOVERNMENT, SANKWALA**  
**AUDIT OPINION**

## STATEMENT OF OPINION OF THE AUDITOR-GENERAL

The Accounts of the Obanliku Local Government Council found on pages 300-302 have been examined under my direction, which have been prepared under the accounting policies set out on pages 294-299.

## RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL

The Local Government Treasurer is responsible for the preparation of the Financial Statements. It is my responsibility to form an independent opinion based on our Audit on the Financial Statements and report our opinion to you.

## THE SCOPE OF MY AUDIT

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements 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 we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

In affirming our opinion, we evaluated the preparation of the information in the Financial Statements and assessed whether the Councils' books and Accounts had been properly kept.

## OUR OPINION

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Obanliku Local Government Council as at 31<sup>st</sup> December 2019*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.

  
MRS. FRANKA A. INOK, FCA  
AUDITOR-GENERAL

## **OBANLIKU LOCAL GOVERNMENT, SANKWALA** **RESPONSIBILITY FOR FINANCIAL STATEMENTS**

These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Obanliku Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Cash Basis) and Generally Accepted Accounting Practice.

The Management of Obanliku Local Government Council is responsible for establishing and maintaining a system of internal controls, designed to provide reasonable assurance that the transactions recorded are within their statutory authority and have properly recorded the use of all public financial resources by the Local Government Council.

The Director of Finance (Treasurer) has responsibility for ensuring the internal controls are functional throughout the year and that financial records are properly kept, and appropriate financial statements are prepared. To the best of my knowledge, this system of internal control has operated adequately throughout the reporting period.

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the IPSAS and Financial Memoranda, (as amended).

In our opinion, these financial statements fairly reflect the financial position of Obanliku Local Government as at 31<sup>st</sup> December 2019 and its operations for the period ended on that date.

  
.....  
**CHAIRMAN**

21st September 2020  
.....  
**DATE**

  
  
.....  
**THE DIRECTOR OF FINANCE (TREASURER)**

21st September 2020  
.....  
**DATE**

**Government of Cross River State, Nigeria**

**The Chairman,**  
Obanliku Local Government Council,

SANKWALA.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF OBANLIKU LOCAL GOVERNMENT COUNCIL  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019.**

**REPORT ON THE FINANCIAL STATEMENTS**

I have examined the Financial Statements set out on page(s) 300 to 302 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

**MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:**

It is the responsibility of the Director of Finance (Treasurer) to prepare the accounts in accordance with the provisions of the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda. It is my responsibility to audit and form an independent opinion on the General-Purpose Financial Statements (GPFS).

**BASIS OF AUDIT OPINION**

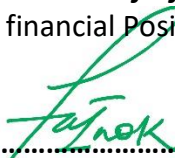
I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007, Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing

Proper Books of accounts were kept; projects and programmes have been verified and appropriate comments included in my inspection report to the Management of Council and in the Annual Report to the Cross-River State House of Assembly.

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my office, Councils Financial Statements were converted to IPSAS (Cash Basis) General Purpose Financial Statements for the first time in the interest of best practice.

**AUDIT OPINION**

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Obanliku Local Government Council as at 31<sup>st</sup> December 2019*** and the financial Position and Cashflows for the period ended on that date.

  
.....  
**MRS FRANKA INOK, FCA  
AUDITOR-GENERAL  
CALABAR**

**OBANLIKU LOCAL GOVERNMENT, SANKWALA**

**STATEMENT OF ACCOUNTING POLICIES**

**1. Basis of Preparation of Financial Statements**

These Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) (Cash Basis) as well as under the Guidelines of the Financial Memoranda and in conformity with the Standardized Chart of Accounts designed and introduced by the Federation Account Allocation Committee (FAAC) for adoption by all tiers of Government in Nigeria as well as the Financial Reporting Council (FRC) Guidelines on Public Sector reporting.

**2. Accounting Period**

The accounting year to which the Financial Statements relate is from 1<sup>st</sup> January to 31<sup>st</sup> December 2018.

**3. Reporting Currency**

The Financial Statements were prepared in Nigerian Naira.

**4. IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when cash (including cash equivalents) are received or paid by the LGCs. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of cash raised during the period, the purposes for which cash was used and the cash balances at the reporting date. Notes to the GPFS provide additional information about Liabilities, including Payables and Borrowings and non-cash assets that include Receivables, Investments and Property, Plant and Equipment.

## **5. Accounting Terminologies / Definitions**

### **5.1 Accounting Policies**

These are the specific principles, bases, conventions, rules and practices adopted by the 18 LGAs in preparing and presenting their Financial Statements.

### **5.2 Cash**

Cash comprises of cash in hand, demand deposits in financial institutions and cash equivalents.

### **5.3 Cash equivalents**

These are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **5.4 Cash basis**

means a basis of accounting that recognizes transactions and other events only when cash is received or paid.

### **5.5 Cash flows**

are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.

**5.6 Cash receipts** are cash inflows.

**5.7 Cash payments** are cash outflows

## 5.8 Notes to the GPFS

These include narrative descriptions or more detailed schedules, or analyses of amounts shown on the face of the GPFS, as well as additional information.

## 6. General Purpose Financial Statements (GPFS)

The GPFS comprise of Statements of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by the 18 LGAs and Accounting Policies and Notes to the Financial Statements.

### 6.1 Principal Statements contained in the IPSAS Financial Statements

- The Cash flow Statement
- The Statement of Financial Position
- The Statement of Financial Performance
- The Notes to the Financial Statements
- Accounting Policies and Explanatory Notes.

## 7. Fundamental Accounting Concepts

The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in State:

Cash Basis of Accounting

Understandability

Materiality

Relevance

Going Concern Concept

Consistency Concept

Prudence

Completeness etc.



## **8. Comparative Information**

The GPFS shall disclose all numerical information relating to the previous period (at least one year

## **9. Interest Received**

Interest actually received during the financial year shall be treated as a receipt under item 'Other Receipts'.

## **10. Receipts**

These are Cash inflows within the financial year. They comprise of receipts from Statutory Allocations, Value Added Tax, Excess Crude, Internally Generated Revenue and Other Revenue. These items shall be disclosed at the face of the Statement of Cashflows

## **11. Payments**

These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorized either by Function and/or by Sector in the Statement of Cash Receipts and Payment. Payments for purchase of items of capital nature (e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.

## **12. Investments**

Cash Payments made for investment purposes such as purchase of Government Stock, Treasury Bills and Certificates of Deposit, are capital costs and are disclosed as purchase of financial instruments in Council accounts.

**13. Loans**

Loans granted to Local Governments especially by the State Government shall be categorized under loans in the Statement of Financial Position. Amount disclosed in the Statement of Cashflow shall be the actual amount received in the financial year while amount disclosed in the Statement of Financial Position shall be cumulative including loan amounts outstanding from previous years.

**14. Loan Repayments**

Amounts repaid from Loans granted to Local Governments shall be classified under Loan Repayments, amount disclosed shall be actual amount

**15. Budget Figures**

These are figures from the approved annual budget and supplementary budget as approved with the Cross-River State Local Government Law 2007 (as amended).

**16. Interest on Loans**

Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest repayment in the Statement of Cashflow.

**17. Prepayments**

Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.

**18. Advances**

All Cash Advances shall be retired before the end of the financial year-end.

## **19. Leases**

Cash Payment for Finance Leases, which effectively transfer to the Government substantially all the risks and benefits incidental to ownership of the leased item, are treated as capital payments and disclosed in the Statement of Cash Receipts and payments.

## **20. Cash Balances**

This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.

## **21. Other Borrowings / Grants & Aid Received**

These are categorized as either Short-term or Long-term Loans. Short term loans are those payable within one calendar year (12 months), while Long-term loans and debts shall fall due beyond one calendar year (above 12 months). Loans and Grants shall be disclosed separately in the Statement of Cashflows

## **Key to Abbreviations**

LGC - Local Government Council

FAAC -Federation Account Allocation Committee

VAT - Value Added Tax

IGR - Internally Generated Revenue

GAAP - Generally Accepted Accounting Principles

GPFS - General Purpose Financial Statements

IPSAS - International Public Sector Accounting Standards

PPE - Property, Plant and Equipment

JAAC - Joint Account Allocation Committee

LGC - Local Government Council

**OBANLIKU LOCAL GOVERNMENT, SANKWALA**  
**STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2019</b>	<b>2018</b>
<b>Inflows:</b>	<b>₦</b>	<b>₦</b>
Government Share of FAAC (Statutory Allocation)	1,358,233,434.91	1,422,350,637.78
Government Share of VAT	354,709,657.19	330,334,281.25
Excess Crude	-	15,498,210.96
Other Revenue	43,657,115.58	38,557,525.72
Internally Generated Revenue (Non-Tax Revenue)	5,306,800.00	8,851,056.73
Redistribution from JAAC	-	-
10% State IGR (Non-Tax Revenue)	-	-
<b>Total Inflows from Operating Activities</b>	<b>1,761,907,007.68</b>	<b>1,815,591,712.44</b>
<b>Outflows:</b>		
Salaries and Wages (Social Benefits)	1,262,740,982.32	1,363,891,108.84
Overhead Cost	20,340,993.47	6,732,783.46
Statutory Deductions	96,931,891.49	22,578,872.07
JAAC Charges	216,343,556.10	65,190,207.86
<b>Total Outflows from Operating Activities</b>	<b>1,596,357,423.38</b>	<b>1,458,392,972.23</b>
<b>Net Cashflow from Operating Activities</b>	<b>165,549,584.30</b>	<b>357,198,740.21</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of PPE	-	-
Proceeds from Sale of Investment Property	-	-
Capital Expenditure (Purchase/Construction of PPE)	(237,567,357.67)	(301,210,543.33)
Investment Expenditure	-	(27,777,777.78)
<b>Net Cashflow from Investing Activities</b>	<b>(237,567,357.67)</b>	<b>(328,988,321.11)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Miscellaneous Deposits Received	-	210,366.90
Miscellaneous Deposits Remitted	-	-
Taxes Received	10,288,120.00	-
Tax Remitted	(2,750,000.00)	-
Proceeds from Borrowings (CRSG Loan)	-	(27,777,777.77)
Repayment of Borrowings	(222,222,222.22)	-
Overdraft Received	-	-
Overdraft Repayment	-	-
<b>Net Cash Flow from Financing Activities</b>	<b>(214,684,102.22)</b>	<b>(27,567,410.87)</b>
<b>Net Increase (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(286,701,875.59)</b>	<b>643,008.23</b>
<b>Cash and its Equivalent as at 01 Jan 2018</b>	<b>(27,487,038.23)</b>	<b>(28,130,046.46)</b>
<b>Cash and its Equivalent as at 31 Dec 2018</b>	<b>(314,188,913.82)</b>	<b>(27,487,038.23)</b>

**OBANLIKU LOCAL GOVERNMENT, SANKWALA**  
**STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

	2019	2018
	₦	₦
<b>ASSETS</b>		
<b><u>Current Assets:</u></b>		
Cash and Cash Equivalents	(314,188,913.82)	(27,487,038.23)
Receivables	441,951,127.31	316,411,882.96
Inventories	-	
Prepayments	-	
<b>Total Current Assets (A)</b>	<b>127,762,213.49</b>	<b>288,924,844.73</b>
<b><u>Non-Current Assets</u></b>		
Long-Term Loans		
Investments	158,878,724.67	158,878,724.67
Property, Plant & Equipment		
Contribution to CRS Reserve Fund	117,737,622.93	105,737,622.93
<b>Total Non-Current Assets (B)</b>	<b>276,616,347.60</b>	<b>264,616,347.60</b>
<b>Total Assets (A) + (B)</b>	<b>404,378,561.09</b>	<b>553,541,192.33</b>
<b>LIABILITIES</b>		
<b><u>Current Liabilities</u></b>		
Deposits	17,716,650.11	8,107,811.50
Short term Loans & Debts	-	2,239,981.26
Unremitted Deductions	582,847,959.56	588,576,733.86
Payables (Unremitted Taxes)	18,807,177.68	11,354,057.62
<b>Total Current Liabilities (C)</b>	<b>619,371,787.35</b>	<b>610,278,584.24</b>
<b><u>Non-Current Liabilities</u></b>		
Long Term Borrowings (CRSG loan)	323,680,797.86	545,903,020.09
Internal Loans (Public Funds)	-	
Long Term Provisions (Taxes)	-	
<b>Total Non-Current Liabilities (D)</b>	<b>323,680,797.86</b>	<b>545,903,020.09</b>
<b>Total Liabilities (C) + (D)</b>	<b>943,052,585.21</b>	<b>1,156,181,604.33</b>
<b>Net Assets (Total Assets - Total Liabilities)</b>	<b>(538,674,024.12)</b>	<b>(602,640,412.00)</b>
<b>NET ASSETS/EQUITY</b>		
Reserves	156,140,101.47	364,061,074.01
Accumulated Surpluses/(Deficits)	(684,814,125.59)	(966,701,486.01)
<b>Total Net Assets/Equity</b>	<b>(528,674,024.12)</b>	<b>(602,640,412.00)</b>

**OBANLIKU LOCAL GOVERNMENT, SANKWALA**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

PREVIOUS YEAR ACTUAL (2018)		Notes	ACTUAL 2019	FINAL BUDGET 2019	VARIANCE ON FINAL BUDGET
=N=			=N=	=N=	=N=
	<b>REVENUE</b>				
	<b>RECEIPTS:</b>				
1,806,740,655.71	Government Share of FAAC	1	1,756,600,207.68	3,619,984,152.00	(1,863,383,944.32)
8,851,056.73	Internally Generated	2	5,306,800.00	29,745,379.00	(24,438,579.00)
	Redistribution from JAAC	3			
	Cross River State	11			
<b>1,815,591,712.44</b>	<b>Total Revenue (A)</b>		<b>1,761,970,007.68</b>	<b>3,649,729,531.00</b>	<b>(1,887,822,523.32)</b>
	<b>EXPENDITURE</b>				
1,363,891,108.84	Salaries and Wages	4	1,262,740,982.32	1,340,908,497.00	78,167,514.68
6,732,783.46	Statutory Deductions	6	96,931,891.49	843,441,043.00	746,509,151.51
22,578,872.07	Overhead Cost	5	20,340,993.47	44,211.733.00	23,870,739.53
65,190,207.86	JAAC Charges	7	216,343,556.10	-	(216,343,556.10)
301,210,543.33	Capital Expenditure	8	237,567,357.67	1,242,928,242.00	1,005,360,884.33
27,777,777.78	Investment Expenditure	9	-	-	
<b>1,787,381,293.34</b>	<b>Total Expenditure (B)</b>		<b>1,833,924,781.05</b>	<b>3,471,489,515.00</b>	<b>1,637,564,733.95</b>
<b>28,210,419.10</b>	<b>Surplus/Deficit from</b>		<b>(72,017,773.37)</b>	<b>178,240,016.00</b>	
	Gain/Loss on Disposal of				
	<b>Total Non-Operating Revenue/Expenditure</b>				
	Surplus/Deficit from				
<b>28,210,419.10</b>	<b>Net Surplus/Deficit for the</b>		<b>(72,017,773.37)</b>	<b>178,240,016.00</b>	

**OBANLIKU LOCAL GOVERNMENT, SANKWALA****NOTES TO THE FINANCIAL STATEMENTS****1a. (A) GOVERNMENT SHARE OF FAAC (STATUTORY ALLOCATION) ₦1,358,233,434.91**

This represents allocations received on a monthly basis by Obanliku Local Government council from the Federation Account in line with the provisions of the Constitution of the Federal Republic of Nigeria.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) EXCESS CRUDE	(D) OTHER REVENNUE	TOTAL
1	JAN.	112,583,786.96	30,131,467.85	-	207,613.56	142,922,868.37
2	FEB.	102,470,466.48	31,280,788.33	-	2,068,619.30	135,819,874.11
3	MARCH	97,173,332.37	29,403,096.00	-	10,267,089.29	135,843,519.66
4	APRIL	91,467,856.88	27,556,510.07	-	16,280,855.47	135,305,222.42
5	MAY	105,570,108.61	29,001,215.64	-	166,256.86	134,737,581.11
6	JUNE	118,464,930.87	32,119,165.08	-	243,856.78	150,827,952.73
7	JULY	129,772,096.01	32,518,503.27	-	219,129.89	162,509,729.17
8	AUG.	126,371,760.01	28,593,598.48	-	213,610.26	155,178,968.75
9	SEPT.	127,250,020.01	26,537,217.41	-	634,496.90	154,421,734.32
10	OCT.	123,763,457.51	28,055,829.74	-	199,292.63	152,018,579.88
11	NOV.	122,021,243.12	31,691,659.14	-	2,033,436.34	155,746,338.60
12	DEC.	101,324,376.08	27,820,604.18	-	11,122,858.30	140,267,838.56
	<b>TOTAL</b>	<b>1,358,233,434.91</b>	<b>354,709,657.19</b>	<b>-</b>	<b>43,657,115.58</b>	<b>1,756,600,207.68</b>

**1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) –N354,709,657.19**

This represents Federal Revenue arising from Value Added Tax (VAT) for Obanliku Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1c. (C) EXCESS CRUDE –NIL**

This represents the 18 LGAs share of Federal Excess Crude revenue as seen in table 1, for Obanliku Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1d. (D) OTHER REVENUE –N43,657,115.58**

This represents revenue other than statutory receipts from the Federation for Obanliku Local Government Council for the year ended 31<sup>st</sup> December 2019.

**2. NON-TAX REVENUE (IGR) – N5,306,800.00**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Obanliku Local Government Council for the year ended 31<sup>st</sup> December 2019.

CODE	DETAILS	ACTUAL 2019
		N
101000	TAXES	-
102000	RATES	600,000.00
103000	LOCAL LICENCE FEES	175,700.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	2,187,500.00
105000	RENT ON GOVERNMENT PROPERTY	-
106000	INTEREST ON DIVIDENDS	-
107000	REIMBURSEMENT	-
108000	MISCELLANEOUS	2,343,600.00
	<b>TOTAL</b>	<b>5,306,800.00</b>

**3. REDISTRIBUTION FROM JAAC – NIL**

This represents the positive inflows to Councils after Salaries, Statutory deductions and Joint Commitments were made by JAAC.



**4. SALARIES AND WAGES – ₦ 1,262,740,982.32**

This consists of the salaries and wages paid to staff of Obanliku local government comprising of council staff, traditional rulers and non-pensionable allowances (LGC), teachers (SUBEB) and health workers (PHC). Pension allowances/Social benefits paid to all retired LGCs staff are also inclusive.

<b>SALARIES AND WAGES (SOCIAL BENEFITS)</b>		
<b>1</b>	Total Council Salaries	1,192,645,632.64
<b>5</b>	Pension Contribution	70,095,349.68
	<b>TOTAL</b>	<b>1,262,740,982.32</b>

**5. OVERHEAD COST – N20,340,993.47**

This represents total overhead cost incurred during the financial year by the Council.

CODE	DETAILS	COUNCIL'S COMMITMENT PAID THROUGH JAAC 2019	DIRECT COUNCIL'S EXPENDITURE 2019	TOTAL OPERATING EXPENSES 2019
		₦	₦	₦
<b>431200</b>	TRAVEL & TRANSPORT		1,352,500.00	1,352,500.00
<b>431300</b>	UTILITIES		6,000.00	6,000.00
<b>431400</b>	MATERIALS & SUPPLIES		428,500.00	428,500.00
<b>431500</b>	MAINTENANCE, REPAIRS & SERVICES		341,500.00	341,500.00
<b>431600</b>	TRAINING & STAFF DEVELOPMENT		336,750.00	336,750.00
<b>431700</b>	CONSULTANCY & PROFESSIONAL	-	1,843,000.00	1,843,000.00
<b>431800</b>	FINANCE EXPENSES	-	27,159.74	27,159.74
<b>431900</b>	ENTERTAINMENT & HOSPITALITY	-	5,001,583.73	5,001,583.73
<b>432100</b>	OTHER SERVICES	-	14,004,000.00	14,004,000.00
<b>432200</b>	GRANTS, CONTRIBUTION,	-	-	-
<b>115000</b>	CONSOLIDATED REVENUE FUND	-	-	-
	<b>TOTAL:</b>	-	<b><u>20,340,993.47</u></b>	<b><u>20,340,993.47</u></b>

**6. STATUTORY DEDUCTIONS – ₦96,931,891.49**

This is made up of 31% Statutory deductions made from Obanliku Local Government Council Statutory Allocations and paid to Ministry of Local Government Affairs for administration.

**7. JAAC CHARGES – =N=216,343,556.10**

This represents Joint Commitments of Obanliku Local Government Council that were approved for payment by Councils from JAAC that resulted in negative redistribution for certain months of the year.

**8. PURCHASE/CONSTRUCTION OF PPE (CAPITAL EXPENDITURE – =N=237,567,357.67**

During the year under review, the Obanliku LGC spent a total sum of =N=237.5m (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment). Details are as presented below in the tabular and Chart format;

SECTORAL CODE	DETAILS	COUNCIL'S COMMITMENTS THROUGH JAAC 2019	DIRECT COUNCIL'S EXPENDITURE 2019	TOTAL CAPITAL EXPENDITURE 2019
		₦	₦	₦
11000	AGRICULTURE		150,000.00	150,000.00
16000	ENERGY (FUEL & POWER)		12,397,500.00	12,397,500.00
17000	COMMERCE AND FINANCE		1,340,000.00	1,340,000.00
18000	TRANSPORT AND BRIDGES		20,000.00	20,000.00
19000	CULTURE AND TOURISM	8,000,000.00	-	8,000,000.00
10000	TOTAL ECONOMIC SECTOR	8,000,000.00	13,907,500.00	21,907,500.00
22000	HEALTH	-	80,000.00	80,000.00
24000	SOCIAL DEV. YOUTH & SPORT	-	9,592,000.00	9,592,000.00
20000	TOTAL SOCIAL SERVICE SECTOR	-	9,592,000.00	9,592,000.00
33000	HOUSING		21,315,000.00	21,315,000.00
35000	ENVIRONMENTAL AND REF DISP.		405,000.00	405,000.00
30000	TOTAL ENVIRONMENTAL & REF DISP.		22,295,000.00	22,295,000.00
40000	GENERAL ADMINISTRATION	<u>31,105,555.56</u>	152,667,302.11	152,667,302.11
40000	TOTAL EXP. ADMINISTRATION	<u>31,105,555.56</u>	152,667,302.11	183,772,857.67
	<b>TOTAL CAPITAL EXPENDITURE</b>	<b><u>39,105,555.56</u></b>	<b><u>198,461,802.11</u></b>	<b><u>237,567,357.67</u></b>

**9 INVESTMENT EXPENDITURE – NIL**

Investment expenditure represents the total aggregate payouts on behalf of Obanliku Councils by the Ministry of Local Government Affairs for joint investments; in the year in question investment expenditure was nil.

**10. DEPOSITS RECEIVED AND REMITTED – NIL &**

Deposits received represent the retention fees and unpaid contract sums for contracts awarded by Obanliku council during the year while Deposits remitted represent the aforementioned amounts actually paid out.

**11. TAXES RECEIVED AND REMITTED – N10,288,120.00 & N (2,750,000.00)**

Taxes received represents Withholding and Value Added taxes deducted from contract and consultancy jobs while taxes remitted represents the portion actual remitted to the relevant tax authorities.

TAXES RECEIVED AND REMITTED			
S/N	LGC	TAXES RECEIVED	TAXES REMITTED
1	OBANLIKU	10,288,120.00	(2,750,000.00)
	<b>TOTAL</b>	<b>10,288,120.00</b>	<b>(2,750,000.00)</b>

**12. REPAYMENT OF BORROWINGS – =N=222,222,222.22**

This represents the cumulative total of loans from the State Government to offset shortfalls in Salaries of Obanliku LGC and the amount repaid during the period as seen below;

**13. OVERDRAFT RECEIVED NIL AND NIL**

This represents overdrafts taken by some councils during the year and the portions that have been repaid. See details below.

**14. CASH AND CASH EQUIVALENTS – N (314,188,913.82)**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Obanliku Local Government Council Cash Books as at 31<sup>st</sup> December 2019.

**15. RECEIVABLES – ₦ – 441,951,127.31**

This represents cumulative amounts owed to Council by the State Government via unremitted 10% State IGR, as seen in the table below;

RECEIVABLES	AMOUNT (₦)
Balance Brought Forward	<b>316,411,882.96</b>
2018 Unpaid 10%	125,539,244.45
Remittance for the Period	
Balance Carried forward	<b>441,951,127.31</b>

**16. INVESTMENTS – ₦158,878,724.60**

This represents joint investments and stocks held by the Obanliku LGC in certain State-owned projects/companies like the Tinapa Business Resort, the Obudu Ranch Resort and the Cross-River State Micro Finance Bank.

**17. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND**

**- ₦ 117,737,622.93**

This represents the cumulative monthly contribution of one million per council yearly. details are found in the table below;

MONTH	DETAILS	2018
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	1,000,000.00
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00
JUN	DEDUCTION FROM ALLOCATION	1,000,000.00
JUL	DEDUCTION FROM ALLOCATION	1,000,000.00
AUG	DEDUCTION FROM ALLOCATION	1,000,000.00
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>TOTAL AS IN CASHFLOW STATEMENT</b>		<b>12,000,000.00</b>
<b>BALANCE B/F AS AT 1ST JANUARY</b>		<b>105,737,622.93</b>
<b>TOTAL AS IN STATEMENT OF ASSETS &amp; LIABILITIES</b>		<b>117,737,722.93</b>

**18. DEPOSITS – N17,716,650.11**

Deposits received represents unpaid retention fees, unclaimed salaries and unpaid contract sums for contracts awarded by councils during the year while Deposits remitted represent the aforementioned amounts actually paid out.

S/N	DETAILS	BAL. B/F AS AT 1 <sup>ST</sup> JANUARY 2019	CURRENT YEAR ADDITIONS (AS IN CASH FLOW STATEMENT)	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12-2019 (AS IN BALANCE SHEET)
1	RETENTION FEE	1,212,082.79	-	-	1,212,082.79
2	1% LEGAL FEE	897,503.41	-	-	897,503.41
3	UNCLAIMED DEPOSIT	15,523,973.51	-	-	15,523,973.51
4	1% INSPECTION FEE	83,090.40	-	-	83,090.40
<b>TOTAL</b>		17,716,650.11			17,716,650.11

**19. SHORT TERM LOANS AND DEBTS – NIL**

This represents loans owed to various banks by Obanliku Local Governments.

**20. UNREMITTED DEDUCTIONS – N 582,847,959.56**

This represents the cumulative total of all unremitted statutory deductions by Obanliku LGC to certain State agencies as mandated by Law.

**21. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – N323,680,797.86**

This represents Obanliku LGC's share of the cumulative total amounts owed the State Government by the 18 LGCs, borrowed to offset shortfalls in funds to pay salaries.

**22. RESERVES - N 156,140,101.47**

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31<sup>st</sup> December for the year 2019, apportioned to Obanliku Local Government in its Financial Statements for the purposes of disclosure.

**23. PAYABLES – N18,807,177.68**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Obanliku LGCs as at 31<sup>st</sup> December 2019.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2018	CURRENT YEAR ADDITIONS (AS IN CASH FLOW STATEMENT)	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12-2019 (AS IN BALANCE SHEET)
1	5% CONTRACTORS' TAX	8,365,248.79	5,144,060.00	1,375,000.00	12,134,308.79
2	5% VALUE ADDED TAX (VAT)	2,707,349.35	5,144,060.00	,375,000.00	6,476,409.35
3	1% STAMP DUTY	196,459.54	-		196,459.54
<b>TOTAL</b>		<b>11,269,057.68</b>	<b>10,288,120.00</b>	<b>2,750,000.00</b>	<b>18,807,177.68</b>

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF OBANLIKU LOCAL GOVERNMENT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2018**

<b>Month</b>	<b>Buildings</b>	<b>Equipment</b>	<b>Fixtures</b>	<b>Furniture &amp; Fittings</b>	<b>Land &amp; Buildings</b>	<b>Motor Vehicles</b>	<b>Plant &amp; Machinery</b>	<b>Total</b>
	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>
January	-	-	-	-	-	-	-	-
February	-	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-	-
April	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-
November	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-
<b>TOTAL</b>								

**Note: The Cross-River State Local Governments are yet to fully implement IPSAS Accrual basis of Accounting. Cash basis is still in operation. However, plans are underway to fully implement IPSAS Accrual by the 18 Councils conducting a thorough Property, Plant and Equipment valuation and maintaining a Fixed Assets Register.**

**OBUBRA LOCAL GOVERNMENT  
COUNCIL**



**OBUBRA LOCAL GOVERNMENT, OBUBRA**

**AUDIT OPINION**

**STATEMENT OF OPINION OF THE AUDITOR-GENERAL**

The Accounts of the Obubra Local Government Council found on pages 323-325 have been examined under my direction, which have been prepared under the accounting policies set out on pages 317-322.

**RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL**

The Local Government Treasurer is responsible for the preparation of the Financial Statements. It is my responsibility to form an independent opinion based on our Audit on the Financial Statements and report our opinion to you.

**THE SCOPE OF MY AUDIT**

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements 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 we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

In affirming our opinion, we evaluated the preparation of the information in the Financial Statements and assessed whether the Councils' books and Accounts had been properly kept.

**OUR OPINION**

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Obubra Local Government Council as at 31<sup>st</sup> December 2019*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.

  
**MRS. FRANKA A. INOK, FCA**  
**AUDITOR-GENERAL**

**OBUBRA LOCAL GOVERNMENT, OBUBRA**  
**RESPONSIBILITY FOR FINANCIAL STATEMENTS**

These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Obubra Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Cash Basis) and Generally Accepted Accounting Practice.

The Management of Obubra Local Government Council is responsible for establishing and maintaining a system of internal controls, designed to provide reasonable assurance that the transactions recorded are within their statutory authority and have properly recorded the use of all public financial resources by the Local Government Council.

The Director of Finance (Treasurer) has responsibility for ensuring the internal controls are functional throughout the year and that financial records are properly kept, and appropriate financial statements are prepared. To the best of my knowledge, this system of internal control has operated adequately throughout the reporting period.

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the IPSAS and Financial Memoranda, (as amended).

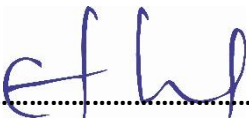
In our opinion, these financial statements fairly reflect the financial position of Obubra Local Government as at 31<sup>st</sup> December 2019 and its operations for the period ended on that date.



.....  
**CHAIRMAN**

21st September 2020  
.....

**DATE**



.....  
**THE DIRECTOR OF FINANCE (TREASURER)**

21st September 2020  
.....

**DATE**



The Chairman,  
Obubra Local Government Council,  
OBUBRA.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF OBUBRA LOCAL GOVERNMENT COUNCIL  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019.**

**REPORT ON THE FINANCIAL STATEMENTS**

I have examined the Financial Statements set out on page(s) 323 to 325 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

**MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:**

It is the responsibility of the Director of Finance (Treasurer) to prepare the accounts in accordance with the provisions of the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda. It is my responsibility to audit and form an independent opinion on the General-Purpose Financial Statements (GPFS).

**BASIS OF AUDIT OPINION**

I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007, Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing

Proper Books of accounts were kept; projects and programmes have been verified and appropriate comments included in my inspection report to the Management of Council and in the Annual Report to the Cross-River State House of Assembly.

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my office, Councils Financial Statements were converted to IPSAS (Cash Basis) General Purpose Financial Statements for the first time in the interest of best practice.

**AUDIT OPINION**

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Obubra Local Government Council as at 31<sup>st</sup> December 2019*** and the financial Position and Cashflows for the period ended on that date.

.....  
MRS FRANKA INOK, FCA  
AUDITOR-GENERAL  
CALABA



**OBUBRA LOCAL GOVERNMENT, OBUBRA**

**STATEMENT OF ACCOUNTING POLICIES**

**1. Basis of Preparation of Financial Statements**

These Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) (Cash Basis) as well as under the Guidelines of the Financial Memoranda and in conformity with the Standardized Chart of Accounts designed and introduced by the Federation Account Allocation Committee (FAAC) for adoption by all tiers of Government in Nigeria as well as the Financial Reporting Council (FRC) Guidelines on Public Sector reporting.

**2. Accounting Period**

The accounting year to which the Financial Statements relate is from 1<sup>st</sup> January to 31<sup>st</sup> December 2018.

**3. Reporting Currency**

The Financial Statements were prepared in Nigerian Naira.

**4. IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when cash (including cash equivalents) are received or paid by the LGCs. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of cash raised during the period, the purposes for which cash was used and the cash balances at the reporting date. Notes to the GPFS provide additional information about Liabilities, including Payables and Borrowings and non-cash assets that include Receivables, Investments and Property, Plant and Equipment.

## **5. Accounting Terminologies / Definitions**

### **5.1 Accounting Policies**

These are the specific principles, bases, conventions, rules and practices adopted by the 18 LGAs in preparing and presenting their Financial Statements.

### **5.2 Cash**

Cash comprises of cash in hand, demand deposits in financial institutions and cash equivalents.

### **5.3 Cash equivalents**

These are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **5.4 Cash basis**

means a basis of accounting that recognizes transactions and other events only when cash is received or paid.

### **5.5 Cash flows**

are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.

**5.6 Cash receipts** are cash inflows.

**5.7 Cash payments** are cash outflows

## **5.8 Notes to the GPFS**

These include narrative descriptions or more detailed schedules, or analyses of amounts shown on the face of the GPFS, as well as additional information.

## **6. General Purpose Financial Statements (GPFS)**

The GPFS comprise of Statements of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by the 18 LGAs and Accounting Policies and Notes to the Financial Statements.

### **6.1 Principal Statements contained in the IPSAS Financial Statements**

- The Cash flow Statement
- The Statement of Financial Position
- The Statement of Financial Performance
- The Notes to the Financial Statements
- Accounting Policies and Explanatory Notes.

## **7. Fundamental Accounting Concepts**

The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in State:

Cash Basis of Accounting

Understandability

Materiality

Relevance

Going Concern Concept

Consistency Concept

Prudence

Completeness etc.

## **8. Comparative Information**

The GPFS shall disclose all numerical information relating to the previous period (at least one year

## **9. Interest Received**

Interest actually received during the financial year shall be treated as a receipt under item 'Other Receipts'.

## **10. Receipts**

These are Cash inflows within the financial year. They comprise of receipts from Statutory Allocations, Value Added Tax, Excess Crude, Internally Generated Revenue and Other Revenue. These items shall be disclosed at the face of the Statement of Cashflows

## **11. Payments**

These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorized either by Function and/or by Sector in the Statement of Cash Receipts and Payment. Payments for purchase of items of capital nature (e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.

## **12. Investments**

Cash Payments made for investment purposes such as purchase of Government Stock, Treasury Bills and Certificates of Deposit, are capital costs and are disclosed as purchase of financial instruments in Council accounts.

### **13. Loans**

Loans granted to Local Governments especially by the State Government shall be categorized under loans in the Statement of Financial Position. Amount disclosed in the Statement of Cashflow shall be the actual amount received in the financial year while amount disclosed in the Statement of Financial Position shall be cumulative including loan amounts outstanding from previous years.

### **14. Loan Repayments**

Amounts repaid from Loans granted to Local Governments shall be classified under Loan Repayments, amount disclosed shall be actual amount

### **15. Budget Figures**

These are figures from the approved annual budget and supplementary budget as approved with the Cross-River State Local Government Law 2007 (as amended).

### **16. Interest on Loans**

Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest repayment in the Statement of Cashflow.

### **17. Prepayments**

Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.

### **18. Advances**

All Cash Advances shall be retired before the end of the financial year-end.



### **19. Leases**

Cash Payment for Finance Leases, which effectively transfer to the Government substantially all the risks and benefits incidental to ownership of the leased item, are treated as capital payments and disclosed in the Statement of Cash Receipts and payments.

### **20. Cash Balances**

This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.

### **21. Other Borrowings / Grants & Aid Received**

These are categorized as either Short-term or Long-term Loans. Short term loans are those payable within one calendar year (12 months), while Long-term loans and debts shall fall due beyond one calendar year (above 12 months). Loans and Grants shall be disclosed separately in the Statement of Cashflows

### **Key to Abbreviations**

LGC - Local Government Council

FAAC -Federation Account Allocation Committee

VAT - Value Added Tax

IGR - Internally Generated Revenue

GAAP - Generally Accepted Accounting Principles

GPFS - General Purpose Financial Statements

IPSAS - International Public Sector Accounting Standards

PPE - Property, Plant and Equipment

JAAC - Joint Account Allocation Committee

**OBUBRA LOCAL GOVERNMENT, OBUBRA**  
**STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2019</b>	<b>2018</b>
<b><u>Inflows:</u></b>	<b>₦</b>	<b>₦</b>
Government Share of FAAC (Statutory Allocation)	1,505,149,154.22	1,540,850,568.03
Government Share of VAT	407,314,950.35	379,002,181.98
Excess Crude	25,125,463.70	2,734,450.00
Other Revenue	22,991,274.21	56,843,128.91
Internally Generated Revenue (Non-Tax Revenue)	28,150,787.20	11,815,955.55
Redistribution from JAAC	-	-
10% State IGR (Non-Tax Revenue)	-	-
<b>Total Inflows from Operating Activities</b>	<b>1,988,731,629.68</b>	<b>1,991,246,284.47</b>
<b><u>Outflows:</u></b>		
Salaries and Wages (Social Benefits)	1,403,219,604.62	1,372,627,899.23
Overhead Cost	13,813,160.12	6,732,738.46
Statutory Deductions	66,969,400.05	44,485,768.67
JAAC Charges	280,870,700.00	57,411,915.43
<b>Total Outflows from Operating Activities</b>	<b>1,764,872,864.79</b>	<b>1,481,258,321.79</b>
<b>Net Cashflow from Operating Activities</b>	<b>223,858,764.89</b>	<b>509,987,962.68</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of PPE	-	-
Proceeds from Sale of Investment Property	-	-
Capital Expenditure (Purchase/Construction of PPE)	(325,295,323.49)	(315,122,277.77)
Investment Expenditure		(27,777,777.77)
<b>Net Cashflow from Investing Activities</b>	<b>(325,295,323.49)</b>	<b>(342,900,055.54)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Miscellaneous Deposits Received	-	-
Miscellaneous Deposits Remitted	-	-
Taxes Received	-	-
Tax Remitted	-	-
Proceeds from Borrowings (CRSG Loan)		(27,777,777.77)
Repayment of Borrowings	(222,222,222.22)	
Overdraft Received	-	-
Overdraft Repayment	-	-
<b>Net Cash Flow from Financing Activities</b>	<b>(222,222,222.22)</b>	<b>(27,777,777.77)</b>
<b>Net Increase (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(323,658,780.82)</b>	<b>139,310,129.37</b>
<b>Cash and its Equivalent as at 01 Jan 2019</b>	<b>157,525,368.57</b>	<b>18,215,239.20</b>
<b>Cash and its Equivalent as at 31 Dec 2019</b>	<b>(166,133,412.25)</b>	<b>157,525,368.57</b>

**OBUBRA LOCAL GOVERNMENT, OBUBRA**  
**STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

	2019	2018
	₦	₦
<b>ASSETS</b>		
<b><u>Current Assets:</u></b>		
Cash and Cash Equivalents	(166,133,412.25)	157,525,368.57
Receivables	441,951,127.31	316,411,882.96
Inventories		
Prepayments		
<b>Total Current Assets (A)</b>	<b>275,817,715.06</b>	<b>316,411,882.96</b>
<b><u>Non-Current Assets</u></b>		
Long-Term Loans		
Investments	158,878,724.67	158,878,724.67
Property, Plant & Equipment		
Contribution to CRS Reserve Fund	117,737,622.93	105,737,622.93
<b>Total Non-Current Assets (B)</b>	<b>276,616,347.60</b>	<b>264,616,347.60</b>
<b>Total Assets (A) + (B)</b>	<b>552,434,062.66</b>	<b>581,028,230.56</b>
<b>LIABILITIES</b>		
<b><u>Current Liabilities</u></b>		
Deposits	14,712,651.09	14,712,651.09
Short term Loans & Debts		
Unremitted Deductions	582,847,959.56	588,576,733.86
Payables (Unremitted Taxes)	24,358,829.61	24,358,829.61
<b>Total Current Liabilities (C)</b>	<b>621,919,440.26</b>	<b>627,648,214.56</b>
<b><u>Non-Current Liabilities</u></b>		
Long Term Borrowings (CRSG loan)	323,680,797.86	547,096,260.40
Internal Loans (Public Funds)		
Long Term Provisions		
<b>Total Non-Current Liabilities (D)</b>	<b>323,680,797.86</b>	<b>547,096,260.40</b>
<b>Total Liabilities (C) + (D)</b>	<b>945,600,238.12</b>	<b>1,174,744,474.96</b>
<b>Net Assets (Total Assets - Total Liabilities)</b>	<b>(393,166,175.46)</b>	<b>(593,716,244.40)</b>
<b>NET ASSETS/EQUITY</b>		
Reserves	156,140,101.47	364,061,074.01
Accumulated Surpluses/(Deficits)	(549,306,276.93)	(957,777,318.41)
<b>Total Net Assets/Equity</b>	<b>(393,166,175.46)</b>	<b>(593,716,244.40)</b>

**OBUBRA LOCAL GOVERNMENT, OBUBRA**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

PREVIOUS YEAR ACTUAL (2018)		Notes	ACTUAL 2019	FINAL BUDGET 2019	VARIANCE ON FINAL BUDGET
=N=			=N=	=N=	=N=
	<b>REVENUE</b>				
	<b>RECEIPTS:</b>				
1,979,430,328.92	Government Share of FAAC	1	1,960,580,842.48	3,986,476,094.00	(2,025,895,251.52)
11,815,955.55	Internally Generated	2	28,150,787.20	30,000,000.00	(21,849,212.80)
	Redistribution from JAAC	3			
	Cross River State	11			
<b>1,991,246,284.47</b>	<b>Total Revenue (A)</b>		<b>1,988,731,629.68</b>	<b>4,016,476,094.00</b>	<b>(2,027,744,414.32)</b>
	<b>EXPENDITURE</b>				
1,372,627,899.23	Salaries and Wages	4	1,403,219,604.62	1,628,541,226.00	225,321,621.38
6,732,738.46	Statutory Deductions	6	13,813,160.12	44,279,771.00	(22,689,629.05)
44,485,768.67	Overhead Cost	5	66,969,400.05	1,717,007,606.00	1,703,194,445.88
57,411,915.43	JAAC Charges	7	280,870,700.00	-	280,870,700.00
315,122,277.77	Capital Expenditure	8	325,295,323.49	1,305,032,837.00	997,737,513.51
22,777,777.77	Investment Expenditure	9	-		
<b>1,824,158,377.33</b>	<b>Total Expenditure (B)</b>		<b>2,090,168,188.28</b>	<b>4,694,861,400.00</b>	<b>2,604,693,211.72</b>
<b>167,087,907.14</b>	<b>Surplus/Deficit from</b>		<b>(101,436,558.60)</b>	<b>(678,385,346.00)</b>	
	Gain/Loss on Disposal of				
	<b>Total Non-Operating Revenue/Expenditure</b>				
	Surplus/Deficit from				
<b>167,087,907.14</b>	<b>Net Surplus/Deficit for the</b>		<b>(101,436,558.60)</b>		

**OBUBRA LOCAL GOVERNMENT, OBUBRA****NOTES TO THE FINANCIAL STATEMENTS****1a. (A) GOVERNMENT SHARE OF FAAC (STATUTORY ALLOCATION) ₦1,505,149,154.22**

This represents allocations received on a monthly basis by Obubra Local Government council from the Federation Account in line with the provisions of the Constitution of the Federal Republic of Nigeria.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) EXCESS CRUDE	(D) OTHER REVENUE	TOTAL
1	JAN.	124,765,234.63	34,638,950.25		228,821.51	159,633,006.39
2	FEB.	113,618,827.35	35,954,177.92		2,279,931.03	151,852,936.30
3	MARCH	107,780,585.17	33,715,054.79	10,066,517.79	1,249,365.96	152,811,523.71
4	APRIL	101,492,289.09	31,680,236.20	2,981,791.18	14,962,171.56	151,116,488.03
5	MAY	117,035,101.33	33,317,485.26		183,240.19	150,535,826.78
6	JUNE	131,247,143.85	36,898,034.37		268,767.02	168,413,945.24
7	JULY	143,709,348.34	37,378,091.95		241,514.25	181,328,954.54
8	AUG.	139,961,664.28	32,805,811.41		235,430.78	173,002,906.47
9	SEPT.	140,929,639.5	30,477,574.34		699,311.45	172,106,525.29
10	OCT.	137,086,920.81	32,210,543.89		219,650.59	169,517,115.29
11	NOV.	135,166,737.31	36,384,793.71		2,241,154.11	173,792,685.13
12	DEC.	112,355,662.56	31,854,196.26	12,077,154.73	181,915.76	156,468,929.31
	<b>TOTAL</b>	<b>1,505,149,154.22</b>	<b>407,314,950.35</b>	<b>25,125,463.70</b>	<b>22,991,274.21</b>	<b>1,960,580,842.48</b>

**1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) –N407,314,950.35**

This represents Federal Revenue arising from Value Added Tax (VAT) for Obubra Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1c. (C) EXCESS CRUDE –N25,125,463.70**

This represents the 18 LGAs share of Federal Excess Crude revenue as seen in table 1, for Obubra Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1d. (D) OTHER REVENUE –N22,991,274.21**

This represents revenue other than statutory receipts from the Federation for Obubra Local Government Council for the year ended 31<sup>st</sup> December 2019.

**2. NON-TAX REVENUE (IGR) – N28,150,787.20**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Obubra Local Government Council for the year ended 31<sup>st</sup> December 2019.

CODE	DETAILS	ACTUAL 2019
		N
101000	TAXES	355,955.00
102000	RATES	11,880,000.00
103000	LOCAL LICENCE FEES	3,054,072.20
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	11,043,760.00
105000	RENT ON GOVERNMENT PROPERTY	320,200.00
108000	MISCELLANEOUS	1,496,800.00
	<b>TOTAL</b>	<b>28,150,787.20</b>

**3. REDISTRIBUTION FROM JAAC – NIL**

This represents the positive inflows to Councils after Salaries, Statutory deductions and Joint Commitments were made by JAAC.

**4. SALARIES AND WAGES – ₦ 1,403,219,604.62**

This consists of the salaries and wages paid to staff of Obubra local government comprising of council staff, traditional rulers and non-pensionable allowances (LGC), teachers (SUBEB) and health workers (PHC). Pension allowances/Social benefits paid to all retired LGCs staff are also inclusive.

<b>SALARIES AND WAGES (SOCIAL BENEFITS)</b>		
<b>S/N</b>	<b>DESCRIPTION</b>	<b>AMOUNT (₦)</b>
<b>1</b>	Council Staff Salaries	298,880,117.18
<b>2</b>	Primary Health Care Salaries	187,471,476.75
<b>3</b>	Local Government Education Authority	624,753,931.00
<b>4</b>	Traditional Rulers Stipend	-
<b>5</b>	Pension Contribution	292,114,079.69
	<b>TOTAL</b>	<b>1,403,219,604.62</b>

**5. OVERHEAD COST – N66,969,400.05**

This represents total overhead cost incurred during the financial year by the Council.

<b>CODE</b>	<b>DESCRIPTION</b>	<b>OTHER COUNCILS COMMITMENTS PAID THROUGH JAAC</b>	<b>ACTUAL PAID BY COUNCIL 2019</b>	<b>TOTAL</b>
		<b>₦</b>	<b>₦</b>	<b>₦</b>
<b>431200</b>	TRAVEL & TRANSPORT		12,000,000.00	12,000,000.00
<b>431300</b>	UTILITIES		3,989,000.00	3,989,000.00
<b>431400</b>	MATERIAL & SUPPLIES		1,412,000.00	1,412,000.00
<b>431500</b>	MAINTENANCE & SERVICES		4,946,955.61	4,946,955.61
<b>431600</b>	TRAINING & STAFF DEV.		245,000.00	245,000.00
<b>431700</b>	CONSOLIDATED REVENUE FUND	1,944,444.44	2,101,100.00	4,045,544.44
<b>431900</b>	ENTERTAINMENT & HOSPITALITY	8,000,000.00	6,375,900.00	14,375,900.00
<b>432100</b>	OTHER SERVICES		25,955,000.00	25,955,000.00
	<b>TOTAL</b>	<b>9,044,444.44</b>	<b>57,024,955.61</b>	<b>66,969,400.05</b>

**6. STATUTORY DEDUCTIONS – ₦13,813,160.12**

This is made up of 31% Statutory deductions made from Obubra Local Government Council Statutory Allocations and paid to Ministry of Local Government Affairs for administration.

**7. PURCHASE/CONSTRUCTION OF PPE (CAPITAL EXPENDITURE ₦325,295,323.49**

During the year under review, the Obubra LGC spent a total sum of =N=325.2m (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment). Details are as presented below in the tabular and Chart format;

CODE	DETAILS	COUNCIL'S COMMITMENTS PAID THROUGH JAAC	DIRECT COUNCIL'S EXPENDITURE	TOTAL CAPITAL EXPENDITURE 2019
11000	AGRICULTURE	-		
12000	LIVESTOCK / VETERINARY	-		
13000	FORESTRY	-		
16000	ENERGY (FUEL & POWER)	39,709,000.00		39,709,000.00
17000	COMMERCE & FINANCE	30,000.00		30,000.00
18000	TRANSPORT (ROADS & BRIDGES)	-		-
19000	CULTURE & TOURISM	-		-
<b>TOTAL EXPENDITURE ON ECONOMIC SECTOR</b>		<b>39,739,000.00</b>		<b>39,739,000.00</b>
21000	EDUCATION	-		
24000	SOCIAL DEVELOPMENT, YOUTH & SPORTS	2,300,000.00		2,300,000.00
31000	WATER SUPPLY	107,995,680.00		107,995,680.00
32000	SEWAGE AND DRAINAGE	3,000,000.00		3,000,000.00
33000	HOUSING	52,762,000.00		52,762,000.00
34000	TOWN & COUNTRY PLANNING	30,000.00		30,000.00
35000	ENVIRONMENT & REFUSE DISPOSAL	10,520,000.00		10,520,000.00
<b>TOTAL EXPENDITURE ON ENVIRONMENTAL &amp; REGIONAL DEVELOPMENT SECTOR</b>		<b>174,307,680.00</b>		<b>174,307,680.00</b>
40000	GENERAL ADMINISTRATION SECTOR	8,100,000.00	100,848,643.49	108,948,643.49
40000	<b>TOTAL EXPENDITURE ON GENERAL ADMINISTRATION SECTOR</b>	<b>224,446,680.00</b>	<b>100,848,643.49</b>	<b>325,295,323.49</b>



**8. JAAC CHARGES – =N=280,870,700.00**

This represents Joint Commitments of Obubra Local Government Council that were approved for payment by Councils from JAAC that resulted in negative redistribution for certain months of the year.

**9. INVESTMENT EXPENDITURE – NIL**

Investment expenditure represents the total aggregate payouts on behalf of Obubra Councils by the Ministry of Local Government Affairs for joint investments; in the year in question investment expenditure was NIL in Cross River State Micro Finance Bank Limited (CRMFB).

**10. DEPOSITS RECEIVED AND REMITTED – NIL**

Deposits received represent the retention fees and unpaid contract sums for contracts awarded by Obubra council during the year while Deposits remitted represent the aforementioned amounts actually paid out.

**11. TAXES RECEIVED AND REMITTED – NIL & NIL**

Taxes received represents Withholding and Value Added taxes deducted from contract and consultancy jobs while taxes remitted represents the portion actual remitted to the relevant tax authorities.

**12. REPAYMENT OF BORROWINGS – N222,222,222.22**

This represents the cumulative total of loans from the State Government to offset shortfalls in Salaries of Obubra LGC and the amount repaid during the period as seen below;

**13. OVERDRAFT RECEIVED NIL AND NIL**

This represents overdrafts taken by some councils during the year and the portions that have been repaid. See details below.

**14. CASH AND CASH EQUIVALENTS – ₦ (166,133,412.25)**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Obubra Local Government Council Cash Books as at 31<sup>st</sup> December 2019.

**15. RECEIVABLES – ₦ 441,951,127.31**

This represents cumulative amounts owed to Council by the State Government via unremitted 10% State IGR, as seen in the table below;

RECEIVABLES	AMOUNT (₦)
Balance Brought Forward	316,411,882.96
2019 Unpaid 10%	125,539,244.45
Remittance for the Period	
Balance Carried forward	441,951,127.31

**16. INVESTMENTS – ₦158,878,724.60**

This represents joint investments and stocks held by the Obubra LGC in certain State-owned projects/companies like the Tinapa Business Resort, the Obudu Ranch Resort and the Cross-River State Micro Finance Bank.

**17. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND - ₦ 117,737,622.93**

This represents the cumulative monthly contribution of one million per council yearly. details are found in the table below;

MONTH	DETAILS	2018
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	1,000,000.00
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00
JUN	DEDUCTION FROM ALLOCATION	1,000,000.00
JUL	DEDUCTION FROM ALLOCATION	1,000,000.00
AUG	DEDUCTION FROM ALLOCATION	1,000,000.00
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>TOTAL AS IN CASHFLOW STATEMENT</b>		<b>12,000,000.00</b>
<b>BALANCE B/F AS AT 1ST JANUARY</b>		<b>105,737,622.93</b>
<b>TOTAL AS IN STATEMENT OF ASSETS &amp; LIABILITIES</b>		<b>117,737,722.93</b>

**18. DEPOSITS – N14,712,651.09**

Deposits received represents unpaid retention fees, unclaimed salaries and unpaid contract sums for contracts awarded by councils during the year while Deposits remitted represent the aforementioned amounts actually paid out.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2019	CURRENT YEAR ADDITIONS (AS IN CASH FLOW STATEMENT)	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12-2019 (AS IN BALANCE SHEET)
1	RETENTION FEE	2,636,219.46			2,636,219.46
2	UNCLAIMED SALARY	5,164,540.38			5,164,540.38
3	UNCLAIMED SALARY DEPOSIT	2,901,388.51			2,901,388.51
4	UNCLAIMED TRC	3,920,000.00			3,920,000.00
5	NATIONAL HOUSING FUND	90,502.74			90,502.74
1	RETENTION FEE	2,636,219.46			2,636,219.46
<b>TOTAL</b>					<b>14,712,651.09</b>

**19. SHORT TERM LOANS AND DEBTS – NIL**

This represents loans owed to various banks by Obubra Local Governments.

**20. UNREMITTED DEDUCTIONS – N 582,847,959.56**

This represents the cumulative total of all unremitted statutory deductions by Obubra LGC to certain State agencies as mandated by Law.

**21. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – N323,680,797.86**

This represents the cumulative total amounts owed the State Government by the 18 LGCs, borrowed to offset shortfalls in funds to pay salaries.

**22. RESERVES - N 156,140,101.47**

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31<sup>st</sup> December for the year 2019, apportioned to each Obubra Local Government in its Financial Statements for the purposes of disclosure

**23. PAYABLES – ₦24,358,829.61**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Obubra LGCs as at 31<sup>st</sup> December 2019.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2018	CURRENT YEAR ADDITIONS (AS IN CASH FLOW STATEMENT)	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12- 2018 (AS IN BALANCE SHEET)
1	5% CONTRACTORS' TAX	14,273,909.09			14,273,909.09
2	5% VALUE ADDED TAX (VAT)	10,084,920.52			10,084,920.52
<b>TOTAL</b>		<b>24,358,829.61</b>			<b>24,358,829.61</b>

**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF OBUBRA LOCAL GOVERNMENT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2018**

<b>Month</b>	<b>Buildings</b>	<b>Equipment</b>	<b>Fixtures</b>	<b>Furniture &amp; Fittings</b>	<b>Land &amp; Buildings</b>	<b>Motor Vehicles</b>	<b>Plant &amp; Machinery</b>	<b>Total</b>
	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>
January	-	-	-	-	-	-	-	-
February	-	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-	-
April	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-
November	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-
<b>TOTAL</b>								

**Note: The Cross-River State Local Governments are yet to fully implement IPSAS Accrual basis of Accounting. Cash basis is still in operation. However, plans are underway to fully implement IPSAS Accrual by the 18 Councils conducting a thorough Property, Plant and Equipment valuation and maintaining a Fixed Assets Register.**

**OBUDU LOCAL GOVERNMENT  
COUNCIL**

**OBUDU LOCAL GOVERNMENT, OBUDU**  
**AUDIT OPINION**

## STATEMENT OF OPINION OF THE AUDITOR-GENERAL

The Accounts of the Obudu Local Government Council found on pages 344-346 have been examined under my direction, which have been prepared under the accounting policies set out on pages 338-343.

## RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL

The Local Government Treasurer is responsible for the preparation of the Financial Statements. It is my responsibility to form an independent opinion based on our Audit on the Financial Statements and report our opinion to you.

## THE SCOPE OF MY AUDIT

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements 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 we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

In affirming our opinion, we evaluated the preparation of the information in the Financial Statements and assessed whether the Councils' books and Accounts had been properly kept.

## OUR OPINION

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Obudu Local Government Council as at 31<sup>st</sup> December 2019*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.

  
MRS. FRANKA A. INOK, FCA  
AUDITOR-GENERAL

## **OBUDU LOCAL GOVERNMENT, OBUDU RESPONSIBILITY FOR FINANCIAL STATEMENTS**

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

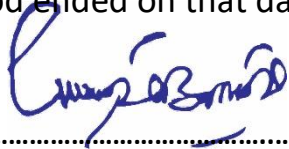
These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Obudu Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Cash Basis) and Generally Accepted Accounting Practice.

The Management of Obudu Local Government Council is responsible for establishing and maintaining a system of internal controls, designed to provide reasonable assurance that the transactions recorded are within their statutory authority and have properly recorded the use of all public financial resources by the Local Government Council.

The Director of Finance (Treasurer) has responsibility for ensuring the internal controls are functional throughout the year and that financial records are properly kept, and appropriate financial statements are prepared. To the best of my knowledge, this system of internal control has operated adequately throughout the reporting period.

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the IPSAS and Financial Memoranda, (as amended).


In our opinion, these financial statements fairly reflect the financial position of Obudu Local Government as at 31<sup>st</sup> December 2019 and its operations for the period ended on that date.



CHAIRMAN

21st September 2020

DATE



THE DIRECTOR OF FINANCE (TREASURER)

21st September 2020

DATE



Government of Cross River State, Nigeria

The Chairman,



Obudu Local Government Council,  
**OBUDU.**

**AUDIT CERTIFICATE ON THE ACCOUNTS OF OBUDU LOCAL GOVERNMENT COUNCIL  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019.**

**REPORT ON THE FINANCIAL STATEMENTS**

I have examined the Financial Statements set out on page(s) 344 to 347 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

**MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:**

It is the responsibility of the Director of Finance (Treasurer) to prepare the accounts in accordance with the provisions of the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda. It is my responsibility to audit and form an independent opinion on the General-Purpose Financial Statements (GPFS).

**BASIS OF AUDIT OPINION**


I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007, Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing

Proper Books of accounts were kept; projects and programmes have been verified and appropriate comments included in my inspection report to the Management of Council and in the Annual Report to the Cross-River State House of Assembly.

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my office, Councils Financial Statements were converted to IPSAS (Cash Basis) General Purpose Financial Statements for the first time in the interest of best practice.

**AUDIT OPINION**

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Obudu Local Government Council as at 31<sup>st</sup> December 2019*** and the financial Position and Cashflows for the period ended on that date.

  
.....  
**MRS FRANKA INOK, FCA**  
**AUDITOR-GENERAL**  
**CALABAR**

**OBUDU LOCAL GOVERNMENT, OBUDU**

## **STATEMENT OF ACCOUNTING POLICIES**

### **1. Basis of Preparation of Financial Statements**

These Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) (Cash Basis) as well as under the Guidelines of the Financial Memoranda and in conformity with the Standardized Chart of Accounts designed and introduced by the Federation Account Allocation Committee (FAAC) for adoption by all tiers of Government in Nigeria as well as the Financial Reporting Council (FRC) Guidelines on Public Sector reporting.

### **2. Accounting Period**

The accounting year to which the Financial Statements relate is from 1<sup>st</sup> January to 31<sup>st</sup> December 2018.

### **3. Reporting Currency**

The Financial Statements were prepared in Nigerian Naira.

### **4. IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when cash (including cash equivalents) are received or paid by the LGCs. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of cash raised during the period, the purposes for which cash was used and the cash balances at the reporting date. Notes to the GPFS provide additional information about Liabilities, including Payables and Borrowings and non-cash assets that include Receivables, Investments and Property, Plant and Equipment.

### **5. Accounting Terminologies / Definitions**

### **5.1 Accounting Policies**

These are the specific principles, bases, conventions, rules and practices adopted by the 18 LGAs in preparing and presenting their Financial Statements.

### **5.2 Cash**

Cash comprises of cash in hand, demand deposits in financial institutions and cash equivalents.

### **5.3 Cash equivalents**

These are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **5.4 Cash basis**

means a basis of accounting that recognizes transactions and other events only when cash is received or paid.

### **5.5 Cash flows**

are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.

**5.6 Cash receipts** are cash inflows.

**5.7 Cash payments** are cash outflows

## **5.8 Notes to the GPFS**

These include narrative descriptions or more detailed schedules, or analyses of amounts shown on the face of the GPFS, as well as additional information.

## **6. General Purpose Financial Statements (GPFS)**

The GPFS comprise of Statements of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by the 18 LGAs and Accounting Policies and Notes to the Financial Statements.

### **6.1 Principal Statements contained in the IPSAS Financial Statements**

- The Cash flow Statement
- The Statement of Financial Position
- The Statement of Financial Performance
- The Notes to the Financial Statements
- Accounting Policies and Explanatory Notes.

## **7. Fundamental Accounting Concepts**

The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in State:

Cash Basis of Accounting

Understandability

Materiality

Relevance

Going Concern Concept

Consistency Concept

Prudence

Completeness etc.

## **8. Comparative Information**

The GPFS shall disclose all numerical information relating to the previous period (at least one year

## **9. Interest Received**

Interest actually received during the financial year shall be treated as a receipt under item 'Other Receipts'.

## **10. Receipts**

These are Cash inflows within the financial year. They comprise of receipts from Statutory Allocations, Value Added Tax, Excess Crude, Internally Generated Revenue and Other Revenue. These items shall be disclosed at the face of the Statement of Cashflows

## **11. Payments**

These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorized either by Function and/or by Sector in the Statement of Cash Receipts and Payment. Payments for purchase of items of capital nature (e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.

## **12. Investments**

Cash Payments made for investment purposes such as purchase of Government Stock, Treasury Bills and Certificates of Deposit, are capital costs and are disclosed as purchase of financial instruments in Council accounts.

### **13. Loans**

Loans granted to Local Governments especially by the State Government shall be categorized under loans in the Statement of Financial Position. Amount disclosed in the Statement of Cashflow shall be the actual amount received in the financial year while amount disclosed in the Statement of Financial Position shall be cumulative including loan amounts outstanding from previous years.

### **14. Loan Repayments**

Amounts repaid from Loans granted to Local Governments shall be classified under Loan Repayments, amount disclosed shall be actual amount

### **15. Budget Figures**

These are figures from the approved annual budget and supplementary budget as approved with the Cross-River State Local Government Law 2007 (as amended).

### **16. Interest on Loans**

Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest repayment in the Statement of Cashflow.

### **17. Prepayments**

Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.

### **18. Advances**

All Cash Advances shall be retired before the end of the financial year-end.

### **19. Leases**

Cash Payment for Finance Leases, which effectively transfer to the Government substantially all the risks and benefits incidental to ownership of the leased item, are treated as capital payments and disclosed in the Statement of Cash Receipts and payments.

### **20. Cash Balances**

This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.

### **21. Other Borrowings / Grants & Aid Received**

These are categorized as either Short-term or Long-term Loans. Short term loans are those payable within one calendar year (12 months), while Long-term loans and debts shall fall due beyond one calendar year (above 12 months). Loans and Grants shall be disclosed separately in the Statement of Cashflows

### **Key to Abbreviations**

LGC - Local Government Council

FAAC -Federation Account Allocation Committee

VAT - Value Added Tax

IGR - Internally Generated Revenue

GAAP - Generally Accepted Accounting Principles

GPFS - General Purpose Financial Statements

IPSAS - International Public Sector Accounting Standards

PPE - Property, Plant and Equipment

JAAC - Joint Account Allocation Committee

**OBUDU LOCAL GOVERNMENT, OBUDU**  
**STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2019</b>	<b>2018</b>
<b>Inflows:</b>	<b>₦</b>	<b>₦</b>
Government Share of FAAC (Statutory Allocation)	1,425,003,579.03	1,479,039,756.99
Government Share of VAT	396,866,719.37	369,316,118.54
Excess Crude	-	6,637,713.25
Other Revenue	45,553,868.14	59,317,112.92
Internally Generated Revenue (Non-Tax Revenue)	24,164,610.84	13,370,445.00
Redistribution from JAAC	95,065,842.36	392,495,073.90
10% State IGR (Non-Tax Revenue)	-	-
<b>Total Inflows from Operating Activities</b>	<b>1,986,654,619.74</b>	<b>2,320,176,220.60</b>
<b>Outflows:</b>		
Salaries and Wages (Social Benefits)	1,753,196,784.06	1,565,457,769.66
Overhead Cost	15,264,655.31	6,732,783.36
Statutory Deductions	112,924,355.60	48,893,241.45
JAAC Charges	-	-
<b>Total Outflows from Operating Activities</b>	<b>1,881,385,794.97</b>	<b>1,621,083,794.47</b>
<b>Net Cashflow from Operating Activities</b>	<b>105,268,824.77</b>	<b>699,092,426.13</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of PPE	-	-
Proceeds from Sale of Investment Property	-	-
Capital Expenditure (Purchase/Construction of PPE)	(152,738,886.75)	(354,119,366.53)
Investment Expenditure	-	(27,777,777.78)
<b>Net Cashflow from Investing Activities</b>	<b>(152,738,886.75)</b>	<b>(381,897,144.31)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Miscellaneous Deposits Received	27,110,826.66	789,000.00
Miscellaneous Deposits Remitted	-	(789,000.00)
Taxes Received	9,674,060.00	525,360.00
Tax Remitted	(6,799,060.00)	(570,460.00)
Proceeds from Borrowings (CRSG Loan)		
Repayment of Borrowings	(222,222,222.22)	(27,777,777.77)
Overdraft Received		
Overdraft Repayment		
<b>Net Cash Flow from Financing Activities</b>	<b>(185,437,335.56)</b>	<b>(27,822,877.77)</b>
<b>Net Increase (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(232,907,397.54)</b>	<b>289,372,404.05</b>
<b>Cash and its Equivalent as at 01 Jan 2019</b>	<b>(16,145,651.23)</b>	<b>(305,518,055.28)</b>
<b>Cash and its Equivalent as at 31 Dec 2019</b>	<b>(249,053,048.77)</b>	<b>(16,145,651.23)</b>



**OBUDU LOCAL GOVERNMENT, OBUDU**  
**STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

	2019	2018
<b>ASSETS</b>	<b>₦</b>	<b>₦</b>
<b><u>Current Assets:</u></b>		
Cash and Cash Equivalents	(249,053,048.77)	(16,145,651.23)
Receivables	441,951,127.31	316,411,882.96
Inventories	-	-
Prepayments	-	-
<b>Total Current Assets (A)</b>	<b>192,898,078.54</b>	<b>300,266,231.73</b>
<b><u>Non-Current Assets</u></b>		
Long-Term Loans		
Investments	158,878,724.67	158,878,724.67
Property, Plant & Equipment		-
Contribution to CRS Reserve Fund	117,737,622.93	105,737,622.93
<b>Total Non-Current Assets (B)</b>	<b>276,616,347.60</b>	<b>264,616,347.60</b>
<b>Total Assets (A) + (B)</b>	<b>469,514,426.14</b>	<b>564,882,579.33</b>
<b>LIABILITIES</b>		
<b><u>Current Liabilities</u></b>		
Deposits	6,858,251.99	15,039,760.87
Short term Loans & Debts	725,973.45	798,058.69
Unremitted Deductions	582,847,959.56	588,576,733.86
Payables (Unremitted Taxes)		3,194,497.10
<b>Total Current Liabilities (C)</b>	<b>590,432,185.00</b>	<b>607,609,050.52</b>
<b><u>Non-Current Liabilities</u></b>		
Long Term Borrowings (CRSG loan)	323,680,797.86	545,903,020.09
Internal Loans (Public Funds)		-
Long Term Provisions (Taxes)		-
<b>Total Non-Current Liabilities (D)</b>	<b>323,680,797.86</b>	<b>545,903,020.09</b>
<b>Total Liabilities (C) + (D)</b>	<b>914,112,982.86</b>	<b>1,153,512,070.61</b>
<b>Net Assets (Total Assets - Total Liabilities)</b>	<b>(444,598,556.72)</b>	<b>(588,629,491.28)</b>
<b>NET ASSETS/EQUITY</b>		
Reserves	156,140,101.47	364,061,074.01
Accumulated Surpluses/(Deficits)	(600,738,658.19)	(952,690,565.29)
<b>Total Net Assets/Equity</b>	<b>(444,598,556.72)</b>	<b>(588,629,491.28)</b>

**OBUDU LOCAL GOVERNMENT, OBUDU****STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

PREVIOUS YEAR ACTUAL (2018)		Notes	ACTUAL 2019	FINAL BUDGET 2019	VARIANCE ON FINAL BUDGET
=N=			=N=	=N=	=N=
	<b>REVENUE</b>				
	<b>RECEIPTS:</b>				
1,914,310,701.70	Government Share of FAAC	1	1,867,424,166.54	1,963,367,048.00	(95,942,881.46)
13,370,445.00	Internally Generated	2	24,164,610.84	23,285,000.00	879,610.84
392,495,073.90	Redistribution from JAAC	3	95,065,842.36		95,065,842.36
	Cross River State	11			
<b>2,320,176,220.60</b>	<b>Total Revenue (A)</b>		<b>1,986,654,619.74</b>	<b>1,986,652,048.00</b>	<b>2,571.74</b>
	<b>EXPENDITURE</b>				
1,565,457,769.66	Salaries and Wages	4	1,753,196,784.06	1,482,720,278.00	(270,476,506.06)
6,732,783.36	Statutory Deductions	6	15,264,655.31	27,476,040.00	12,211,384.69
48,893,241.45	Overhead Cost	5	112,924,355.60	685,191,625.00	572,267,167.40
-	JAAC Charges	7	-	-	-
354,119,366.53	Capital Expenditure	8	152,738,886.75	978,496,768.00	825,757,886.25
27,777,777.78	Investment Expenditure	9	-	-	-
<b>2,002,980,938.78</b>	<b>Total Expenditure (B)</b>		<b>2,034,124,681.72</b>	<b>3,173,884,609.00</b>	<b>1,139,759,927.28</b>
<b>317,195,281.82</b>	<b>Surplus/Deficit from</b>		<b>(47,470,061.98)</b>	<b>(1,187,232,561.00)</b>	
	Gain/Loss on Disposal of				
	<b>Total Non-Operating Revenue/Expenditure</b>				
	Surplus/Deficit from				
<b>317,195,281.82</b>	<b>Net Surplus/Deficit for the</b>		<b>(47,470,061.98)</b>	<b>(1,187,232,561.00)</b>	

**OBUDU LOCAL GOVERNMENT, OBUDU****NOTES TO THE FINANCIAL STATEMENTS****1a. (A) GOVERNMENT SHARE OF FAAC (STATUTORY ALLOCATION) ₦1,425,003,579.03**

This represents allocations received on a monthly basis by Obudu Local Government council from the Federation Account in line with the provisions of the Constitution of the Federal Republic of Nigeria.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) EXCESS CRUDE	(D) OTHER REVENUE	TOTAL
1	JAN.	118,121,796.35	33,743,694.00		216,633.66	<b>152,082,124.01</b>
2	FEB.	107,569,086.64	35,025,969.93		2,158,493.74	<b>144,753,550.31</b>
3	MARCH	102,041,810.15	32,858,632.98		10,713,159.27	<b>145,613,602.40</b>
4	APRIL	96,088,451.14	30,861,199.93		16,988,203.02	<b>143,937,854.09</b>
5	MAY	110,803,397.64	32,460,206.85		173,480.16	<b>143,437,084.65</b>
6	JUNE	124,258,455.87	35,948,876.46		254,451.53	<b>160,461,783.86</b>
7	JULY	136,056,878.72	36,412,901.91		228,650.33	<b>172,698,430.96</b>
8	AUG.	132,508,809.73	31,969,200.28		222,890.89	<b>164,700,900.90</b>
9	SEPT.	133,425,227.12	29,694,958.05		662,063.62	<b>163,782,248.79</b>
10	OCT.	129,787,185.40	31,385,352.91		207,951.22	<b>161,380,489.53</b>
11	NOV.	127,969,277.74	35,452,664.05		2,121,782.21	<b>165,543,724.00</b>
12	DEC.	106,373,202.53	31,053,062.02		11,606,108.49	<b>149,032,373.04</b>
	<b>TOTAL</b>	<b>1,425,003,579.03</b>	<b>396,866,719.37</b>		<b>45,553,868.14</b>	<b>1,867,424,166.54</b>

**1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) –N396,866,719.37**

This represents Federal Revenue arising from Value Added Tax (VAT) for Obudu Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1c. (C) EXCESS CRUDE –NIL**

This represents the 18 LGAs share of Federal Excess Crude revenue as seen in table 1, for Obudu Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1d. (D) OTHER REVENUE –N45,553,868.14**

This represents revenue other than statutory receipts from the Federation for Obudu Local Government Council for the year ended 31<sup>st</sup> December 2019.

**2. NON-TAX REVENUE (IGR) – N24,164,610.84**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Obudu Local Government Council for the year ended 31<sup>st</sup> December 2019.

CODE	DETAILS	ACTUAL 2019
		<b>N</b>
<b>101000</b>	TAXES	1,474,500.00
<b>102000</b>	RATES	5,473,025.00
<b>103000</b>	LOCAL LICENCE FEES	1,897,800.00
<b>104000</b>	EARNINGS FROM COMMERCIAL UNDERTAKINGS	3,085,250.00
<b>105000</b>	RENT ON GOVERNMENT PROPERTY	509,000.00
<b>108000</b>	MISCELLANEOUS	11,725,035.84
	<b>T O T A L</b>	<b>24,164,610.84</b>

**3. REDISTRIBUTION FROM JAAC – =N=95,065,842.36**

This represents the positive inflows to Councils after Salaries, Statutory deductions and Joint Commitments were made by JAAC.

**4. SALARIES AND WAGES – N 1,753,196,784.06**

This consists of the salaries and wages paid to staff of Obudu local government comprising of council staff, traditional rulers and non-pensionable allowances (LGC), teachers (SUBEB) and health workers (PHC). Pension allowances/Social benefits paid to all retired LGCs staff are also inclusive.

<b>SALARIES AND WAGES (SOCIAL BENEFITS)</b>		
<b>S/N</b>	<b>DESCRIPTION</b>	<b>AMOUNT (N)</b>
<b>1</b>	Council Staff Salaries	283,259,674.82
<b>2</b>	Primary Health Care Salaries	228,981,310.84
<b>3</b>	Local Government Education Authority	865,634,207.81
<b>4</b>	Traditional Rulers Stipend	
<b>5</b>	Pension Contribution	375,321,590.59
	<b>TOTAL</b>	<b>1,753,196,784.06</b>

**5. OVERHEAD COST – N112,924,355.60**

This represents total overhead cost incurred during the financial year by the Council.

<b>CODE</b>	<b>DETAILS</b>	<b>COUNCIL'S</b>	<b>DIRECT</b>	<b>TOTAL</b>
<b>CODE</b>		<b>N</b>	<b>N</b>	<b>N</b>
<b>431200</b>	TRAVEL & TRANSPORT	-	8,284,840.00	8,284,840.00
<b>431300</b>	UTILITIES	-	31,220.00	31,220.00
<b>431400</b>	MATERIALS & SUPPLIES	-	2,730,015.00	2,730,015.00
<b>431500</b>	MAINTENANCE, REPAIRS &	-	1,261,300.00	1,261,300.00
<b>431600</b>	TRAINING & STAFF	-	230,000.00	230,000.00
<b>431700</b>	CONSULTANCY &	1,944,444.44	1,220,000.00	3,164,444.44
<b>431800</b>	FINANCE EXPENSES	-	11,598.20	11,598.20
<b>431900</b>	ENTERTAINMENT &	2,000,000.00	3,390,000.00	5,390,000.00
<b>432100</b>	OTHER SERVICES	26,500,000.00	19,134,734.00	45,634,734.00
<b>432200</b>	GRANTS, CONTRIBUTION,	1,300,000.00		1,300,000.00
<b>115000</b>	CONSOLIDATED REVENUE FUND	40,333,333.33	4,570,870.63	44,904,203.96
	<b>TOTAL</b>	<b>72,077,777.77</b>	<b>40,864,577.83</b>	<b>112,942,355.60</b>

**6. STATUTORY DEDUCTIONS – ₦15,264,655.31**

This is made up of 31% Statutory deductions made from Obudu Local Government Council Statutory Allocations and paid to Ministry of Local Government Affairs for administration.

**7. JAAC CHARGES – NIL**

This represents Joint Commitments of Obudu Local Government Council that were approved for payment by Councils from JAAC that resulted in negative redistribution for certain months of the year.

**8. PURCHASE/CONSTRUCTION OF PPE (CAPITAL EXPENDITURE ₦152,738,886.75**

During the year under review, the Obudu LGC spent a total sum of =N=152.7m (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment). Details are as presented below in the tabular and Chart format;

CODE	DETAILS	COUNCIL'S COMMITMENTS PAID THROUGH JAAC	DIRECT COUNCIL'S EXPENDITURE	TOTAL CAPITAL EXPENDITURE 2019
		N	N	N
13000	FORESTRY	-	230,000.00	230,000.00
16000	ENERGY (FUEL & POWER)	-	63,706,269.50	63,706,269.50
17000	COMMERCE & FINANCE	-	636,039.02	636,039.02
19000	CULTURE & TOURISM	-	10,000.00	10,000.00
22000	HEALTH	-	3,260,000.00	3,260,000.00
24000	SOCIAL DEVELOPMENT, YOUTH &		1,800,000.00	1,800,000.00
31000	WATER SUPPLY	-	47,500,000.00	47,500,000.00
33000	HOUSING	-	1,430,000.00	1,430,000.00
34000	TOWN & COUNTRY PLANNING	1,000,000.00	200,000.00	1,200,000.00
35000	ENVIRONMENT & REFUSE DISPOSAL	-	91,022.67	91,022.67
40000	GENERAL ADMINISTRATION SECTOR	29,805,555.56	3,070,000.00	32,875,555.56
	TOTAL	<b>30,805,555.56</b>	<b>121,833,331.19</b>	<b>152,738,886.75</b>

**9. INVESTMENT EXPENDITURE – NIL**

Investment expenditure represents the total aggregate payouts on behalf of Obudu Councils by the Ministry of Local Government Affairs for joint investments; in the year in question investment expenditure was nil.

**10. DEPOSITS RECEIVED AND REMITTED – =N=27,110,826.66 & NIL**

Deposits received represent the retention fees and unpaid contract sums for contracts awarded by Obudu council during the year while Deposits remitted represent the aforementioned amounts actually paid out.

**11. TAXES RECEIVED AND REMITTED –N9,674,060.00 & (N6,799,060.00)**

Taxes received represents Withholding and Value Added taxes deducted from contract and consultancy jobs while taxes remitted represents the portion actual remitted to the relevant tax authorities.

TAXES RECEIVED AND REMITTED			
S/N	LGC	TAXES RECEIVED	TAXES REMITTED
1	OBUDU	9,674,060.00	(6,799,060.00)
	<b>TOTAL</b>	<b>9,674,060.00</b>	<b>(6,799,060.00)</b>

**12. REPAYMENT OF BORROWINGS – =N=222,222,222.22**

This represents the cumulative total of loans from the State Government to offset shortfalls in Salaries of Obudu LGC and the amount repaid during the period.

**13. OVERDRAFT RECEIVED NIL AND NIL**

This represents overdrafts taken by some councils during the year and the portions that have been repaid. See details below.

**14. CASH AND CASH EQUIVALENTS – ₦ (249,053,048.77)**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Obudu Local Government Council Cash Books as at 31<sup>st</sup> December 2019.

**15. RECEIVABLES – ₦ 441,951,127.31**

This represents cumulative amounts owed to Council by the State Government via unremitted 10% State IGR, as seen in the table below;

	RECEIVABLES (10	AMOUNT (₦)
<b>Balance Brought Forward</b>		<b>316,411,882.96</b>
<b>2019 Unpaid 10%</b>		125,539,244.45
<b>Remittance for the Period</b>		
<b>Balance Carried forward</b>		<b>441,951,127.31</b>

**16. INVESTMENTS – ₦158,878,724.60**

This represents joint investments and stocks held by the Obudu LGC in certain State-owned projects/companies like the Tinapa Business Resort, the Obudu Ranch Resort and the Cross-River State Micro Finance Bank.

**17. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND - ₦ 117,737,622.93**

This represents the cumulative monthly contribution of one million per council yearly. details are found in the table below;

MONTH	DETAILS	2018
<b>JAN</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>FEB</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>MAR</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>APR</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>MAY</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>JUN</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>JUL</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>AUG</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>SEP</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>OCT</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>NOV</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>DEC</b>	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>TOTAL AS IN CASHFLOW STATEMENT</b>		<b>12,000,000.00</b>
<b>BALANCE B/F AS AT 1ST JANUARY</b>		<b>105,737,622.93</b>
<b>TOTAL AS IN STATEMENT OF ASSETS &amp; LIABILITIES</b>		<b>117,737,722.93</b>



**18. DEPOSITS – N6,858,251.99**

Deposits received represents unpaid retention fees, unclaimed salaries and unpaid contract sums for contracts awarded by councils during the year while Deposits remitted represent the aforementioned amounts actually paid out.

**19. SHORT TERM LOANS AND DEBTS – =N=725,973.45**

This represents loans owed to various banks by Obudu Local Governments.

**20. UNREMITTED DEDUCTIONS – ₦ 582,847,959.56**

This represents the cumulative total of all unremitted statutory deductions by Obudu LGC to certain State agencies as mandated by Law.

**21. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – N323,680,797.86**

This represents the cumulative total amounts owed the State Government by the 18 LGCs, borrowed to offset shortfalls in funds to pay salaries.

**22. RESERVES - ₦ 156,140,101.47**

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31<sup>st</sup> December for the year 2019, apportioned to each Obudu Local Government in its Financial Statements for the purposes of disclosure

**23. PAYABLES – NIL**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Obudu LGCs as at 31<sup>st</sup> December 2019.

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF OBUDU LOCAL GOVERNMENT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2018**

Month	Buildings	Equipment	Fixtures	Furniture & Fittings	Land & Buildings	Motor Vehicles	Plant & Machinery	Total
	N	N	N	N	N	N	N	N
January	-	-	-	-	-	-	-	-
February	-	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-	-
April	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-
November	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-
<b>TOTAL</b>								

**Note: The Cross-River State Local Governments are yet to fully implement IPSAS Accrual basis of Accounting. Cash basis is still in operation. However, plans are underway to fully implement IPSAS Accrual by the 18 Councils conducting a thorough Property, Plant and Equipment valuation and maintaining a Fixed Assets Register.**

**ODUKPANI LOCAL GOVERNMENT  
COUNCIL**

**ODUKPANI LOCAL GOVERNMENT, ODUKPANI  
AUDIT OPINION**

## STATEMENT OF OPINION OF THE AUDITOR-GENERAL

The Accounts of the Odukpani Local Government Council found on pages 365-367 have been examined under my direction, which have been prepared under the accounting policies set out on pages 359-364.

## RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL

The Local Government Treasurer is responsible for the preparation of the Financial Statements. It is my responsibility to form an independent opinion based on our Audit on the Financial Statements and report our opinion to you.

## THE SCOPE OF MY AUDIT

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements 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 we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

In affirming our opinion, we evaluated the preparation of the information in the Financial Statements and assessed whether the Councils' books and Accounts had been properly kept.

## OUR OPINION

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Odukpani Local Government Council as at 31<sup>st</sup> December 2019*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.

  
MRS. FRANKA A. INOK, FCA  
AUDITOR-GENERAL

## **ODUKPANI LOCAL GOVERNMENT, ODUKPANI RESPONSIBILITY FOR FINANCIAL STATEMENTS**

These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Odukpani Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Cash Basis) and Generally Accepted Accounting Practice.

The Management of Odukpani Local Government Council is responsible for establishing and maintaining a system of internal controls, designed to provide reasonable assurance that the transactions recorded are within their statutory authority and have properly recorded the use of all public financial resources by the Local Government Council.

The Director of Finance (Treasurer) has responsibility for ensuring the internal controls are functional throughout the year and that financial records are properly kept, and appropriate financial statements are prepared. To the best of my knowledge, this system of internal control has operated adequately throughout the reporting period.

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the IPSAS and Financial Memoranda, (as amended).

In our opinion, these financial statements fairly reflect the financial position of Odukpani Local Government as at 31<sup>st</sup> December 2019 and its operations for the period ended on that date.



CHAIRMAN

21st September 2020

DATE



THE DIRECTOR OF FINANCE (TREASURER)

21st September 2020

DATE



**Government of Cross River State, Nigeria**

**The Chairman,**  
Odukpani Local Government Council,

ODUKPANI.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF ODUKPANI LOCAL GOVERNMENT COUNCIL  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019.**

**REPORT ON THE FINANCIAL STATEMENTS**

I have examined the Financial Statements set out on page(s) 365 to 367 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

**MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:**

It is the responsibility of the Director of Finance (Treasurer) to prepare the accounts in accordance with the provisions of the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda. It is my responsibility to audit and form an independent opinion on the General-Purpose Financial Statements (GPFS).

**BASIS OF AUDIT OPINION**


I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007, Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing

Proper Books of accounts were kept; projects and programmes have been verified and appropriate comments included in my inspection report to the Management of Council and in the Annual Report to the Cross-River State House of Assembly.

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my office, Councils Financial Statements were converted to IPSAS (Cash Basis) General Purpose Financial Statements for the first time in the interest of best practice.

**AUDIT OPINION**

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Odukpani Local Government Council as at 31<sup>st</sup> December 2019*** and the financial Position and Cashflows for the period ended on that date.

  
.....  
**MRS FRANKA INOK, FCA  
AUDITOR-GENERAL  
CALABAR**

## **ODUKPANI LOCAL GOVERNMENT, ODUKPANI**

### **STATEMENT OF ACCOUNTING POLICIES**

#### **1. Basis of Preparation of Financial Statements**

These Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) (Cash Basis) as well as under the Guidelines of the Financial Memoranda and in conformity with the Standardized Chart of Accounts designed and introduced by the Federation Account Allocation Committee (FAAC) for adoption by all tiers of Government in Nigeria as well as the Financial Reporting Council (FRC) Guidelines on Public Sector reporting.

#### **2. Accounting Period**

The accounting year to which the Financial Statements relate is from 1<sup>st</sup> January to 31<sup>st</sup> December 2018.

#### **3. Reporting Currency**

The Financial Statements were prepared in Nigerian Naira.

#### **4. IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when cash (including cash equivalents) are received or paid by the LGCs. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of cash raised during the period, the purposes for which cash was used and the cash balances at the reporting date. Notes to the GPFS provide additional information about Liabilities, including Payables and Borrowings and non-cash assets that include Receivables, Investments and Property, Plant and Equipment.

## **5. Accounting Terminologies / Definitions**

### **5.1 Accounting Policies**

These are the specific principles, bases, conventions, rules and practices adopted by the 18 LGAs in preparing and presenting their Financial Statements.

### **5.2 Cash**

Cash comprises of cash in hand, demand deposits in financial institutions and cash equivalents.

### **5.3 Cash equivalents**

These are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **5.4 Cash basis**

means a basis of accounting that recognizes transactions and other events only when cash is received or paid.

### **5.5 Cash flows**

are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.

**5.6 Cash receipts** are cash inflows.

**5.7 Cash payments** are cash outflows



## **5.8 Notes to the GPFS**

These include narrative descriptions or more detailed schedules, or analyses of amounts shown on the face of the GPFS, as well as additional information.

## **6. General Purpose Financial Statements (GPFS)**

The GPFS comprise of Statements of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by the 18 LGAs and Accounting Policies and Notes to the Financial Statements.

### **6.1 Principal Statements contained in the IPSAS Financial Statements**

- The Cash flow Statement
- The Statement of Financial Position
- The Statement of Financial Performance
- The Notes to the Financial Statements
- Accounting Policies and Explanatory Notes.

## **7. Fundamental Accounting Concepts**

The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in State:

Cash Basis of Accounting

Understandability

Materiality

Relevance

Going Concern Concept

Consistency Concept

Prudence

Completeness etc.

## **8. Comparative Information**

The GPFS shall disclose all numerical information relating to the previous period (at least one year

## **9. Interest Received**

Interest actually received during the financial year shall be treated as a receipt under item 'Other Receipts'.

## **10. Receipts**

These are Cash inflows within the financial year. They comprise of receipts from Statutory Allocations, Value Added Tax, Excess Crude, Internally Generated Revenue and Other Revenue. These items shall be disclosed at the face of the Statement of Cashflows

## **11. Payments**

These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorized either by Function and/or by Sector in the Statement of Cash Receipts and Payment. Payments for purchase of items of capital nature (e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.

## **12. Investments**

Cash Payments made for investment purposes such as purchase of Government Stock, Treasury Bills and Certificates of Deposit, are capital costs and are disclosed as purchase of financial instruments in Council accounts.

### **13. Loans**

Loans granted to Local Governments especially by the State Government shall be categorized under loans in the Statement of Financial Position. Amount disclosed in the Statement of Cashflow shall be the actual amount received in the financial year while amount disclosed in the Statement of Financial Position shall be cumulative including loan amounts outstanding from previous years.

### **14. Loan Repayments**

Amounts repaid from Loans granted to Local Governments shall be classified under Loan Repayments, amount disclosed shall be actual amount

### **15. Budget Figures**

These are figures from the approved annual budget and supplementary budget as approved with the Cross-River State Local Government Law 2007 (as amended).

### **16. Interest on Loans**

Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest repayment in the Statement of Cashflow.

### **17. Prepayments**

Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.

### **18. Advances**

All Cash Advances shall be retired before the end of the financial year-end.

## **19. Leases**

Cash Payment for Finance Leases, which effectively transfer to the Government substantially all the risks and benefits incidental to ownership of the leased item, are treated as capital payments and disclosed in the Statement of Cash Receipts and payments.

## **20. Cash Balances**

This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.

## **21. Other Borrowings / Grants & Aid Received**

These are categorized as either Short-term or Long-term Loans. Short term loans are those payable within one calendar year (12 months), while Long-term loans and debts shall fall due beyond one calendar year (above 12 months). Loans and Grants shall be disclosed separately in the Statement of Cashflows

## **Key to Abbreviations**

LGC - Local Government Council

FAAC -Federation Account Allocation Committee

VAT - Value Added Tax

IGR - Internally Generated Revenue

GAAP - Generally Accepted Accounting Principles

GPFS - General Purpose Financial Statements

IPSAS - International Public Sector Accounting Standards

PPE - Property, Plant and Equipment

JAAC - Joint Account Allocation Committee

**ODUKPANI LOCAL GOVERNMENT, ODUKPANI**  
**STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2019</b>	<b>2018</b>
<b>Inflows:</b>	<b>₦</b>	<b>₦</b>
Government Share of FAAC (Statutory Allocation)	1,616,315,614.03	1,670,001,496.77
Government Share of VAT	424,251,619.11	394,703,376.05
Excess Crude	-	7,529,126.25
Other Revenue	51,671,533.73	55,876,277.19
Internally Generated Revenue (Non-Tax Revenue)	10,875,621.84	24,307,502.73
Redistribution from JAAC	-	-
10% State IGR (Non-Tax Revenue)	-	-
<b>Total Inflows from Operating Activities</b>	<b>2,103,114,388.71</b>	<b>2,152,417,778.99</b>
<b>Outflows:</b>		
Salaries and Wages (Social Benefits)	1,377,748,594.41	1,254,966,345.58
Overhead Cost	16,931,891.49	6,732,783.46
Statutory Deductions	62,607,581.99	34,561,200.98
JAAC Charges	267,406,892.91	330,214,036.12
<b>Total Outflows from Operating Activities</b>	<b>1,724,694,960.80</b>	<b>1,626,474,366.14</b>
<b>Net Cashflow from Operating Activities</b>	<b>378,419,427.91</b>	<b>525,943,412.85</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of PPE	-	-
Proceeds from Sale of Investment Property	-	-
Capital Expenditure (Purchase/Construction of PPE)	(254,848,287.15)	(444,021,291.08)
Investment Expenditure	-	(27,777,777.77)
<b>Net Cashflow from Investing Activities</b>	<b>(254,848,287.15)</b>	<b>(471,799,068.85)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Miscellaneous Deposits Received	1,710,000.00	-
Miscellaneous Deposits Remitted	-750,000.00	-
Taxes Received	6,250,000.00	-
Tax Remitted	-8,550,000.00	-
Proceeds from Borrowings (CRSG Loan)	-	-
Repayment of Borrowings	-222,222,222.22	(27,777,777.77)
Overdraft Received	-	-
Overdraft Repayment	-	-
<b>Net Cash Flow from Financing Activities</b>	<b>(223,562,222.22)</b>	<b>(27,777,777.77)</b>
<b>Net Increase (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(99,991,081.46)</b>	<b>26,366,566.23</b>
<b>Cash and its Equivalent as at 01 Jan 2019</b>	<b>296,238,479.00</b>	<b>269,871,912.77</b>
<b>Cash and its Equivalent as at 31 Dec 2019</b>	<b>196,247,397.54</b>	<b>296,238,479.00</b>

**ODUKPANI LOCAL GOVERNMENT, ODUKPANI**  
**STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

	2019	2018
	₦	₦
<b>ASSETS</b>		
<b><u>Current Assets:</u></b>		
Cash and Cash Equivalents	196,247,397.54	296,238,479.00
Receivables	441,951,127.31	316,411,882.96
Inventories		-
Prepayments		-
<b>Total Current Assets (A)</b>	<b>638,198,524.85</b>	<b>612,650,361.96</b>
<b><u>Non-Current Assets</u></b>		
Long-Term Loans		
Investments	158,878,724.67	158,878,724.67
Property, Plant & Equipment		-
Contribution to CRS Reserve Fund	117,737,622.93	105,737,622.93
<b>Total Non-Current Assets (B)</b>	<b>276,616,347.60</b>	<b>264,616,347.60</b>
<b>Total Assets (A) + (B)</b>	<b>914,814,872.45</b>	<b>877,266,709.56</b>
<b>LIABILITIES</b>		
<b><u>Current Liabilities</u></b>		
Deposits	-	-
Short term Loans & Debts	303,561.23	303,561.23
Unremitted Deductions	582,847,959.56	588,576,733.86
Payables (Unremitted Taxes)		-
<b>Total Current Liabilities (C)</b>	<b>583,151,520.79</b>	<b>588,880,295.09</b>
<b><u>Non-Current Liabilities</u></b>		
Long Term Borrowings (CRSG loan)	323,680,797.86	545,903,020.08
Internal Loans (Public Funds)		-
Long Term Provisions (Taxes)		-
<b>Total Non-Current Liabilities (D)</b>	<b>323,680,797.86</b>	<b>545,903,020.08</b>
<b>Total Liabilities (C) + (D)</b>	<b>906,832,318.65</b>	<b>1,134,783,315.17</b>
<b>Net Assets (Total Assets - Total Liabilities)</b>	<b>7,982,553.80</b>	<b>(257,516,605.61)</b>
<b>NET ASSETS/EQUITY</b>		
Reserves	156,140,101.47	364,061,074.01
Accumulated Surpluses/(Deficits)	(148,157,547.67)	(621,577,679.62)
<b>Total Net Assets/Equity</b>	<b>7,982,553.80</b>	<b>(257,516,605.61)</b>

**ODUKPANI LOCAL GOVERNMENT, ODUKPANI**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

PREVIOUS YEAR ACTUAL (2018)		Notes	ACTUAL 2019	FINAL BUDGET 2019	VARIANCE ON FINAL BUDGET
=N=			=N=	=N=	=N=
	<b>REVENUE</b>				
	<b>RECEIPTS:</b>				
2,128,110,276.26	Government Share of FAAC	1	2,092,239,766.87	2,695,976,107.00	(603,737,340.13)
24,307,502.73	Internally Generated	2	10,875,621.84	26,542,317.00	(15,666,695.16)
	Redistribution from JAAC	3			
	Cross River State Government Loan	11			
<b>2,152,417,778.99</b>	<b>Total Revenue (A)</b>		<b>2,103,114,388.71</b>	<b>2,722,518,424.00</b>	<b>(619,404,035.29)</b>
	<b>EXPENDITURE</b>				
1,254,966,345.58	Salaries and Wages	4	1,377,748,594.41	779,972,492.00	(597,776,102.41)
6,732,783.46	Statutory Deductions	6	62,607,581.99	70,465,510.00	53,533,618.51
34,561,200.98	Overhead Cost	5	16,731,891.49	672,052,328.00	609,444,746.01
330,214,036.12	JAAC Charges	7	267,406,892.91	-	(267,406,892.91)
440,021,291.08	Capital Expenditure	8	254,848,287.15	2,292,636,692.00	2,037,788,404.85
27,777,777.77	Investment Expenditure	9	-	-	-
<b>2,098,273,434.99</b>	<b>Total Expenditure (B)</b>		<b>1,979,543,247.95</b>	<b>3,815,127,022.00</b>	<b>1,835,583,774.05</b>
<b>54,144,344.00</b>	<b>Surplus/Deficit from</b>		<b>123,571,140.75</b>	<b>(1,092,608,595.00)</b>	
	Gain/Loss on Disposal of Assets				
	<b>Total Non-Operating Revenue/Expenditure</b>				
	Surplus/Deficit from Ordinary Activities				
<b>54,144,344.00</b>	<b>Net Surplus/Deficit for the</b>		<b>123,571,140.75</b>	<b>(1,092,608,595.00)</b>	

**ODUKPANI LOCAL GOVERNMENT, ODUKPANI****NOTES TO THE FINANCIAL STATEMENTS****1a. (A) GOVERNMENT SHARE OF FAAC (STATUTORY ALLOCATION) ₦1,616,315,641.03**

This represents allocations received on a monthly basis by Odukpani Local Government council from the Federation Account in line with the provisions of the Constitution of the Federal Republic of Nigeria.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) EXCESS CRUDE	(D) OTHER REVENNUE	TOTAL
1	JAN.	133,980,061.14	36,090,168.02	-	245,726.51	170,315,955.67
2	FEB.	122,010,173.22	37,458,810.76	-	2,448,369.08	161,917,353.06
3	MARCH	115,740,610.05	35,103,321.63	-	12,151,885.07	162,995,816.75
4	APRIL	108,987,743.64	33,007,900.76	-	19,269,637.06	161,265,281.46
5	MAY	125,678,836.64	34,707,140.64	-	196,777.71	160,582,754.99
6	JUNE	140,940,844.55	38,436,627.19	-	288,623.15	179,666,094.89
7	JULY	154,323,738.89	38,942,672.98	-	259,356.97	193,525,768.84
8	AUG.	150,299,181.29	34,161,964.96	-	252,824.07	184,713,970.32
9	SEPT.	151,338,669.14	31,746,201.81	-	750,975.58	183,835,846.53
10	OCT.	147,212,055.88	33,548,185.27	-	235,878.06	180,996,119.21
11	NOV.	145,150,011.97	37,895,783.60	-	2,406,727.37	185,452,522.94
12	DEC.	120,653,687.62	33,152,841.49	-	13,164,753.10	166,971,282.21
	<b>TOTAL</b>	<b>1,616,315,614.03</b>	<b>424,251,619.11</b>	<b>-</b>	<b>51,671,533.73</b>	<b>2,092,238,766.87</b>



**1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) –N424,251,619.11**

This represents Federal Revenue arising from Value Added Tax (VAT) for Odukpani Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1c. (C) EXCESS CRUDE –NIL**

This represents the 18 LGAs share of Federal Excess Crude revenue as seen in table 1, for Odukpani Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1d. (D) OTHER REVENUE –N51,671,533.73**

This represents revenue other than statutory receipts from the Federation for Odukpani Local Government Council for the year ended 31<sup>st</sup> December 2019.

**2. NON-TAX REVENUE (IGR) – N10,875,621.84**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Odukpani Local Government Council for the year ended 31<sup>st</sup> December 2019.

CODE		DETAILS	ACTUAL 2019
			N
101000	TAXES		690,865.00
102000	RATES		1,377,872.20
103000	LOCAL LICENCE FEES		987,000.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS		4,004,800.00
105000	RENT ON GOVERNMENT PROPERTY		16,000.00
106000	INTEREST ON DIVIDENDS		-
107000	REIMBURSEMENT		-
108000	MISCELLANEOUS		3,799,084.64
	<b>TOTAL</b>		<b>10,875,621.84</b>

**3. REDISTRIBUTION FROM JAAC – NIL**

This represents the positive inflows to Councils after Salaries, Statutory deductions and Joint Commitments were made by JAAC.

**4. SALARIES AND WAGES – N 1,377,748,594.41**

This consists of the salaries and wages paid to staff of Odukpani local government comprising of council staff, traditional rulers and non-pensionable allowances (LGC), teachers (SUBEB) and health workers (PHC). Pension allowances/Social benefits paid to all retired LGCs staff are also inclusive.

<b>SALARIES AND WAGES (SOCIAL BENEFITS)</b>		
<b>S/N</b>	<b>DESCRIPTION</b>	<b>AMOUNT (N)</b>
<b>1</b>	Council Staff Salaries	194,411,623.63
<b>2</b>	Primary Health Care Salaries	169,315,396.65
<b>3</b>	Local Government Education Authority	621,393,993.83
<b>4</b>	Traditional Rulers Stipend	20,070,000.00
<b>5</b>	Pension Contribution	372,557,580.30
	<b>TOTAL</b>	<b>1,377,748,594.41</b>

**5. OVERHEAD COST – N62,607,581.99**

This represents total overhead cost incurred during the financial year by the Council.

<b>CODE</b>	<b>DESCRIPTION</b>	<b>OTHER COUNCILS COMMITMENTS PAID THROUGH JAAC</b>	<b>ACTUAL PAID BY COUNCIL 2019</b>	<b>TOTAL</b>
		<b>=N=</b>	<b>=N=</b>	<b>=N=</b>
<b>431200</b>	TRAVEL AND TRANSPORT		1,173,500.00	1,173,500.00
<b>431300</b>	UTILITIES		22,000.00	22,000.00
<b>431400</b>	MATERIALS & SUPPLIES		1,351,300.00	1,351,300.00
<b>431500</b>	MAINTENANCE & SERVICES		884,000.00	884,000.00
<b>431600</b>	TRAINING & STAFF DEVELOP		345,000.00	345,000.00
<b>431700</b>	CONSULTANCY & PRO		1,896,000.00	1,896,000.00
<b>431800</b>	FINANCE EXPENSES	1,950,444.44	179,954.22	2,130,398.66
<b>431900</b>	ENTERTAINMENT &		986,550.00	986,550.00
<b>432100</b>	OTHER SERVICES		12,135,500.00	12,135,500.00
<b>432200</b>	GRANT & SUBVENTION		-	-
<b>115000</b>	CONSOLIDATED REV. FUND	40,333,333.33	1,350,000.00	41,683,333.33
	<b>TOTAL</b>	<b>42,283,777.77</b>	<b>20,323,804.22</b>	<b>62,607,581.99</b>

**6. STATUTORY DEDUCTIONS – ₦16,931,891.49**

This is made up of 31% Statutory deductions made from Odukpani Local Government Council Statutory Allocations and paid to Ministry of Local Government Affairs for administration.

**7. PURCHASE/CONSTRUCTION OF PPE (CAPITAL EXPENDITURE ₦254,848,287.15**

During the year under review, the Odukpani LGC spent a total sum of ₦=254.8m (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment). Details are as presented below in the tabular and Chart format;

HEAD	DETAILS	ACTUAL PAID BY COUNCIL 2019	OTHER COUNCILS COMMITMENTS PAID THROUGH JAAC	TOTAL
		₦	₦	₦
	<b>ECONOMIC SECTOR</b>			
<b>13000</b>	Forestry	150,000.00	-	150,000.00
<b>14000</b>	Fisheries	-	-	-
<b>15000</b>	Energy (Fuel & Power)	40,000.00	-	40,000.00
<b>16000</b>	Commerce & Finance	25,710,000.00	-	25,710,000.00
<b>17000</b>	Transport, Road, Bridges	1,240,000.00	-	1,240,000.00
<b>18000</b>	Culture & Tourism	-	4,285,714.29	4,285,714.29
	<b>SUB TOTAL</b>	<b>27,140,000.00</b>	<b>4,285,714.29</b>	<b>31,425,714.29</b>
20000	<b>SOCIAL SECTOR</b>			
<b>22000</b>	Health	40,000.00	-	40,000.00
<b>23000</b>	Information	195,000.00	-	195,000.00
<b>24000</b>	Social Dev. Youth & Sports	2,202,000.00	-	2,202,000.00
	<b>SUB TOTAL</b>	<b>2,437,000.00</b>	<b>-</b>	<b>2,437,000.00</b>
30000	<b>ENVIRONMENTAL &amp; REGIONAL DEV.</b>			
<b>31000</b>	Water Supply	49,340,000.00	-	49,340,000.00
<b>33000</b>	Housing	20,040,000.00	-	20,040,000.00
<b>35000</b>	Environment	396,000.00	-	396,000.00
	<b>SUB TOTAL</b>	<b>69,776,000.00</b>	<b>-</b>	<b>69,776,000.00</b>
40000	<b>General Administration</b>	<b>52,269,340.15</b>	<b>98,940,232.71</b>	<b>151,209,572.86</b>
	<b>GRAND TOTAL</b>	<b>341,622,340.15</b>	<b>103,225,947.00</b>	<b>254,848,287.15</b>

**8. JAAC CHARGES – =N=267,406,892.91**

This represents Joint Commitments of Odukpani Local Government Council that were approved for payment by Councils from JAAC that resulted in negative redistribution for certain months of the year.

**9. INVESTMENT EXPENDITURE – NIL**

Investment expenditure represents the total aggregate payouts on behalf of Odukpani Councils by the Ministry of Local Government Affairs for joint investments; in the year in question investment expenditure was NIL in Cross River State Micro Finance Bank Limited (CRMFB).

**10. DEPOSITS RECEIVED AND REMITTED – N1,710,000.00 & (N750,000.00)**

Deposits received represent the retention fees and unpaid contract sums for contracts awarded by Odukpani council during the year while Deposits remitted represent the aforementioned amounts actually paid out.

DEPOSIT RECEIVED AND REMITTED			
S/N	LGC	DEPOSIT RECEIVED	DEPOSIT REMITTED
1	ODUKPANI	1,710,000.00	(750,000.00)
	<b>TOTAL</b>	<b>1,710,000.00</b>	<b>(750,000.00)</b>

**11. TAXES RECEIVED AND REMITTED – N6,250,000.00 & (N8,550,000.00)**

Taxes received represents Withholding and Value Added taxes deducted from contract and consultancy jobs while taxes remitted represents the portion actual remitted to the relevant tax authorities.

TAXES RECEIVED AND REMITTED			
S/N	LGC	TAXES RECEIVED	TAXES REMITTED
1	ODUKPANI	6,250,000.00	(8,550,000.00)
	<b>TOTAL</b>	<b>6,250,000.00</b>	<b>(8,550,000.00)</b>

**12. REPAYMENT OF BORROWINGS – N222,222,222.22**

This represents the cumulative total of loans from the State Government to offset shortfalls in Salaries of Odukpani LGC and the amount repaid during the period.

**13. OVERDRAFT RECEIVED NIL AND NIL**

This represents overdrafts taken by some councils during the year and the portions that have been repaid.

**14. CASH AND CASH EQUIVALENTS – N196,247,397.54**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Odukpani Local Government Council Cash Books as at 31<sup>st</sup> December 2019.

**15. RECEIVABLES – N 441,951,127.31**

This represents cumulative amounts owed to Council by the State Government via unremitted 10% State IGR, as seen in the table below;

RECEIVABLES	AMOUNT (N)
Balance Brought Forward	316,411,882.96
2018 Unpaid 10%	125,539,244.45
Remittance for the Period	
Balance Carried forward	441,951,127.31

**16. INVESTMENTS – N158,878,724.60**

This represents joint investments and stocks held by the Odukpani LGC in certain State-owned projects/companies like the Tinapa Business Resort, the Obudu Ranch Resort and the Cross-River State Micro Finance Bank.

**17. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND - ₦ 117,737,622.93**

This represents the cumulative monthly contribution of one million per council yearly. details are found in the table below;

MONTH	DETAILS	2018
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	1,000,000.00
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00
JUN	DEDUCTION FROM ALLOCATION	1,000,000.00
JUL	DEDUCTION FROM ALLOCATION	1,000,000.00
AUG	DEDUCTION FROM ALLOCATION	1,000,000.00
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>TOTAL AS IN CASHFLOW STATEMENT</b>		<b>12,000,000.00</b>
<b>BALANCE B/F AS AT 1ST JANUARY</b>		<b>105,737,622.93</b>
<b>TOTAL AS IN STATEMENT OF ASSETS &amp; LIABILITIES</b>		<b>117,737,722.93</b>

**18. DEPOSITS – NIL**

Deposits received represents unpaid retention fees, unclaimed salaries and unpaid contract sums for contracts awarded by councils during the year while Deposits remitted represent the aforementioned amounts actually paid out.

**19. SHORT TERM LOANS AND DEBTS – ₦303,561.23**

This represents loans owed to various banks by Odukpani Local Governments.

**20. UNREMITTED DEDUCTIONS – ₦ 582,847,959.56**

This represents the cumulative total of all unremitted statutory deductions by Odukpani LGC to certain State agencies as mandated by Law.

**21. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – ₦323,680,797.86**

This represents the cumulative total amounts owed the State Government by the 18 LGCs, borrowed to offset shortfalls in funds to pay salaries.

**22. RESERVES - N 156,140,101.47**

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31<sup>st</sup> December for the year 2019, apportioned to each Odukpani Local Government in its Financial Statements for the purposes of disclosure

**23. PAYABLES – NIL**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Odukpani LGCs as at 31<sup>st</sup> December 2019

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF ODUKPANI LOCAL GOVERNMENT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2018**

<b>Month</b>	<b>Buildings</b>	<b>Equipment</b>	<b>Fixtures</b>	<b>Furniture &amp; Fittings</b>	<b>Land &amp; Buildings</b>	<b>Motor Vehicles</b>	<b>Plant &amp; Machinery</b>	<b>Total</b>
	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>
January	-	-	-	-	-	-	-	-
February	-	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-	-
April	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-
November	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-
<b>TOTAL</b>								

**Note: The Cross-River State Local Governments are yet to fully implement IPSAS Accrual basis of Accounting. Cash basis is still in operation. However, plans are underway to fully implement IPSAS Accrual by the 18 Councils conducting a thorough Property, Plant and Equipment valuation and maintaining a Fixed Assets Register.**



# OGOJA LOCAL GOVERNMENT COUNCIL

**OGOJA LOCAL GOVERNMENT, OGOJA**

**AUDIT OPINION**

**STATEMENT OF OPINION OF THE AUDITOR-GENERAL**

The Accounts of the Ogoja Local Government Council found on pages 387-389 have been examined under my direction, which have been prepared under the accounting policies set out on pages 381-386.

### **RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL**

The Local Government Treasurer is responsible for the preparation of the Financial Statements. It is my responsibility to form an independent opinion based on our Audit on the Financial Statements and report our opinion to you.

### **THE SCOPE OF MY AUDIT**

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements 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 we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

In affirming our opinion, we evaluated the preparation of the information in the Financial Statements and assessed whether the Councils' books and Accounts had been properly kept.

### **OUR OPINION**

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Ogoja Local Government Council as at 31<sup>st</sup> December 2019*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.

  
**MRS. FRANKA A. INOK, FCA**  
**AUDITOR-GENERAL**

## **OGOJA LOCAL GOVERNMENT, OGOJA** **RESPONSIBILITY FOR FINANCIAL STATEMENTS**

These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Ogoja Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Cash Basis) and Generally Accepted Accounting Practice.

The Management of Ogoja Local Government Council is responsible for establishing and maintaining a system of internal controls, designed to provide reasonable assurance that the transactions recorded are within their statutory authority and have properly recorded the use of all public financial resources by the Local Government Council.

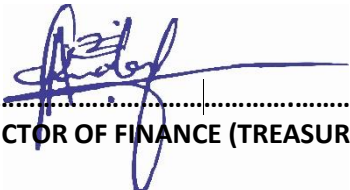
The Director of Finance (Treasurer) has responsibility for ensuring the internal controls are functional throughout the year and that financial records are properly kept, and appropriate financial statements are prepared. To the best of my knowledge, this system of internal control has operated adequately throughout the reporting period.

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the IPSAS and Financial Memoranda, (as amended).

In our opinion, these financial statements fairly reflect the financial position of Ogoja Local Government as at 31<sup>st</sup> December 2019 and its operations for the period ended on that date.

  
.....  
**CHAIRMAN**

21st September 2020  
.....  
**DATE**

  
.....  
**THE DIRECTOR OF FINANCE (TREASURER)**

21st September 2020  
.....  
**DATE**



The Chairman,  
Ogoja Local Government Council,  
OGOJA.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF OGOJA LOCAL GOVERNMENT COUNCIL  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019.**

**REPORT ON THE FINANCIAL STATEMENTS**

I have examined the Financial Statements set out on page(s) 387 to 389 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

**MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:**

It is the responsibility of the Director of Finance (Treasurer) to prepare the accounts in accordance with the provisions of the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda. It is my responsibility to audit and form an independent opinion on the General-Purpose Financial Statements (GPFS).

**BASIS OF AUDIT OPINION**

I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007, Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing

Proper Books of accounts were kept; projects and programmes have been verified and appropriate comments included in my inspection report to the Management of Council and in the Annual Report to the Cross-River State House of Assembly.

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my office, Councils Financial Statements were converted to IPSAS (Cash Basis) General Purpose Financial Statements for the first time in the interest of best practice.

**AUDIT OPINION**

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Ogoja Local Government Council as at 31<sup>st</sup> December 2019*** and the financial Position and Cashflows for the period ended on that date.

.....  
MRS FRANKA INOK, FCA  
AUDITOR-GENERAL  
CALABAR



## **OGOJA LOCAL GOVERNMENT, OGOJA**

### **STATEMENT OF ACCOUNTING POLICIES**

#### **1. Basis of Preparation of Financial Statements**

These Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) (Cash Basis) as well as under the Guidelines of the Financial Memoranda and in conformity with the Standardized Chart of Accounts designed and introduced by the Federation Account Allocation Committee (FAAC) for adoption by all tiers of Government in Nigeria as well as the Financial Reporting Council (FRC) Guidelines on Public Sector reporting.

#### **2. Accounting Period**

The accounting year to which the Financial Statements relate is from 1<sup>st</sup> January to 31<sup>st</sup> December 2018.

#### **3. Reporting Currency**

The Financial Statements were prepared in Nigerian Naira.

#### **4. IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when cash (including cash equivalents) are received or paid by the LGCs. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of cash raised during the period, the purposes for which cash was used and the cash balances at the reporting date. Notes to the GPFS provide additional information about Liabilities, including Payables and Borrowings and non-cash assets that include Receivables, Investments and Property, Plant and Equipment.

## **5. Accounting Terminologies / Definitions**

### **5.1 Accounting Policies**

These are the specific principles, bases, conventions, rules and practices adopted by the 18 LGAs in preparing and presenting their Financial Statements.

### **5.2 Cash**

Cash comprises of cash in hand, demand deposits in financial institutions and cash equivalents.

### **5.3 Cash equivalents**

These are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **5.4 Cash basis**

means a basis of accounting that recognizes transactions and other events only when cash is received or paid.

### **5.5 Cash flows**

are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.

**5.6 Cash receipts** are cash inflows.

**5.7 Cash payments** are cash outflows

## 5.8 Notes to the GPFS

These include narrative descriptions or more detailed schedules, or analyses of amounts shown on the face of the GPFS, as well as additional information.

## 6. General Purpose Financial Statements (GPFS)

The GPFS comprise of Statements of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by the 18 LGAs and Accounting Policies and Notes to the Financial Statements.

### 6.1 Principal Statements contained in the IPSAS Financial Statements

- The Cash flow Statement
- The Statement of Financial Position
- The Statement of Financial Performance
- The Notes to the Financial Statements
- Accounting Policies and Explanatory Notes.

## 7. Fundamental Accounting Concepts

The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in State:

Cash Basis of Accounting

Understandability

Materiality

Relevance

Going Concern Concept

Consistency Concept

Prudence

Completeness etc.

**8. Comparative Information**

The GPFS shall disclose all numerical information relating to the previous period (at least one year

**9. Interest Received**

Interest actually received during the financial year shall be treated as a receipt under item 'Other Receipts'.

**10. Receipts**

These are Cash inflows within the financial year. They comprise of receipts from Statutory Allocations, Value Added Tax, Excess Crude, Internally Generated Revenue and Other Revenue. These items shall be disclosed at the face of the Statement of Cashflows

**11. Payments**

These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorized either by Function and/or by Sector in the Statement of Cash Receipts and Payment. Payments for purchase of items of capital nature (e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.

**12. Investments**

Cash Payments made for investment purposes such as purchase of Government Stock, Treasury Bills and Certificates of Deposit, are capital costs and are disclosed as purchase of financial instruments in Council accounts.



### **13. Loans**

Loans granted to Local Governments especially by the State Government shall be categorized under loans in the Statement of Financial Position. Amount disclosed in the Statement of Cashflow shall be the actual amount received in the financial year while amount disclosed in the Statement of Financial Position shall be cumulative including loan amounts outstanding from previous years.

### **14. Loan Repayments**

Amounts repaid from Loans granted to Local Governments shall be classified under Loan Repayments, amount disclosed shall be actual amount

### **15. Budget Figures**

These are figures from the approved annual budget and supplementary budget as approved with the Cross-River State Local Government Law 2007 (as amended).

### **16. Interest on Loans**

Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest repayment in the Statement of Cashflow.

### **17. Prepayments**

Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.

### **18. Advances**

All Cash Advances shall be retired before the end of the financial year-end.

**19. Leases**

Cash Payment for Finance Leases, which effectively transfer to the Government substantially all the risks and benefits incidental to ownership of the leased item, are treated as capital payments and disclosed in the Statement of Cash Receipts and payments.

**20. Cash Balances**

This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.

**21. Other Borrowings / Grants & Aid Received**

These are categorized as either Short-term or Long-term Loans. Short term loans are those payable within one calendar year (12 months), while Long-term loans and debts shall fall due beyond one calendar year (above 12 months). Loans and Grants shall be disclosed separately in the Statement of Cashflows

**Key to Abbreviations**

LGC - Local Government Council

FAAC -Federation Account Allocation Committee

VAT - Value Added Tax

IGR - Internally Generated Revenue

GAAP - Generally Accepted Accounting Principles

GPFS - General Purpose Financial Statements

IPSAS - International Public Sector Accounting Standards

PPE - Property, Plant and Equipment

JAAC - Joint Account Allocation Committee

LGC - Local Government Council

**OGOJA LOCAL GOVERNMENT, OGOJA**  
**STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2019</b>	<b>2018</b>
<b>Inflows:</b>	<b>₦</b>	<b>₦</b>
Government Share of FAAC (Statutory Allocation)	1,519,084,266.08	1,577,675,925.01
Government Share of VAT	406,855,119.79	378,575,896.58
Excess Crude	-	-
Other Revenue	48,562,377.49	60,129,410.37
Internally Generated Revenue (Non-Tax Revenue)	16,462,702.20	22,219,317.09
Redistribution from JAAC	-	107,763,566.26
10% State IGR (Non-Tax Revenue)	-	-
<b>Total Inflows from Operating Activities</b>	<b>1,990,964,465.56</b>	<b>2,146,364,115.31</b>
<b>Outflows:</b>		
Salaries and Wages (Social Benefits)	1,577,850,462.08	1,444,476,459.21
Overhead Cost	71,155,229.48	6,732,783.46
Statutory Deductions	84,194,497.30	19,184,107.73
JAAC Charges	76,941,134.72	-
<b>Total Outflows from Operating Activities</b>	<b>1,810,141,323.58</b>	<b>1,470,393,350.40</b>
<b>Net Cashflow from Operating Activities</b>	<b>180,823,141.98</b>	<b>675,970,764.91</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of PPE		-
Proceeds from Sale of Investment Property		-
Capital Expenditure (Purchase/Construction of PPE)	(220,604,303.68)	(321,348,833.33)
Investment Expenditure		(27,777,777.78)
<b>Net Cashflow from Investing Activities</b>	<b>(220,604,303.68)</b>	<b>(349,126,611.11)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Miscellaneous Deposits Received	14,807,252.78	301,680.91
Miscellaneous Deposits Remitted	(9,000,000.00)	(9,000,000.00)
Taxes Received	4,560,000.00	
Tax Remitted	(3,800,000.00)	
Proceeds from Borrowings (CRSG Loan)		(27,777,777.77)
Repayment of Borrowings	(222,222,222.22)	-
Overdraft Received		-
Overdraft Repayment		-
<b>Net Cash Flow from Financing Activities</b>	<b>(215,654,969.44)</b>	<b>(36,476,096.86)</b>
<b>Net Increase (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(255,436,131.14)</b>	<b>290,368,056.94</b>
<b>Cash and its Equivalent as at 01 Jan 2019</b>	<b>259,026,551.51</b>	<b>(31,341,505.43)</b>
<b>Cash and its Equivalent as at 31 Dec 2019</b>	<b>3,590,420.37</b>	<b>259,026,551.51</b>

**OGOJA LOCAL GOVERNMENT, OGOJA**  
**STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

	2019	2018
<b>ASSETS</b>	<b>₦</b>	<b>₦</b>
<b><u>Current Assets:</u></b>		
Cash and Cash Equivalents	3,590,420.37	259,026,551.51
Receivables	441,951,127.31	316,411,882.96
Inventories		
Prepayments		
<b>Total Current Assets (A)</b>	<b>445,541,547.68</b>	<b>575,438,434.47</b>
<b><u>Non-Current Assets</u></b>	-	-
Long-Term Loans	-	-
Investments	158,878,724.67	158,878,724.67
Property, Plant & Equipment		
Contribution to CRS Reserve Fund	117,737,622.93	105,737,622.93
<b>Total Non-Current Assets (B)</b>	<b>276,616,347.60</b>	<b>264,616,347.60</b>
<b>Total Assets (A) + (B)</b>	<b>722,157,895.28</b>	<b>840,054,782.07</b>
<b>LIABILITIES</b>		
<b><u>Current Liabilities</u></b>		
Deposits	-	24,175,981.95
Short term Loans & Debts	30,743,234.73	
Unremitted Deductions	582,847,959.56	588,576,733.86
Payables (Unremitted Taxes)	8,513,943.81	8,513,943.81
<b>Total Current Liabilities (C)</b>	<b>622,105,138.10</b>	<b>621,266,659.62</b>
<b><u>Non-Current Liabilities</u></b>		
Long Term Borrowings (CRSG loan)	323,680,797.86	545,903,020.09
Internal Loans (Public Funds)	-	-
Long Term Provisions (Taxes)	-	-
<b>Total Non-Current Liabilities (D)</b>	<b>323,680,797.86</b>	<b>545,903,020.09</b>
<b>Total Liabilities (C) + (D)</b>	<b>945,785,935.96</b>	<b>1,167,169,679.71</b>
<b>Net Assets (Total Assets - Total Liabilities)</b>	<b>(223,628,040.68)</b>	<b>(327,114,897.64)</b>
<b>NET ASSETS/EQUITY</b>		
Reserves	156,140,101.47	364,061,074.01
Accumulated Surpluses/(Deficits)	(379,768,142.15)	(691,175,971.65)
<b>Total Net Assets/Equity</b>	<b>(223,628,040.68)</b>	<b>(327,114,897.64)</b>

**OGOJA LOCAL GOVERNMENT, OGOJA**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

PREVIOUS YEAR ACTUAL (2018)		Notes	ACTUAL 2019	FINAL BUDGET 2019	VARIANCE ON FINAL BUDGET
=N=			=N=	=N=	=N=
	<b>REVENUE</b>				
	<b>RECEIPTS:</b>				
2,016,281,231.96	Government Share of	1	1,974,501,763.36	3,793,097,384.00	((1,818,595,620.64)
22,219,317.09	Internally Generated	2	16,462,702.20	41,695,001.00	(25,232,298.80)
107,763,566.26	Redistribution from JAAC	3			
	Cross River State	11			
<b>2,146,364,115.31</b>	<b>Total Revenue (A)</b>		<b>1,990,964,465.56</b>	<b>3,834,792,385.00</b>	<b>(1,843,827,919.44)</b>
	<b>EXPENDITURE</b>				
1,444,476,459.21	Salaries and Wages	4	1,57,850,462.08	1,687,432,000.00	109,581,537.92
6,732,783.46	Statutory Deductions	6	71,155,229.48	85,202,427.00	14,047,197.52
19,184,107.73	Overhead Cost	5	84,194,497.30	900,157,000.00	815,962,502.70
-	JAAC Charges	7	76,941,134.72	-	(76,941,134.72)
321,348,833.33	Capital Expenditure	8	220,604,303.68	2,062,000,822.00	1,841,396,518.32
27,777,777.77	Investment Expenditure	9			
<b>1,819,519,961.51</b>	<b>Total Expenditure (B)</b>		<b>2,030,745,627.26</b>	<b>4,734,792,249.00</b>	<b>2,704,046,621.74</b>
<b>326,844,153.80</b>	<b>Surplus/Deficit from</b>		<b>(29,781,161.70)</b>	<b>(899,999,864.00)</b>	
	Gain/Loss on Disposal of				
	<b>Total Non-Operating Revenue/Expenditure</b>				
	Surplus/Deficit from				
<b>326,844,153.80</b>	<b>Net Surplus/Deficit for</b>		<b>(29,781,161.70)</b>	<b>(899,999,864.00)</b>	

**OGOJA LOCAL GOVERNMENT, OGOJA****NOTES TO THE FINANCIAL STATEMENTS****1a. (A) GOVERNMENT SHARE OF FAAC (STATUTORY ALLOCATION) ₦1,519,084,266.08**

This represents allocations received on a monthly basis by Ogoja Local Government council from the Federation Account in line with the provisions of the Constitution of the Federal Republic of Nigeria.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) EXCESS CRUDE	(D) OTHER REVENNUE	TOTAL
1	JAN.	125,920,345.51	34,599,549.68		230,940.77	160,750,835.96
2	FEB.	114,670,704.29	35,913,327.14		2,301,046.92	152,885,078.35
3	MARCH	108,778,390.45	33,677,363.35		11,420,687.32	153,876,441.12
4	APRIL	102,431,854.48	31,644,190.11		18,110,153.14	152,186,197.73
5	MAY	118,118,618.55	33,279,756.11		184,937.29	151,583,311.95
6	JUNE	132,462,287.80	36,856,261.58		271,256.24	169,589,805.62
7	JULY	145,039,912.66	37,335,613.57		243,751.06	182,619,277.29
8	AUG.	141,257,518.92	32,768,991.84		237,611.25	174,264,122.01
9	SEPT.	142,234,459.17	30,443,131.11		705,788.22	173,383,378.50
10	OCT.	138,356,150.63	32,174,226.92		2,222,575.59	170,752,062.47
11	NOV.	136,418,183.09	36,343,770.34		261,020.18	175,023,864.28
12	DEC.	113,395,840.53	31,818,938.04		12,372,609.51	157,587,388.08
	<b>TOTAL</b>	<b>1,519,084,266.08</b>	<b>406,855,119.79</b>		<b>48,562,377.49</b>	<b>1,974,501,763.36</b>

**1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) –N406,855,119.79**

This represents Federal Revenue arising from Value Added Tax (VAT) for Ogoja Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1c. (C) EXCESS CRUDE –NIL**

This represents the 18 LGAs share of Federal Excess Crude revenue as seen in table 1, for Ogoja Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1d. (D) OTHER REVENUE –N48,562,377.49**

This represents revenue other than statutory receipts from the Federation for Ogoja Local Government Council for the year ended 31<sup>st</sup> December 2019.

**2. NON-TAX REVENUE (IGR) – N16,462,702.20**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Ogoja Local Government Council for the year ended 31<sup>st</sup> December 2019.

CODE	DETAILS	ACTUAL 2019
		N
101000	TAXES	90,000.00
102000	RATES	1,178,320.00
103000	LOCAL LICENCE FEES	5,026,500.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	5,254,000.00
105000	RENT ON GOVERNMENT PROPERTY	142,200.00
106000	INTEREST ON DIVIDENDS	-
107000	REIMBURSEMENT	-
108000	MISCELLANEOUS	4,771,682.20
	<b>T O T A L</b>	<b>16,462,702.20</b>

**3. REDISTRIBUTION FROM JAAC – NIL**

This represents the positive inflows to Councils after Salaries, Statutory deductions and Joint Commitments were made by JAAC.

**4. SALARIES AND WAGES – N 1,577,850,462.08**

This consists of the salaries and wages paid to staff of Ogoja local government comprising of council staff, traditional rulers and non-pensionable allowances (LGC), teachers (SUBEB) and health workers (PHC). Pension allowances/Social benefits paid to all retired LGCs staff are also inclusive.

**5. OVERHEAD COST – N71,155,229.48**

This represents total overhead cost incurred during the financial year by the Council.

CODE	DESCRIPTION	ACTUAL PAID BY COUNCIL 2018	OTHER COMMITMENTS PAID THROUGH JAAC	TOTAL
		N	N	N
431200	TRAVELLING AND TRANSPORT	2,946,700.00	-	2,946,700.00
431300	UTILITY SERVICES	6,000.00	-	6,000.00
431400	MATERIALS AND SUPPLIES	1,339,500.00	-	1,339,500.00
431500	REPAIRS AND MAINTENANCE	1,145,500.00	-	1,145,500.00
431600	TRAINING AND STAFF	165,000.00	-	165,000.00
431700	CONSULTANCY/PROFESSIONAL	1,689,800.00	-	1,689,800.00
431800	OTHER CHARGES (FINANCE)	32,614.89	6,000.00	32,614.89
431900	ENTERTAINMENT AND	5,849,700.00	199,999.70	6,049,699.70
432100	OTHER SERVICES	12,002,192.68	5,438,888.88	17,441,081.56
115000	DEBT SERVICING	-	40,333,333.33	40,333,333.33
	<b>TOTAL</b>	<b>25,177,007.57</b>	<b>45,978,220.91</b>	<b>71,155,229.48</b>

**6. STATUTORY DEDUCTIONS – N84,194,497.30**

This is made up of 31% Statutory deductions made from Ogoja Local Government Council Statutory Allocations and paid to Ministry of Local Government Affairs for administration.



**7. PURCHASE/CONSTRUCTION OF PPE (CAPITAL EXPENDITURE N220,604,303.68**

During the year under review, the Ogoja LGC spent a total sum of =N=220.6m (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment). Details are as presented below in the tabular and Chart format;

CODE	DESCRIPTION	ACTUAL PAID BY COUNCIL 2019	OTHER COMMITMENTS PAID THROUGH JAAC (SCH 3A)	TOTAL
		N	N	N
<b>ECONOMIC SECTOR</b>				
<b>12000</b>	LIVES/STOCK/VETERINARY	-	300,000.00	300,000.00
<b>16000</b>	ENERGY (FUEL AND POWER)	-	40,000,000.00	40,000,000.00
<b>17 000</b>	COMMERCE AND FINANCE	-	200,000.00	200,000.00
<b>18000</b>	TRANSPORTATION ROAD AND BRIDGES)	-	20,010,000.00	20,010,000.00
	<b>SUB-TOTAL</b>	-	<b>60,510,000.00</b>	<b>60,510,000.00</b>
<b>SOCIAL SERVICES SECTOR</b>				
<b>22000</b>	HEALTH	-	30,000.00	30,000.00
<b>24000</b>	SOCIAL DEVELOPMENT YOUTH AND SPORT	2,000,000.00	2,281,000.00	4,281,000.00
	<b>SUB-TOTAL</b>	<b>2,000,000.00</b>	<b>2,311,000.00</b>	<b>4,311,000.00</b>
<b>ENVIRONMENT &amp; REFUSE</b>				
<b>31000</b>	WATER SUPPLY	-	49,000,000.00	49,000,000.00
<b>33000</b>	HOUSING	-	6,081,500.00	6,081,500.00
<b>35000</b>	ENVIRNMENT/REFUSE DISPOSAL	-	6,631,500.00	6,631,500.00
	<b>SUB-TOTAL</b>	-	<b>61,713,000.00</b>	<b>61,713,000.00</b>
<b>40000</b>	GENERAL ADMINISTRATION	54,805,555.56	39,264,747.82	94,070,303.38
	<b>SUB-TOTAL</b>	54,805,555.56	39,264,747.82	94,070,303.38
<b>GRAND TOTAL</b>		<b>56,805,555.56</b>	<b>163,798,747.82</b>	<b>220,604,303.68</b>

**8. JAAC CHARGES – N76,941,134.72**

This represents Joint Commitments of Ogoja Local Government Council that were approved for payment by Councils from JAAC that resulted in negative redistribution for certain months of the year.

**9. INVESTMENT EXPENDITURE – NIL**

Investment expenditure represents the total aggregate payouts on behalf of Ogoja Councils by the Ministry of Local Government Affairs for joint investments; in the year in question investment expenditure was NIL in Cross River State Micro Finance Bank Limited (CRMFB).

**10. DEPOSITS RECEIVED AND REMITTED –N14,807,252.78 & (N9,000,000.00)**

Deposits received represent the retention fees and unpaid contract sums for contracts awarded by Ogoja council during the year while Deposits remitted represent the aforementioned amounts actually paid out.

DEPOSIT RECEIVED AND REMITTED			
S/N	LGC	DEPOSIT RECEIVED	DEPOSIT REMITTED
1	OGOJA	14,807,252.78	(9,000,000.00)
	<b>TOTAL</b>	<b>14,807,252.78</b>	<b>(9,000,000.00)</b>

**11. TAXES RECEIVED AND REMITTED – N4,560,000.00 & (N3,800,000.00)**

Taxes received represents Withholding and Value Added taxes deducted from contract and consultancy jobs while taxes remitted represents the portion actual remitted to the relevant tax authorities.

TAXES RECEIVED AND REMITTED			
S/N	LGC	TAXES RECEIVED	TAXES REMITTED
1	OGOJA	4,560,000.00	(3,800,000.00)
	<b>TOTAL</b>	<b>4,560,000.00</b>	<b>(3,800,000.00)</b>

**12. REPAYMENT OF BORROWINGS – N222,222,222.22**

This represents the cumulative total of loans from the State Government to offset shortfalls in Salaries of Ogoja LGC and the amount repaid during the period as seen below;

**13. OVERDRAFT RECEIVED - NIL**

This represents overdrafts taken by some councils during the year and the portions that have been repaid.

**14. CASH AND CASH EQUIVALENTS – ₦3,590,420.37**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Ogoja Local Government Council Cash Books as at 31<sup>st</sup> December 2019.

**15. RECEIVABLES – ₦ 441,951,127.31**

This represents cumulative amounts owed to Council by the State Government via unremitted 10% State IGR, as seen in the table below;

RECEIVABLES (10	AMOUNT (₦)
Balance Brought Forward	316,411,882.96
2019 Unpaid 10%	125,539,244.45
Remittance for the Period	
Balance Carried forward	441,951,127.31

**16. INVESTMENTS – ₦158,878,724.60**

This represents joint investments and stocks held by the Ogoja LGC in certain State-owned projects/companies like the Tinapa Business Resort, the Obudu Ranch Resort and the Cross-River State Micro Finance Bank.

**17. UNREMITTED DEDUCTIONS – ₦ 582,847,959.56**

This represents the cumulative total of all unremitted statutory deductions by Ogoja LGC to certain State agencies as mandated by Law.

**18. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND ₦ 117,737,622.93**

This represents the cumulative monthly contribution of one million per council yearly. details are found in the table below;

MONTH	DETAILS	2018
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	1,000,000.00
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00
JUN	DEDUCTION FROM ALLOCATION	1,000,000.00
JUL	DEDUCTION FROM ALLOCATION	1,000,000.00
AUG	DEDUCTION FROM ALLOCATION	1,000,000.00
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>TOTAL AS IN CASHFLOW STATEMENT</b>		<b>12,000,000.00</b>
<b>BALANCE B/F AS AT 1ST JANUARY</b>		<b>105,737,622.93</b>
<b>TOTAL AS IN STATEMENT OF ASSETS &amp; LIABILITIES</b>		<b>117,737,722.93</b>

**19. DEPOSITS – N30,743,234.73**

Deposits received represents unpaid retention fees, unclaimed salaries and unpaid contract sums for contracts awarded by councils during the year while Deposits remitted represent the aforementioned amounts actually paid out.

S/N	DETAILS	BALANCE AS AT 01-01-2019	ADDITIONS DURING THE YEAR	PAYMENTS/R EMITTANCE AS IN CASHFLOW	BALANCE AS AT 31-12-19
1	RETENTION FEE	1,229,517.70			1,229,517.70
2	PROJECT MONITORING LEVY (2%)	1,002,853.11	760,000.00		1,762,853.11
3	UNCLAIMED SALARIES	8,514,650.02			8,514,650.02
4	SALARIES DEPOSIT	13,428,931.12	14,807,252.78	9,000,000.00	19,236,183.90
	<b>TOTAL</b>	<b>24,175,981.95</b>	<b>15,567,252.78</b>	<b>9,000,000.00</b>	<b>30,743,234.73</b>

**20. SHORT TERM LOANS AND DEBTS – NIL**

This represents loans owed to various banks by Ogoja Local Governments.

**21. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – ₦323,680,797.86**

This represents the cumulative total amounts owed the State Government by the 18 LGCs, borrowed to offset shortfalls in funds to pay salaries.

**22. RESERVES - ₦ 156,140,101.47**

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31<sup>st</sup> December for the year 2019, apportioned to each Ogoja Local Government in its Financial Statements for the purposes of disclosure

**23. PAYABLES – ₦8,531,943.81**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Ogoja LGCs as at 31<sup>st</sup> December 2019.

S/N	DETAILS	BALANCE AS AT 01-01-2019	ADDITIONS DURING THE YEAR	REMITTANCES	BALANCE AS AT 31-12-19
1	WITHHOLDING TAX	3,910,584.00	1,900,000.00	1,900,000.00	3,910,584.00
2	VALUE ADDED TAX	3,910,584.00	1,900,000.00	1,900,000.00	3,910,584.00
3	1% STAMP DUTY	502,685.80	-	-	502,685.80
4	PAYEE	190,090.00	-	-	190,090.00
	<b>TOTAL</b>	<b>8,513,943.81</b>	<b>3,800,000.00</b>	<b>3,800,000.00</b>	<b>8,513,943.81</b>

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF OGOJA LOCAL GOVERNMENT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2018**

<b>Month</b>	<b>Buildings</b>	<b>Equipment</b>	<b>Fixtures</b>	<b>Furniture &amp; Fittings</b>	<b>Land &amp; Buildings</b>	<b>Motor Vehicles</b>	<b>Plant &amp; Machinery</b>	<b>Total</b>
	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>
January	-	-	-	-	-	-	-	-
February	-	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-	-
April	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-
November	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-
<b>TOTAL</b>								

**Note: The Cross-River State Local Governments are yet to fully implement IPSAS Accrual basis of Accounting. Cash basis is still in operation. However, plans are underway to fully implement IPSAS Accrual by the 18 Councils conducting a thorough Property, Plant and Equipment valuation and maintaining a Fixed Assets Register.**

**YAKURR LOCAL GOVERNMENT  
COUNCIL**

**YAKURR LOCAL GOVERNMENT, YAKURR  
AUDIT OPINION**

## STATEMENT OF OPINION OF THE AUDITOR-GENERAL

The Accounts of the Yakurr Local Government Council found on pages 409-411 have been examined under my direction, which have been prepared under the accounting policies set out on pages 403-408.

## RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL

The Local Government Treasurer is responsible for the preparation of the Financial Statements. It is my responsibility to form an independent opinion based on our Audit on the Financial Statements and report our opinion to you.

## THE SCOPE OF MY AUDIT

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements 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 we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

In affirming our opinion, we evaluated the preparation of the information in the Financial Statements and assessed whether the Councils' books and Accounts had been properly kept.

## OUR OPINION

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Yakurr Local Government Council as at 31<sup>st</sup> December 2019*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.



**MRS. FRANKA A. INOK, FCA**  
**AUDITOR-GENERAL**

## **YAKURR LOCAL GOVERNMENT, YAKURR** **RESPONSIBILITY FOR FINANCIAL STATEMENTS**



These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Yakurr Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Cash Basis) and Generally Accepted Accounting Practice.

The Management of Yakurr Local Government Council is responsible for establishing and maintaining a system of internal controls, designed to provide reasonable assurance that the transactions recorded are within their statutory authority and have properly recorded the use of all public financial resources by the Local Government Council.

The Director of Finance (Treasurer) has responsibility for ensuring the internal controls are functional throughout the year and that financial records are properly kept, and appropriate financial statements are prepared. To the best of my knowledge, this system of internal control has operated adequately throughout the reporting period.

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the IPSAS and Financial Memoranda, (as amended).

In our opinion, these financial statements fairly reflect the financial position of Yakurr Local Government as at 31<sup>st</sup> December 2019 and its operations for the period ended on that date.



.....  
**CHAIRMAN**

21st September 2020  
.....

**DATE**



.....  
**THE DIRECTOR OF FINANCE (TREASURER)**

21st September 2020  
.....

**DATE**



**The Chairman,**  
Yakurr Local Government Council,  
**YAKURR.**

**AUDIT CERTIFICATE ON THE ACCOUNTS OF YAKURR LOCAL GOVERNMENT COUNCIL  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019.**

**REPORT ON THE FINANCIAL STATEMENTS**

I have examined the Financial Statements set out on page(s) 409 to 411 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

**MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:**

It is the responsibility of the Director of Finance (Treasurer) to prepare the accounts in accordance with the provisions of the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda. It is my responsibility to audit and form an independent opinion on the General-Purpose Financial Statements (GPFS).

**BASIS OF AUDIT OPINION**


I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007, Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing

Proper Books of accounts were kept; projects and programmes have been verified and appropriate comments included in my inspection report to the Management of Council and in the Annual Report to the Cross-River State House of Assembly.

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my office, Councils Financial Statements were converted to IPSAS (Cash Basis) General Purpose Financial Statements for the first time in the interest of best practice.

**AUDIT OPINION**

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Yakurr Local Government Council as at 31<sup>st</sup> December 2019*** and the financial Position and Cashflows for the period ended on that date.

  
.....  
**MRS FRANKA INOK, FCA**  
**AUDITOR-GENERAL**  
**CALABAR**

**YAKURR LOCAL GOVERNMENT, YAKURR**  
**STATEMENT OF ACCOUNTING POLICIES**

## **1. Basis of Preparation of Financial Statements**

These Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) (Cash Basis) as well as under the Guidelines of the Financial Memoranda and in conformity with the Standardized Chart of Accounts designed and introduced by the Federation Account Allocation Committee (FAAC) for adoption by all tiers of Government in Nigeria as well as the Financial Reporting Council (FRC) Guidelines on Public Sector reporting.

## **2. Accounting Period**

The accounting year to which the Financial Statements relate is from 1<sup>st</sup> January to 31<sup>st</sup> December 2018.

## **3. Reporting Currency**

The Financial Statements were prepared in Nigerian Naira.

## **4. IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when cash (including cash equivalents) are received or paid by the LGCs. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of cash raised during the period, the purposes for which cash was used and the cash balances at the reporting date. Notes to the GPFS provide additional information about Liabilities, including Payables and Borrowings and non-cash assets that include Receivables, Investments and Property, Plant and Equipment.

## **5. Accounting Terminologies / Definitions**

### **5.1 Accounting Policies**

These are the specific principles, bases, conventions, rules and practices adopted by the 18 LGAs in preparing and presenting their Financial Statements.

### **5.2 Cash**

Cash comprises of cash in hand, demand deposits in financial institutions and cash equivalents.

### **5.3 Cash equivalents**

These are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **5.4 Cash basis**

means a basis of accounting that recognizes transactions and other events only when cash is received or paid.

### **5.5 Cash flows**

are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.

**5.6 Cash receipts** are cash inflows.

**5.7 Cash payments** are cash outflows

## 5.8 Notes to the GPFS

These include narrative descriptions or more detailed schedules, or analyses of amounts shown on the face of the GPFS, as well as additional information.

## 6. General Purpose Financial Statements (GPFS)

The GPFS comprise of Statements of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by the 18 LGAs and Accounting Policies and Notes to the Financial Statements.

### 6.1 Principal Statements contained in the IPSAS Financial Statements

- The Cash flow Statement
- The Statement of Financial Position
- The Statement of Financial Performance
- The Notes to the Financial Statements
- Accounting Policies and Explanatory Notes.

## 7. Fundamental Accounting Concepts

The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in State:

Cash Basis of Accounting

Understandability

Materiality

Relevance

Going Concern Concept

Consistency Concept

Prudence

Completeness etc.

**8. Comparative Information**

The GPFS shall disclose all numerical information relating to the previous period (at least one year

**9. Interest Received**

Interest actually received during the financial year shall be treated as a receipt under item 'Other Receipts'.

**10. Receipts**

These are Cash inflows within the financial year. They comprise of receipts from Statutory Allocations, Value Added Tax, Excess Crude, Internally Generated Revenue and Other Revenue. These items shall be disclosed at the face of the Statement of Cashflows

**11. Payments**

These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorized either by Function and/or by Sector in the Statement of Cash Receipts and Payment. Payments for purchase of items of capital nature (e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.

**12. Investments**

Cash Payments made for investment purposes such as purchase of Government Stock, Treasury Bills and Certificates of Deposit, are capital costs and are disclosed as purchase of financial instruments in Council accounts.

**13. Loans**

Loans granted to Local Governments especially by the State Government shall be categorized under loans in the Statement of Financial Position. Amount disclosed in the Statement of Cashflow shall be the actual amount received in the financial year while amount disclosed in the Statement of Financial Position shall be cumulative including loan amounts outstanding from previous years.

**14. Loan Repayments**

Amounts repaid from Loans granted to Local Governments shall be classified under Loan Repayments, amount disclosed shall be actual amount

**15. Budget Figures**

These are figures from the approved annual budget and supplementary budget as approved with the Cross-River State Local Government Law 2007 (as amended).

**16. Interest on Loans**

Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest repayment in the Statement of Cashflow.

**17. Prepayments**

Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.

**18. Advances**

All Cash Advances shall be retired before the end of the financial year-end.

## **19. Leases**

Cash Payment for Finance Leases, which effectively transfer to the Government substantially all the risks and benefits incidental to ownership of the leased item, are treated as capital payments and disclosed in the Statement of Cash Receipts and payments.

## **20. Cash Balances**

This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.

## **21. Other Borrowings / Grants & Aid Received**

These are categorized as either Short-term or Long-term Loans. Short term loans are those payable within one calendar year (12 months), while Long-term loans and debts shall fall due beyond one calendar year (above 12 months). Loans and Grants shall be disclosed separately in the Statement of Cashflows

## **Key to Abbreviations**

LGC - Local Government Council

FAAC -Federation Account Allocation Committee

VAT - Value Added Tax

IGR - Internally Generated Revenue

GAAP - Generally Accepted Accounting Principles

GPFS - General Purpose Financial Statements

IPSAS - International Public Sector Accounting Standards

PPE - Property, Plant and Equipment

JAAC - Joint Account Allocation Committee



**YAKURR LOCAL GOVERNMENT, YAKURR**  
**STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2019</b>	<b>2018</b>
<b>Inflows:</b>	<b>₦</b>	<b>₦</b>
Government Share of FAAC (Statutory Allocation)	1,525,073,267.60	1,575,226,728.99
Government Share of VAT	430,644,033.85	-
Excess Crude	-	-
Other Revenue	48,753,820.39	458,214,733.76
Internally Generated Revenue (Non-Tax Revenue)	31,702,146.66	16,492,378.52
Redistribution from JAAC	-	-
10% State IGR (Non-Tax Revenue)	-	-
<b>Total Inflows from Operating Activities</b>	<b>2,036,173,268.50</b>	<b>2,049,933,841.27</b>
<b>Outflows:</b>		
Salaries and Wages (Social Benefits)	1,607,906,864.31	1,384,561,217.27
Overhead Cost	72,029,721.27	73,818,494.01
Statutory Deductions	18,971,742.05	6,732,783.36
JAAC Charges	232,197,188.35	40,003,914.52
<b>Total Outflows from Operating Activities</b>	<b>1,931,105,515.98</b>	<b>1,505,116,409.16</b>
<b>Net Cashflow from Operating Activities</b>	<b>105,067,752.52</b>	<b>544,817,432.11</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of PPE	-	-
Proceeds from Sale of Investment Property	-	-
Capital Expenditure (Purchase/Construction of PPE)	(202,164,555.56)	(479,684,222.22)
Investment Expenditure	-	(27,777,777.77)
<b>Net Cashflow from Investing Activities</b>	<b>(202,164,555.56)</b>	<b>(507,461,999.99)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Miscellaneous Deposits Received	29,374,672.59	-
Miscellaneous Deposits Remitted	-	-
Taxes Received	5,000,000.00	-
Tax Remitted	-	-
Proceeds from Borrowings (CRSG Loan)	-	(27,777,777.77)
Repayment of Borrowings	(222,222,222.22)	
Overdraft Received		
Overdraft Repayment		
<b>Net Cash Flow from Financing Activities</b>	<b>(187,847,549.63)</b>	<b>(27,777,777.77)</b>
<b>Net Increase (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(284,944,352.67)</b>	<b>9,577,654.35</b>
<b>Cash and its Equivalent as at 01 Jan 2018</b>	<b>(80,914,325.58)</b>	<b>(90,491,979.93)</b>
<b>Cash and its Equivalent as at 31 Dec 2018</b>	<b>(365,858,678.25)</b>	<b>(80,914,325.58)</b>

**YAKURR LOCAL GOVERNMENT, YAKURR**  
**STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

	2019	2018
<b>ASSETS</b>	<b>₦</b>	<b>₦</b>
<b><u>Current Assets:</u></b>		
Cash and Cash Equivalents	(365,858,678.25)	(80,914,325.58)
Receivables	441,951,127.31	316,411,882.96
Inventories		
Prepayments		
<b>Total Current Assets (A)</b>	<b>76,092,449.06</b>	<b>235,497,557.38</b>
<b><u>Non-Current Assets</u></b>		
Long-Term Loans		
Investments	158,878,724.67	158,878,724.67
Property, Plant & Equipment		
Contribution to CRS Reserve Fund	117,737,622.93	105,737,622.93
<b>Total Non-Current Assets (B)</b>	<b>276,616,347.60</b>	<b>264,616,347.60</b>
<b>Total Assets (A) + (B)</b>	<b>352,708,796.66</b>	<b>500,113,904.98</b>
<b>LIABILITIES</b>		
<b><u>Current Liabilities</u></b>		
Deposits	73,163,475.79	-
Short term Loans & Debts	-	43,788,803.20
Unremitted Deductions	582,847,959.56	588,576,733.86
Payables (Unremitted Taxes)	13,375,551.75	8,375,551.75
<b>Total Current Liabilities (C)</b>	<b>669,386,987.10</b>	<b>640,741,088.81</b>
<b><u>Non-Current Liabilities</u></b>		
Long Term Borrowings (CRSG loan)	323,680,797.86	545,903,020.08
Internal Loans (Public Funds)		
Long Term Provisions (Taxes)		
<b>Total Non-Current Liabilities (D)</b>	<b>323,680,797.86</b>	<b>545,903,020.08</b>
<b>Total Liabilities (C) + (D)</b>	<b>993,067,784.96</b>	<b>1,186,644,108.89</b>
<b>Net Assets (Total Assets - Total Liabilities)</b>	<b>(640,358,988.30)</b>	<b>(686,530,203.91)</b>
<b>NET ASSETS/EQUITY</b>		
Reserves	156,140,101.47	364,061,074.01
Accumulated Surpluses/(Deficits)	(796,499,089.77)	(1,050,591,277.92)
<b>Total Net Assets/Equity</b>	<b>(640,358,988.30)</b>	<b>(686,530,203.91)</b>

**YAKURR LOCAL GOVERNMENT, YAKURR**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

PREVIOUS YEAR ACTUAL (2018)		Notes	ACTUAL 2019	FINAL BUDGET 2019	VARIANCE ON FINAL BUDGET
=N=			=N=	=N=	=N=
	<b>REVENUE</b>				
	<b>RECEIPTS:</b>				
2,033,441,462.75	Government Share of FAAC	1	2,004,471,121.84	2,733,465,788.30	(728,994,666.46)
16,492,378.52	Internally Generated	2	31,702,146.66	50,000,000.00	(18,297,853.34)
-	Redistribution from JAAC	3			
-	Cross River State	11			
<b>2,049,933,841.27</b>	<b>Total Revenue (A)</b>		<b>2,036,173,268.50</b>	<b>2,783,465,788.30</b>	<b>(747,292,519.80)</b>
	<b>EXPENDITURE</b>				
1,384,612,217.27	Salaries and Wages	4	1,607,906,864.31	2,087,699,444.26	479,792,579.95
6,732,783.36	Statutory Deductions	6	72,029,721.27	191,297,157.00	119,267,435.73
73,818,494.01	Overhead Cost	5	18,971,742.05	628,060,000.00	609,088,257.95
40,003,914.52	JAAC Charges	7	232,197,188.35	-	(232,197,188.35)
479,684,222.22	Capital Expenditure	8	202,164,555.56	860,156,213.91	657,991,658.35
27,777,777.77	Investment Expenditure	9	-		
<b>2,012,578,409.15</b>	<b>Total Expenditure (B)</b>		<b>2,133,270,071.54</b>	<b>3,767,212,815.17</b>	<b>1,633,942,743.63</b>
<b>37,355,432.12</b>	<b>Surplus/Deficit from</b>		<b>(97,096,803.04)</b>	<b>(983,747,026.87)</b>	
	Gain/Loss on Disposal of				
	<b>Total Non-Operating Revenue/Expenditure</b>				
	Surplus/Deficit from				
<b>37,355,432.12</b>	<b>Net Surplus/Deficit for the</b>		<b>(97,096,803.04)</b>	<b>(983,747,026.87)</b>	

**YAKURR LOCAL GOVERNMENT, YAKURR****NOTES TO THE FINANCIAL STATEMENTS****1a. (A) GOVERNMENT SHARE OF FAAC (STATUTORY ALLOCATION)****₦1,525,073,267.60**

This represents allocations received on a monthly basis by Yakurr Local Government council from the Federation Account in line with the provisions of the Constitution of the Federal Republic of Nigeria.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) EXCESS CRUDE	(D) OTHER REVENNUE	TOTAL
1	JAN.	126,416,604.31	36,380,846.94	-	231,851.19	163,029,302.44
2	FEB.	115,122,814.45	37,760,188.72	-	2,310,118.17	155,193,121.34
3	MARCH	109,207,271.77	38,381,391.47	-	11,465,710.25	159,054,373.49
4	APRIL	102,835,716.32	33,273,831.97	-	18,181,547.47	154,291,095.76
5	MAY	118,584,321.17	34,985,488.61	-	185,666.35	153,755,476.13
6	JUNE	132,984,536.41	38,744,807.33	-	272,325.60	172,001,669.34
7	JULY	145,611,745.12	39,256,058.56	-	244,711.98	185,112,515.66
8	AUG.	141,814,440.33	34,433,602.51	-	238,547.97	176,486,590.81
9	SEPT.	142,795,231.90	32,000,307.90	-	708,570.60	175,504,110.40
10	OCT.	138,901,634.19	33,816,114.84	-	222,558.85	172,940,307.88
11	NOV.	136,956,026.74	38,198,434.87	-	2,270,827.82	177,425,289.43
12	DEC.	113,842,924.89	33,412,960.13	-	12,421,384.14	159,677,269.16
	<b>TOTAL</b>	<b>1,525,073,267.60</b>	<b>430,644,033.85</b>	<b>-</b>	<b>48,753,820.39</b>	<b>2,004,471,121.84</b>

**1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) –N430,644,033.85**

This represents Federal Revenue arising from Value Added Tax (VAT) for Yakurr Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1c. (C) EXCESS CRUDE –NIL**

This represents the 18 LGAs share of Federal Excess Crude revenue as seen in table 1, for Yakurr Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1d. (D) OTHER REVENUE –N48,753,820.39**

This represents revenue other than statutory receipts from the Federation for Yakurr Local Government Council for the year ended 31<sup>st</sup> December 2019.

**NON-TAX REVENUE (IGR) – N31,702,146.66**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Yakurr Local Government Council for the year ended 31<sup>st</sup> December 2019.

CODE	DETAILS	ACTUAL 2019
		<b>N</b>
<b>101000</b>	TAXES	419,447.50
<b>102000</b>	RATES	2,324,365.00
<b>103000</b>	LOCAL LICENCE FEES	17,922,351.90
<b>104000</b>	EARNINGS FROM COMMERCIAL UNDERTAKINGS	7,594,472.26
<b>105000</b>	RENT ON GOVERNMENT PROPERTY	906,500.00
<b>106000</b>	INTEREST ON DIVIDENDS	-
<b>107000</b>	REIMBURSEMENT	-
<b>108000</b>	MISCELLANEOUS	2,535,010.00
	<b>TOTAL</b>	<b>31,702,146.66</b>

**REDISTRIBUTION FROM JAAC – NIL**

This represents the positive inflows to Councils after Salaries, Statutory deductions and Joint Commitments were made by JAAC.

**SALARIES AND WAGES – ₦ 1,607,906,864.31**

This consists of the salaries and wages paid to staff of Yakurr local government comprising of council staff, traditional rulers and non-pensionable allowances (LGC), teachers (SUBEB) and health workers (PHC). Pension allowances/Social benefits paid to all retired LGCs staff are also inclusive.

<b>SALARIES AND WAGES (SOCIAL BENEFITS)</b>		
<b>S/N</b>	<b>DESCRIPTION</b>	<b>AMOUNT (₦)</b>
<b>1</b>	Council Staff Salaries	282,539,568.75
<b>2</b>	Primary Health Care Salaries	238,163,842.48
<b>3</b>	Local Government Education Authority	621,323,878.91
<b>4</b>	Traditional Rulers Stipend	19,260,000.00
<b>5</b>	Pension Contribution	446,619,575.07
	<b>TOTAL</b>	<b>1,607,906,864.31</b>

**OVERHEAD COST – ₦72,029,721.27**

This represents total overhead cost incurred during the financial year by the Council.

<b>CODE</b>	<b>DETAILS</b>	<b>COUNCIL'S COMMITMENT PAID THROUGH JAAC 2019</b>	<b>DIRECT COUNCIL'S EXPENDITURE 2019</b>	<b>TOTAL OPERATING EXPENSES 2019</b>
		<b>₦</b>	<b>₦</b>	<b>₦</b>
431200	TRAVEL & TRANSPORT		1,469,921.00	1,469,921.00
431300	UTILITIES		110,000.00	110,000.00
431400	MATERIALS & SUPPLIES		1,002,000.00	1,002,000.00
431500	MAINTENANCE, REPAIRS & SERVICES		541,590.90	541,590.90
431600	TRAINING & STAFF DEVELOPMENT		113,000.00	113,000.00
431700	CONSULTANCY & PROFESSIONAL SERVICES	2,138,888.88	1,056,000.00	3,194,888.88
431800	FINANCE EXPENSES	6,000.00	516,720.49	522,720.49
431900	ENTERTAINMENT & HOSPITALITY	-	3,107,000.00	3,107,000.00
432100	OTHER SERVICES	8,300,000.00	11,052,600.00	19,352,600.00
432200	GRANTS, CONTRIBUTION, SUBVENTION & SUBSCRIPTION		-	-
115000	CONSOLIDATED REVENUE FUND CHARGES	<u>40,333,333.33</u>	<u>2,282,666.67</u>	42,616,000.00
	<b>TOTAL</b>	<b><u>50,778,222.21</u></b>	<b><u>21,251,499.06</u></b>	<b><u>72,029,721.27</u></b>

**STATUTORY DEDUCTIONS – ₦18,971,742.05**

This is made up of 31% Statutory deductions made from Yakurr Local Government Council Statutory Allocations and paid to Ministry of Local Government Affairs for administration.

**PURCHASE/CONSTRUCTION OF PPE (CAPITAL EXPENDITURE –N202,164,555.56**

During the year under review, the Yakurr LGC spent a total sum of =N=202.1m (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment). Details are as presented below in the tabular and Chart format;

CODE	DETAILS	COUNCIL'S COMMITMENTS THROUGH JAAC 2019	DIRECT COUNCIL'S EXPENDITURE 2019	TOTAL CAPITAL EXPENDITURE 2019
		₦	₦	₦
11000	AGRICULTURE	-	1,215,000.00	1,215,000.00
16000	ENERGY (FUEL & POWER)	-	55,000,000.00	55,000,000.00
17000	COMMERCE AND FINANCE	-	1,394,000.00	1,394,000.00
19000	CULTURE AND TOURISM	-	3,650,000.00	3,650,000.00
<b>10000</b>	<b>TOTAL ECONOMIC SECTOR</b>	-	<b>61,259,000.00</b>	<b>61,259,000.00</b>
22000	HEALTH	-	934,000.00	934,000.00
24000	SOCIAL DEV. YOUTH & SPORT	1,000,000.00	3,220,000.00	4,220,000.00
<b>20000</b>	<b>TOTAL SOCIAL SERVICE SECTOR</b>	<b>1,000,000.00</b>	<b>4,154,000.00</b>	<b>5,154,000.00</b>
31000	WATER SUPPLY	-	24,000,000.00	24,000,000.00
33000	HOUSING	-	6,430,000.00	6,430,000.00
35000	ENVIRONMENTAL AND REF	-	270,000.00	270,000.00
<b>30000</b>	<b>TOTAL ENVIRONMENTAL &amp; REGIONAL SECTOR</b>	-	<b>30,700,000.00</b>	<b>30,700,000.00</b>
40000	GENERAL ADMINISTRATION	<u>47,305,555.56</u>	57,746,000.00	105,051,555.56
40000	TOTAL EXP. ADMINISTRATION	<u>47,305,555.56</u>	<u>57,746,000.00</u>	105,051,555.56
	<b>TOTAL CAPITAL EXPENDITURE</b>	<b><u>48,305,555.56</u></b>	<b><u>153,859,000.00</u></b>	<b><u>202,164,555.56</u></b>

**INVESTMENT EXPENDITURE – NIL**

Investment expenditure represents the total aggregate payouts on behalf of Yakurr Councils by the Ministry of Local Government Affairs for joint investments; in the year in question investment expenditure was nil.

**JAAC CHARGES – N232,197,188.35**

This represents Joint Commitments of Yakurr Local Government Council that were approved for payment by Councils from JAAC that resulted in negative redistribution for certain months of the year.

**DEPOSITS RECEIVED AND REMITTED – =N=29,374,672.59 & NIL**

Deposits received represent the retention fees and unpaid contract sums for contracts awarded by Yakurr council during the year while Deposits remitted represent the aforementioned amounts actually paid out.

DEPOSIT RECEIVED AND REMITTED			
S/N	LGC	DEPOSIT RECEIVED	DEPOSIT REMITTED
1	YAKURR	29,374,672.59	NIL
	<b>TOTAL</b>	<b>29,374,672.59</b>	<b>NIL</b>

**TAXES RECEIVED AND REMITTED – =N=5,000,000.00**

Taxes received represents Withholding and Value Added taxes deducted from contract and consultancy jobs while taxes remitted represents the portion actual remitted to the relevant tax authorities.

TAXES RECEIVED AND REMITTED			
S/N	LGC	TAXES RECEIVED	TAXES REMITTED
1	YAKURR	5,000,000.00	NIL
	<b>TOTAL</b>	<b>5,000,000.00</b>	<b>NIL</b>



**REPAYMENT OF BORROWINGS – =N=222,222,222.22**

This represents the cumulative total of loans from the State Government to offset shortfalls in Salaries of Yakurr LGC and the amount repaid during the period as seen below;

**13. OVERDRAFT RECEIVED NIL AND NIL**

This represents overdrafts taken by some councils during the year and the portions that have been repaid. See details below.

**14. CASH AND CASH EQUIVALENTS – N (365,858,678.25)**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Yakurr Local Government Council Cash Books as at 31<sup>st</sup> December 2019.

**15. RECEIVABLES – N441,951,127.31**

This represents cumulative amounts owed to Council by the State Government via unremitted 10% State IGR, as seen in the table below;

RECEIVABLES	AMOUNT (N)
Balance Brought Forward	316,411,882.96
2019 Unpaid 10%	125,539,244.45
Remittance for the Period	
Balance Carried forward	441,951,127.31

**16. INVESTMENTS – N158,878,724.60**

This represents joint investments and stocks held by the Yakurr LGC in certain State-owned projects/companies like the Tinapa Business Resort, the Obudu Ranch Resort and the Cross-River State Micro Finance Bank.

**17. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND - ₦ 117,737,622.93**

This represents the cumulative monthly contribution of one million per council yearly. details are found in the table below;

MONTH	DETAILS	2018
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	1,000,000.00
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00
JUN	DEDUCTION FROM ALLOCATION	1,000,000.00
JUL	DEDUCTION FROM ALLOCATION	1,000,000.00
AUG	DEDUCTION FROM ALLOCATION	1,000,000.00
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>TOTAL AS IN CASHFLOW STATEMENT</b>		<b>12,000,000.00</b>
<b>BALANCE B/F AS AT 1ST JANUARY</b>		<b>105,737,622.93</b>
<b>TOTAL AS IN STATEMENT OF ASSETS &amp; LIABILITIES</b>		<b>117,737,722.93</b>

**DEPOSITS – N73,163,475.79**

Deposits received represents unpaid retention fees, unclaimed salaries and unpaid contract sums for contracts awarded by councils during the year while Deposits remitted represent the aforementioned amounts actually paid out.

S/N	DETAILS	BALANCE B/FWD 1/1/2019	CURRENT YEAR ADDITION AS IN CASH FLOW STATEMENT	REMITTANCE DURING THE YEAR	BALANCE AS AT 31/12/2019
		₦	₦	₦	₦
1	5% RETENTION DEPOSIT	7,025,264.87	5,000,000.00	-	12,025,264.87
2	1% STAMP DUTIES	82,467.00	1,000,000.00	-	1,082,467.00
3	UNCLAIMED	36,681,071.33	-	-	36,681,071.33
4	SALARIES	-	22,374,672.59	-	22,374,672.59
5	INSPECTION FEE		1,000,000.00		1,000,000.00
<b>TOTAL</b>		<b>43,788,803.20</b>	<b>29,374,672.59</b>	<b>-</b>	<b>73,163,475.79</b>

**19. SHORT TERM LOANS AND DEBTS – NIL**

This represents loans owed to various banks by Yakurr Local Governments.

**20. UNREMITTED DEDUCTIONS – ₦ 582,847,959.56**

This represents the cumulative total of all unremitted statutory deductions by Yakurr LGC to certain State agencies as mandated by Law.

**21. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – ₦323,680,797.86**

This represents the cumulative total amounts owed the State Government by the 18 LGCs, borrowed to offset shortfalls in funds to pay salaries.

**RESERVES - ₦ 156,140,101.47**

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31<sup>st</sup> December for the year 2019, apportioned to each Yakurr Local Government in its Financial Statements for the purposes of disclosure

**23. PAYABLES – ₦13,375,551.75**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Yakurr LGCs as at 31<sup>st</sup> December 2019.

S/N	DETAILS	BALANCE B/F AS AT JAN. 2019	CURRENT YEAR ADDITIONS (AS IN CASH FLOW STATEMENT)	REMITTANCES DURING THE YEAR	BALANCE AS AT 31/12/2019
		₦	₦	₦	₦
1	5% CONTRACTORS' TAX	5,628,961.00	2,500,000.00	-	8,128,961.00
2	5% VALUE ADDED TAX (VAT)	2,746,590.75	2,500,000.00	-	5,246,590.75
	<b>TOTAL</b>	<b><u>8,375,551.75</u></b>	<b><u>5,000,000.00</u></b>	<b>=</b>	<b><u>13,375,551.75</u></b>

**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF YAKURR LOCAL GOVERNMENT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2018**

<b>Month</b>	<b>Buildings</b>	<b>Equipment</b>	<b>Fixtures</b>	<b>Furniture &amp; Fittings</b>	<b>Land &amp; Buildings</b>	<b>Motor Vehicles</b>	<b>Plant &amp; Machinery</b>	<b>Total</b>
	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>
January	-	-	-	-	-	-	-	-
February	-	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-	-
April	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-
November	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-
<b>TOTAL</b>								

**Note: The Cross-River State Local Governments are yet to fully implement IPSAS Accrual basis of Accounting. Cash basis is still in operation. However, plans are underway to fully implement IPSAS Accrual by the 18 Councils conducting a thorough Property, Plant and Equipment valuation and maintaining a Fixed Assets Register.**

**YALA LOCAL GOVERNMENT  
COUNCIL**

**YALA LOCAL GOVERNMENT, OKPOMA**

**AUDIT OPINION**

**STATEMENT OF OPINION OF THE AUDITOR-GENERAL**

The Accounts of the Yala Local Government Council found on pages 431-433 have been examined under my direction, which have been prepared under the accounting policies set out on pages 425-430.

### **RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL**

The Local Government Treasurer is responsible for the preparation of the Financial Statements. It is my responsibility to form an independent opinion based on our Audit on the Financial Statements and report our opinion to you.

### **THE SCOPE OF MY AUDIT**

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements 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 we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

In affirming our opinion, we evaluated the preparation of the information in the Financial Statements and assessed whether the Councils' books and Accounts had been properly kept.

### **OUR OPINION**

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Yala Local Government Council as at 31<sup>st</sup> December 2019*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.



**MRS. FRANKA A. INOK, FCA**  
**AUDITOR-GENERAL**

## **YALA LOCAL GOVERNMENT, OKPOMA** **RESPONSIBILITY FOR FINANCIAL STATEMENTS**

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Yala Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Cash Basis) and Generally Accepted Accounting Practice.

The Management of Yala Local Government Council is responsible for establishing and maintaining a system of internal controls, designed to provide reasonable assurance that the transactions recorded are within their statutory authority and have properly recorded the use of all public financial resources by the Local Government Council.

The Director of Finance (Treasurer) has responsibility for ensuring the internal controls are functional throughout the year and that financial records are properly kept, and appropriate financial statements are prepared. To the best of my knowledge, this system of internal control has operated adequately throughout the reporting period.

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the IPSAS and Financial Memoranda, (as amended).

In our opinion, these financial statements fairly reflect the financial position of Yala Local Government as at 31<sup>st</sup> December 2019 and its operations for the period ended on that date.

  
.....  
CHAIRMAN

21st September 2020  
.....  
DATE

  
.....  
THE DIRECTOR OF FINANCE (TREASURER)

21st September 2020  
.....  
DATE



**Government of Cross River State, Nigeria**

**The Chairman,**  
Yala Local Government Council,

OKPOMA.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF YALA LOCAL GOVERNMENT COUNCIL  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019.**

**REPORT ON THE FINANCIAL STATEMENTS**

I have examined the Financial Statements set out on page(s) 431 to 433 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

**MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:**

It is the responsibility of the Director of Finance (Treasurer) to prepare the accounts in accordance with the provisions of the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda. It is my responsibility to audit and form an independent opinion on the General-Purpose Financial Statements (GPFS).

**BASIS OF AUDIT OPINION**

I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007, Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing

Proper Books of accounts were kept; projects and programmes have been verified and appropriate comments included in my inspection report to the Management of Council and in the Annual Report to the Cross-River State House of Assembly.

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my office, Councils Financial Statements were converted to IPSAS (Cash Basis) General Purpose Financial Statements for the first time in the interest of best practice.

**AUDIT OPINION**

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Yala Local Government Council as at 31<sup>st</sup> December 2019*** and the financial Position and Cashflows for the period ended on that date.



.....  
**MRS FRANKA INOK, FCA  
AUDITOR-GENERAL  
CALABAR**

**YALA LOCAL GOVERNMENT, OKPOMA**



## **STATEMENT OF ACCOUNTING POLICIES**

### **1. Basis of Preparation of Financial Statements**

These Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) (Cash Basis) as well as under the Guidelines of the Financial Memoranda and in conformity with the Standardized Chart of Accounts designed and introduced by the Federation Account Allocation Committee (FAAC) for adoption by all tiers of Government in Nigeria as well as the Financial Reporting Council (FRC) Guidelines on Public Sector reporting.

### **2. Accounting Period**

The accounting year to which the Financial Statements relate is from 1<sup>st</sup> January to 31<sup>st</sup> December 2018.

### **3. Reporting Currency**

The Financial Statements were prepared in Nigerian Naira.

### **4. IPSAS Cash Basis of Accounting**

The IPSAS Cash Basis of Accounting recognizes transactions and events only when cash (including cash equivalents) are received or paid by the LGCs. GPFS prepared under the IPSAS Cash Basis provide readers with information about the sources of cash raised during the period, the purposes for which cash was used and the cash balances at the reporting date. Notes to the GPFS provide additional information about Liabilities, including Payables and Borrowings and non-cash assets that include Receivables, Investments and Property, Plant and Equipment.

## **5. Accounting Terminologies / Definitions**

### **5.1 Accounting Policies**

These are the specific principles, bases, conventions, rules and practices adopted by the 18 LGAs in preparing and presenting their Financial Statements.

### **5.2 Cash**

Cash comprises of cash in hand, demand deposits in financial institutions and cash equivalents.

### **5.3 Cash equivalents**

These are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **5.4 Cash basis**

means a basis of accounting that recognizes transactions and other events only when cash is received or paid.

### **5.5 Cash flows**

are inflows and outflows of cash. Cash flows exclude movements between items that constitute cash as these components are part of the cash management of the government rather than increases or decreases in the cash position controlled by government.

**5.6 Cash receipts** are cash inflows.

**5.7 Cash payments** are cash outflows

## **5.8 Notes to the GPFS**

These include narrative descriptions or more detailed schedules, or analyses of amounts shown on the face of the GPFS, as well as additional information.

## **6. General Purpose Financial Statements (GPFS)**

The GPFS comprise of Statements of Cash Receipts and Payments and other statements that disclose additional information about the Cash Receipts, Payments and Balances controlled by the 18 LGAs and Accounting Policies and Notes to the Financial Statements.

### **6.1 Principal Statements contained in the IPSAS Financial Statements**

- The Cash flow Statement
- The Statement of Financial Position
- The Statement of Financial Performance
- The Notes to the Financial Statements
- Accounting Policies and Explanatory Notes.

## **7. Fundamental Accounting Concepts**

The following fundamental accounting concepts are taken as the basis of preparation of all accounts and reporting in State:

Cash Basis of Accounting

Understandability

Materiality

Relevance

Going Concern Concept

Consistency Concept

Prudence

Completeness etc.

## **8. Comparative Information**

The GPFS shall disclose all numerical information relating to the previous period (at least one year

## **9. Interest Received**

Interest actually received during the financial year shall be treated as a receipt under item 'Other Receipts'.

## **10. Receipts**

These are Cash inflows within the financial year. They comprise of receipts from Statutory Allocations, Value Added Tax, Excess Crude, Internally Generated Revenue and Other Revenue. These items shall be disclosed at the face of the Statement of Cashflows

## **11. Payments**

These are Recurrent and Capital Cash Outflows made during the financial year and shall be categorized either by Function and/or by Sector in the Statement of Cash Receipts and Payment. Payments for purchase of items of capital nature (e.g. PPE) shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments in PPE shall also be treated in the same way as Capital Purchases. At the end of the financial year, a schedule of assets shall be provided as part of the Notes to GPFS.

## **12. Investments**

Cash Payments made for investment purposes such as purchase of Government Stock, Treasury Bills and Certificates of Deposit, are capital costs and are disclosed as purchase of financial instruments in Council accounts.

### **13. Loans**

Loans granted to Local Governments especially by the State Government shall be categorized under loans in the Statement of Financial Position. Amount disclosed in the Statement of Cashflow shall be the actual amount received in the financial year while amount disclosed in the Statement of Financial Position shall be cumulative including loan amounts outstanding from previous years.

### **14. Loan Repayments**

Amounts repaid from Loans granted to Local Governments shall be classified under Loan Repayments, amount disclosed shall be actual amount

### **15. Budget Figures**

These are figures from the approved annual budget and supplementary budget as approved with the Cross-River State Local Government Law 2007 (as amended).

### **16. Interest on Loans**

Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest repayment in the Statement of Cashflow.

### **17. Prepayments**

Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.

### **18. Advances**

All Cash Advances shall be retired before the end of the financial year-end.

## **19. Leases**

Cash Payment for Finance Leases, which effectively transfer to the Government substantially all the risks and benefits incidental to ownership of the leased item, are treated as capital payments and disclosed in the Statement of Cash Receipts and payments.

## **20. Cash Balances**

This includes Cash in Hand, at Bank and Cash Equivalents at the end of the Financial year.

## **21. Other Borrowings / Grants & Aid Received**

These are categorized as either Short-term or Long-term Loans. Short term loans are those payable within one calendar year (12 months), while Long-term loans and debts shall fall due beyond one calendar year (above 12 months). Loans and Grants shall be disclosed separately in the Statement of Cashflows

## **Key to Abbreviations**

LGC - Local Government Council

FAAC -Federation Account Allocation Committee

VAT - Value Added Tax

IGR - Internally Generated Revenue

GAAP - Generally Accepted Accounting Principles

GPFS - General Purpose Financial Statements

IPSAS - International Public Sector Accounting Standards

PPE - Property, Plant and Equipment

JAAC - Joint Account Allocation Committee

**YALA LOCAL GOVERNMENT, OKPOMA**  
**STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2019</b>	<b>2018</b>
<b>Inflows:</b>	<b>₦</b>	<b>₦</b>
Government Share of FAAC (Statutory Allocation)	1,681,788,970.00	1,724,536,396.91
Government Share of VAT	439,832,507.54	409,192,741.41
Excess Crude	-	7,834,190.88
Other Revenue	53,765,155.21	58,737,193.04
Internally Generated Revenue (Non-Tax Revenue)	31,702,146.66	16,895,927.20
Redistribution from JAAC	-	-
10% State IGR (Non-Tax Revenue)	-	-
<b>Total Inflows from Operating Activities</b>	<b>2,207,088,779.41</b>	<b>2,217,196,449.44</b>
<b>Outflows:</b>		
Salaries and Wages (Social Benefits)	1,588,048,264.23	1,452,016,376.24
Overhead Cost	84,383,333.33	6,732,783.36
Statutory Deductions	18,971,742.05	140,940,553.65
JAAC Charges	240,776,066.84	154,715,807.09
<b>Total Outflows from Operating Activities</b>	<b>1,932,179,406.45</b>	<b>1,754,405,520.34</b>
<b>Net Cashflow from Operating Activities</b>	<b>274,909,372.96</b>	<b>462,790,929.10</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of PPE	-	-
Proceeds from Sale of Investment Property	-	-
Capital Expenditure (Purchase/Construction of PPE)	(330,356,893.10)	(286,055,222.22)
Investment Expenditure	-	(27,777,777.77)
<b>Net Cashflow from Investing Activities</b>	<b>(330,356,893.10)</b>	<b>(313,832,999.99)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Miscellaneous Deposits Received	2,170,000.00	1,967,404.52
Miscellaneous Deposits Remitted	(5,000,250.24)	(995,000.00)
Taxes Received	13,250,000.00	
Tax Remitted	(9,265,000.00)	
Proceeds from Borrowings (CRSG Loan)	-	(27,777,777.77)
Repayment of Borrowings	(222,222,222.22)	
Overdraft Received	-	-
Overdraft Repayment	-	-
<b>Net Cash Flow from Financing Activities</b>	<b>(221,067,472.46)</b>	<b>(26,805,373.25)</b>
<b>Net Increase (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(276,514,992.60)</b>	<b>122,152,555.86</b>
<b>Cash and its Equivalent as at 01 Jan 2018</b>	<b>145,268,415.01</b>	<b>23,115,859.15</b>
<b>Cash and its Equivalent as at 31 Dec 2018</b>	<b>(131,246,577.59)</b>	<b>145,268,415.01</b>

**YALA LOCAL GOVERNMENT, OKPOMA**  
**STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

	2019	2018
<b>ASSETS</b>	<b>₦</b>	<b>₦</b>
<b><u>Current Assets:</u></b>		
Cash and Cash Equivalents	(131,246,577.59)	145,268,415.01
Receivables	441,951,127.31	316,411,882.96
Inventories		
Prepayments		
<b>Total Current Assets (A)</b>	<b>310,704,549.72</b>	<b>461,680,297.97</b>
<b><u>Non-Current Assets</u></b>		
Long-Term Loans		
Investments	158,878,724.67	158,878,724.67
Property, Plant & Equipment		
Contribution to CRS Reserve Fund	117,737,622.93	105,737,622.93
<b>Total Non-Current Assets (B)</b>	<b>276,616,347.60</b>	<b>264,616,347.60</b>
<b>Total Assets (A) + (B)</b>	<b>587,320,897.32</b>	<b>726,296,645.57</b>
<b>LIABILITIES</b>		
<b><u>Current Liabilities</u></b>		
Deposits	7,788,707.86	10,618,967.10
Short term Loans & Debts		960,583.68
Unremitted Deductions	582,847,959.56	588,576,733.86
Payables (Unremitted Taxes)	22,666,058.57	18,674,056.57
<b>Total Current Liabilities (C)</b>	<b>613,302,725.99</b>	<b>618,830,341.21</b>
<b><u>Non-Current Liabilities</u></b>		
Long Term Borrowings (CRSG loan)	323,680,797.86	545,903,020.09
Internal Loans (Public Funds)		
Long Term Provisions (Taxes)		
<b>Total Non-Current Liabilities (D)</b>	<b>323,680,797.86</b>	<b>545,903,020.09</b>
<b>Total Liabilities (C) + (D)</b>	<b>936,983,523.85</b>	<b>1,164,733,361.30</b>
<b>Net Assets (Total Assets - Total Liabilities)</b>	<b>(349,662,626.53)</b>	<b>(438,436,715.73)</b>
<b>NET ASSETS/EQUITY</b>		
Reserves	156,140,101.47	364,061,074.01
Accumulated Surpluses/(Deficits)	(505,802,728.00)	(802,497,789.74)
<b>Total Net Assets/Equity</b>	<b>(349,662,626.53)</b>	<b>(438,436,715.73)</b>



**YALA LOCAL GOVERNMENT, OKPOMA**

**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

PREVIOUS YEAR ACTUAL (2018)		Notes	ACTUAL 2019	FINAL BUDGET 2019	VARIANCE ON FINAL BUDGET
=N=			=N=	=N=	=N=
	<b>REVENUE</b>				
	<b>RECEIPTS:</b>				
2,200,300,522.24	Government Share of FAAC	1	2,175,386,632.75	2,405,453,012.12	(230,066,379.37)
16,895,927.20	Internally Generated	2	31,702,146.66	56,900,000.00	(25,197,853.34)
	Redistribution from JAAC	3			
	Cross River State	11			
<b>2,217,196,449.44</b>	<b>Total Revenue (A)</b>		<b>2,207,088,779.41</b>	<b>2,462,353,012.12</b>	<b>(255,264,232.71)</b>
	<b>EXPENDITURE</b>				
1,452,016,376.24	Salaries and Wages	4	1,558,048,264.23	1,712,262,995.00	124,214,730.77
6,732,783.36	Statutory Deductions	6	84,383,333.33	50,710,000.00	33,673,333.33
140,940,553.65	Overhead Cost	5	18,971,742.05	900,000.00	881,028,257.95
154,715,807.09	JAAC Charges	7	240,776,066.84	-	240,776,066.84
286,055,222.22	Capital Expenditure	8	330,356,893.10	1,050,045,456.00	719,688,562.90
27,777,777.77	Investment Expenditure	9	-	-	-
<b>2,078,238,520.33</b>	<b>Total Expenditure (B)</b>		<b>2,262,536,299.55</b>	<b>3,713,018,451.00</b>	<b>1,450,482,151.45</b>
<b>138,957,929.11</b>	<b>Surplus/Deficit from</b>		<b>(55,447,520.14)</b>	<b>(1,250,665,438.88)</b>	
	Gain/Loss on Disposal of				
	<b>Total Non-Operating Revenue/Expenditure</b>				
	Surplus/Deficit from				
<b>138,957,929.11</b>	<b>Net Surplus/Deficit for the</b>		<b>(55,447,520.14)</b>	<b>(1,250,665,438.88)</b>	

**YALA LOCAL GOVERNMENT, OKPOMA****NOTES TO THE FINANCIAL STATEMENTS****1a. (A) GOVERNMENT SHARE OF FAAC (STATUTORY ALLOCATION) ₦1,681,788,970.00**

This represents allocations received on a monthly basis by Yala Local Government council from the Federation Account in line with the provisions of the Constitution of the Federal Republic of Nigeria.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) EXCESS CRUDE	(D) OTHER REVENUE	TOTAL
1	JAN.	139,407,288.73	37,425,215.81			177,088,187.37
2	FEB.	126,952,409.23	38,842,997.74		2,377,285.43	168,342,975.79
3	MARCH	120,428,813.59	36,380,457.70		12,423,763.08	169,453,525.12
4	APRIL	113,402,335.30	34,229,285.78		19,882,160.36	167,682,023.15
5	MAY	130,769,716.14	35,985,554.11			166,960,020.98
6	JUNE	146,650,108.39	39,852,055.65			186,802,481.59
7	JULY	160,575,249.35	40,382,009.30			201,227,124.22
8	AUG.	156,387,625.18	35,409,558.41			192,060,251.55
9	SEPT.	157,469,230.87	32,913,275.66		513,606.07	191,163,910.06
10	OCT.	153,175,415.97	34,778,748.47			188,199,599.79
11	NOV.	151,029,822.38	39,285,818.74		2,215,258.04	192,819,884.00
12	DEC.	125,540,958.70	34,347,530.17		13,494,890.26	173,586,649.96
	<b>TOTAL</b>	<b>1,681,788,970.83</b>	<b>439,832,507.54</b>		<b>50,906,963.24</b>	<b>2,175,386,633.58</b>

**1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) –N429,832,507.54**

This represents Federal Revenue arising from Value Added Tax (VAT) for Yala Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1c. (C) EXCESS CRUDE –NIL**

This represents the 18 LGAs share of Federal Excess Crude revenue as seen in table 1, for Yala Local Government Council for the year ended 31<sup>st</sup> December 2019.

**1d. (D) OTHER REVENUE –N53,765,155.21**

This represents revenue other than statutory receipts from the Federation for Yala Local Government Council for the year ended 31<sup>st</sup> December 2019.

**2. NON-TAX REVENUE (IGR) – N31,702,146.66**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Yala Local Government Council for the year ended 31<sup>st</sup> December 2019.

CODE	DETAILS	ACTUAL 2019
		<b>N</b>
<b>101000</b>	TAXES	94,365.00
<b>102000</b>	RATES	267,870.20
<b>103000</b>	LOCAL LICENCE FEES	4,603,000.00
<b>104000</b>	EARNINGS FROM COMMERCIAL UNDERTAKINGS	9,319,900.00
<b>105000</b>	RENT ON GOVERNMENT PROPERTY	355,771.94
<b>106000</b>	INTEREST ON DIVIDENDS	-
<b>107000</b>	REIMBURSEMENT	-
<b>108000</b>	MISCELLANEOUS	16,214,239.52
	<b>T O T A L</b>	<b>31,702,146.66</b>

**3. REDISTRIBUTION FROM JAAC – NIL**

This represents the positive inflows to Councils after Salaries, Statutory deductions and Joint Commitments were made by JAAC.

**4. SALARIES AND WAGES – ₦ 1,588,048,264.23**

This consists of the salaries and wages paid to staff of Yala local government comprising of council staff, traditional rulers and non-pensionable allowances (LGC), teachers (SUBEB) and health workers (PHC). Pension allowances/Social benefits paid to all retired LGCs staff are also inclusive.

<b>SALARIES AND WAGES (SOCIAL BENEFITS)</b>		
<b>S/N</b>	<b>DESCRIPTION</b>	<b>AMOUNT (₦)</b>
<b>1</b>	Council Staff Salaries	242,566,419.27
<b>2</b>	Primary Health Care Salaries	242,460,779.61
<b>3</b>	Local Government Education Authority	756,202,374.24
<b>4</b>	Traditional Rulers Stipend	-
<b>5</b>	Pension Contribution	346,818,691.11
	<b>TOTAL</b>	<b>1,588,048,264.23</b>

**5. OVERHEAD COST – ₦84,383,333.33**

This represents total overhead cost incurred during the financial year by the Council.

<b>CODE</b>	<b>DESCRIPTION</b>	<b>ACTUAL PAID BY COUNCIL 2018</b>	<b>OTHER COMMITMENTS PAID THROUGH</b>	<b>TOTAL</b>
		<b>=N=</b>	<b>=N=</b>	<b>=N=</b>
<b>431200</b>	TRAVELLING AND TRANSPORT	2,256,550.00		2,256,550.00
<b>431300</b>	UTILITY SERVICES	-		-
<b>431400</b>	MATERIALS AND SUPPLIES	1,311,788.72		1,311,788.72
<b>431500</b>	REPAIRS AND MAINTENANCE	2,058,705.00		2,058,705.00
<b>431600</b>	TRAINING AND STAFF	10,000.00		10,000.00
<b>431700</b>	CONSULTANCY/PROFESSIONAL	2,225,000.00	1,944,444.44	4,169,444.44
<b>431800</b>	OTHER CHARGES (FINANCE)	37,271.25	6,000.00	43,271.25
<b>431900</b>	ENTERTAINMENT AND	15,975,000.00	10,000,000.00	25,975,000.00
<b>432100</b>	OTHER SERVICES	16,410,000.00	31,508,573.92	47,918,573.92
<b>432200</b>	GRANTS, & SUBVENTION			-
<b>115000</b>	CONSOLIDATED REVENUE	640,000.00		640,000.00
	<b>TOTAL</b>	<b>40,924,314.97</b>	<b>43,459,018.36</b>	<b>84,383,333.33</b>

**6. STATUTORY DEDUCTIONS – N18,971,742.05**

This is made up of 31% Statutory deductions made from Yala Local Government Council Statutory Allocations and paid to Ministry of Local Government Affairs for administration.

**7. PURCHASE/CONSTRUCTION OF PPE (CAPITAL EXPENDITURE N330,356,893.10**

During the year under review, the Yala LGC spent a total sum of =N=254.8m (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment). Details are as presented below in the tabular and Chart format;

CODE	DESCRIPTION	ACTUAL PAID BY COUNCIL 2019	OTHER COMMITMENTS PAID THROUGH JAAC (SCH 3A)	TOTAL
		=N=	=N=	=N=
	ECONOMIC SECTOR			
11000	AGRICULTURE	350,850.00		350,850.00
12000	LIVES/STOCK/VETERINARY	-		-
13000	FORESTRY	1,200,000.00		1,200,000.00
14000	FISHERIES			
16000	ENERGY (FUEL AND POWER)	234,065,000.00		234,065,000.00
17000	COMMERCE AND FINANCE	1,479,000.00		1,479,000.00
18000	TRANSPORTATION ROAD AND BRIDGES)	38,790,812.50		38,790,812.50
19000	CULTURE AND TOURISM	690,000.00		690,000.00
	<b>SUB-TOTAL</b>	<b>176,575,662.50</b>		<b>176,575,662.50</b>
	SOCIAL SERVICES SECTOR			
21000	EDUCATION	1,000,000.00		1,000,000.00
22000	HEALTH			
23000	INFORMATION, COMM & TECH			
24000	SOCIAL DEVELOPMENT YOUTH AND SPORT	2,555,000.00		2,555,000.00
	<b>SUB-TOTAL</b>	<b>3,555,000.00</b>		<b>3,555,000.00</b>
	ENVIRONMENT & REFUSE			
31000	WATER SUPPLY	9,600,000.00		9,600,000.00
32000	SEWAGE AND DRAINAGE	195,000.00		195,000.00
33000	HOUSING	63,000.00		63,000.00
34000	TOWN & COUNTRY PLANNING			
35000	ENVIRNMENT/REFUSE DISPOSAL	3,052,000.00		3,052,000.00
	<b>SUB-TOTAL</b>	<b>12,910,000.00</b>		<b>12,910,000.00</b>
40000	GENERAL ADMINISTRATION	65,877,341.62	76,446,888.89	142,324,230.16
	<b>GRAND TOTAL</b>	<b>258,918,004.12</b>	<b>76,446,888.89</b>	<b>330,356,893.10</b>

**8. JAAC CHARGES – =N=240,776,066.84**

This represents Joint Commitments of Yala Local Government Council that were approved for payment by Councils from JAAC that resulted in negative redistribution for certain months of the year.

**9. INVESTMENT EXPENDITURE – NIL**

Investment expenditure represents the total aggregate payouts on behalf of Yala Councils by the Ministry of Local Government Affairs for joint investments; in the year in question investment expenditure was NIL in Cross River State Micro Finance Bank Limited (CRMFB).

**10. DEPOSITS RECEIVED AND REMITTED – N2,170,000.00 & (N5,000,250.24)**

Deposits received represent the retention fees and unpaid contract sums for contracts awarded by Yala council during the year while Deposits remitted represent the aforementioned amounts actually paid out.

DEPOSIT RECEIVED AND REMITTED			
S/N	LGC	DEPOSIT RECEIVED	DEPOSIT REMITTED
1	YALA	2,170,000.00	(5,000,250.24)
	<b>TOTAL</b>	<b>2,170,000.00</b>	<b>(5,000,250.24)</b>

**11. TAXES RECEIVED AND REMITTED – N13,250,000.00 & (N9,265,000.00)**

Taxes received represents Withholding and Value Added taxes deducted from contract and consultancy jobs while taxes remitted represents the portion actual remitted to the relevant tax authorities.

TAXES RECEIVED AND REMITTED			
S/N	LGC	TAXES RECEIVED	TAXES REMITTED
1	YALA	13,250,000.00	(9,265,000.00)
	<b>TOTAL</b>	<b>13,250,000.00</b>	<b>(9,265,000.00)</b>

**12. REPAYMENT OF BORROWINGS – =N=222,222,222.22**

This represents the cumulative total of loans from the State Government to offset shortfalls in Salaries of Yala LGC and the amount repaid during the period as seen below;

**13. OVERDRAFT RECEIVED NIL AND NIL**

This represents overdrafts taken by some councils during the year and the portions that have been repaid. See details below.

**14. CASH AND CASH EQUIVALENTS – N (131,246,577.59)**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Yala Local Government Council Cash Books as at 31<sup>st</sup> December 2019.

**15. RECEIVABLES – N 441,951,127.31**

This represents cumulative amounts owed to Council by the State Government via unremitted 10% State IGR, as seen in the table below;

RECEIVABLES	AMOUNT (N)
Balance Brought Forward	316,411,882.96
2019 Unpaid 10%	125,539,244.45
Remittance for the Period	
Balance Carried forward	441,951,127.31

**16. INVESTMENTS – N158,878,724.60**

This represents joint investments and stocks held by the Yala LGC in certain State-owned projects/companies like the Tinapa Business Resort, the Obudu Ranch Resort and the Cross-River State Micro Finance Bank.

**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

**17. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND - ₦ 117,737,622.93**

This represents the cumulative monthly contribution of one million per council yearly. details are found in the table below;

MONTH	DETAILS	2018
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	1,000,000.00
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00
JUN	DEDUCTION FROM ALLOCATION	1,000,000.00
JUL	DEDUCTION FROM ALLOCATION	1,000,000.00
AUG	DEDUCTION FROM ALLOCATION	1,000,000.00
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
<b>TOTAL AS IN CASHFLOW STATEMENT</b>		<b>12,000,000.00</b>
<b>BALANCE B/F AS AT 1ST JANUARY</b>		<b>105,737,622.93</b>
<b>TOTAL AS IN STATEMENT OF ASSETS &amp; LIABILITIES</b>		<b>117,737,722.93</b>

**18. DEPOSITS --=N7,788,707.86**

Deposits received represents unpaid retention fees, unclaimed salaries and unpaid contract sums for contracts awarded by councils during the year while Deposits remitted represent the aforementioned amounts actually paid out.

S/N	DETAILS	BALANCE AS AT 01-01-2019	ADDITIONS DURING THE YEAR	PAYMENTS/R EMITTANCE AS IN CASHFLOW	BALANCE AS AT 31-12-19
		₦	₦	₦	₦
1	UNCLAIMED SALARIES	7,642,702.33	-	2,830,259.24	4,812,443.09
2	SALARIES DEPOSIT	134,254.70	-	-	134,254.70
3	1% LEGAL FEES	965,243.52	2,170,000.0	2,170,000.00	-
4	RETENTION FEE	1,876,766.55	-	-	1,876,766.55
	<b>TOTAL</b>	<b>10,618,967.10</b>	<b>2,170,000.0</b>	<b>5,000,250.24</b>	<b>7,788,707.86</b>

**19. SHORT TERM LOANS AND DEBTS – NIL**

This represents loans owed to various banks by Yala Local Governments.



**20. UNREMITTED DEDUCTIONS – ₦ 582,847,959.56**

This represents the cumulative total of all unremitted statutory deductions by Yala LGC to certain State agencies as mandated by Law.

**21. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – ₦323,680,797.86**

This represents the cumulative total amounts owed the State Government by the 18 LGCs, borrowed to offset shortfalls in funds to pay salaries.

**22. RESERVES - ₦ 156,140,101.47**

This represents Yala LGC's share of the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31<sup>st</sup> December for the year 2019, apportioned to Yala Local Government in its Financial Statements for the purposes of disclosure.

**23. PAYABLES – ₦22,666,058.57**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Yala LGCs as at 31<sup>st</sup> December 2019.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2018	CURRENT YEAR ADDITIONS (AS IN CASH FLOW STATEMENT)	REMITTANCE S DURING THE YEAR	BALANCE AS AT 31-12- 2018 (AS IN BALANCE SHEET)
1	5% CONTRACTORS' TAX	9,337,028.29	6,625,000.00	4,632,500.00	11,329,528.29
2	5% VALUE ADDED TAX (VAT)	9,337,028.28	6,625,000.00	4,632,500.00	11,329,528.29
<b>TOTAL</b>		<b>18,674,056.57</b>	<b>13,250,000.00</b>	<b>9,265,000.00</b>	<b>22,666,058.57</b>

**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF YALA LOCAL GOVERNMENT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2018**

<b>Month</b>	<b>Buildings</b>	<b>Equipment</b>	<b>Fixtures</b>	<b>Furniture &amp; Fittings</b>	<b>Land &amp; Buildings</b>	<b>Motor Vehicles</b>	<b>Plant &amp; Machinery</b>	<b>Total</b>
	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>
January	-	-	-	-	-	-	-	-
February	-	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-	-
April	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-
November	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-
<b>TOTAL</b>								

**Note: The Cross-River State Local Governments are yet to fully implement IPSAS Accrual basis of Accounting. Cash basis is still in operation. However, plans are underway to fully implement IPSAS Accrual by the 18 Councils conducting a thorough Property, Plant and Equipment valuation and maintaining a Fixed Assets Register.**

**PART THREE**  
**STATEMENTS OF JAAC RECEIPTS &**  
**DISBURSEMENTS**



The Commissioner,  
Ministry of Local Government Affairs,  
CALABAR.

**AUDIT CERTIFICATE ON THE STATE JOINT ACCOUNT ALLOCATION  
COMMITTEE (SJAAC) FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019.**

**REPORT ON THE FINANCIAL STATEMENTS**

I have examined the Statements of Inflows and Outflows set out on page(s) 445 to 468 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

**MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:**

It is the responsibility of the Director of Accounts to prepare the JAAC accounts in accordance with the provisions of the Financial Memoranda and Cross River State Local Government Law 2007 (as amended). It is my responsibility to audit and form an independent opinion on these Statements.

**BASIS OF AUDIT OPINION**

I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007, Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing.

Proper Books of accounts were kept; projects and programmes have been verified and appropriate comments included in my inspection report to the Management and in my Annual Report to the Cross-River State House of Assembly.

**AUDIT OPINION**

In my professional opinion the Statements set out below ***give a true and fair view of the State of Affairs of the Cross-River State Joint Account Allocation Committee as at 31<sup>st</sup> December 2019.***

.....  
MRS FRANKA INOK, FCA  
AUDITOR-GENERAL  
CALABAR



GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

**CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS**  
**JOINT ACCOUNTS ALLOCATION COMMITTEE (JAAC) RECEIPTS AND DISBURSEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

**JANUARY 2019**

<b>INFLOWS</b>					
<b>S/N</b>	<b>LGA</b>	<b>FAAC</b>	<b>VAT</b>	<b>SHARE OF EXCHANGE DIFFERENCE</b>	<b>TOTAL</b>
1	ABI	118,872,440.69	32,633,222.16	218,010.99	<b>151,723,673.84</b>
2	AKAMKPA	149,412,682.16	33,092,024.66	274,037.17	<b>182,778,743.99</b>
3	AKPABUYO	143,033,143.19	41,818,922.73	262,334.27	<b>185,114,400.19</b>
4	BAKASSI	92,299,626.34	24,476,144.76	169,262.67	<b>116,945,033.77</b>
5	BEKWARRA	110,251,837.59	29,804,798.73	202,196.37	<b>140,258,832.69</b>
6	BIASE	126,831,604.12	34,402,329.19	232,611.93	<b>161,466,545.24</b>
7	BOKI	145,400,549.64	35,632,816.74	266,677.31	<b>181,300,043.69</b>
8	CAL. MUN	115,186,705.09	35,143,103.30	211,249.48	<b>150,541,057.87</b>
9	CAL. SOUTH	122,772,468.51	36,031,103.45	225,165.91	<b>159,028,737.87</b>
10	ETUNG'	96,143,197.17	27,945,353.40	176,313.68	<b>124,264,864.25</b>
11	IKOM	131,171,531.62	33,908,915.15	240,577.53	<b>165,321,024.30</b>
12	OBANLIKU	112,583,786.96	30,131,467.85	207,613.56	<b>142,922,868.37</b>
13	OBUBRA	124,765,234.63	34,638,950.25	228,821.51	<b>159,633,006.39</b>
14	OBUDU	118,121,796.35	33,743,694.00	216,633.66	<b>152,082,124.01</b>
15	ODUKPANI	133,980,061.14	36,090,168.02	245,726.51	<b>170,315,955.67</b>
16	OGOJA	125,920,345.51	34,599,549.68	230,940.77	<b>160,750,835.96</b>
17	YAKURR	126,416,804.31	36,380,846.94	231,851.19	<b>163,029,502.44</b>
18	YALA	139,407,288.73	37,425,215.81	255,662.83	<b>177,088,167.37</b>
		<b>2,232,571,103.75</b>	<b>607,898,626.82</b>	<b>4,095,687.34</b>	<b>2,844,565,417.91</b>

**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

<b>OUTFLOWS</b>										
	<b>27% STATUTORY DEDUCTION</b>	<b>CRS RESEVERE FUND</b>	<b>4% CRS INFRASTRUCTURE FUND</b>	<b>JOINT COMM</b>	<b>CREDIT BALANCE</b>	<b>TOTAL SALARIES &amp; ALLOWANCES</b>	<b>NET ALLOCATION AFTER SALARIES</b>	<b>REDISTRIBUTIONS OF BALANCE TO COUNCILS</b>	<b>SPECIFIC DEDUCTION</b>	<b>SURPLUS /DEFICITS</b>
ABI	40,965,391.94	1,000,000.00	6,068,946.95	500	103,688,834.95	106,261,390.08	-2,572,555.13	4,586,712.19	2,500,000.00	<b>2,086,712.19</b>
AKAMKPA	49,350,260.88	1,000,000.00	7,311,149.76	500	125,116,833.35	98,037,764.47	27,079,068.88	4,586,712.19	2,500,000.00	<b>2,086,712.19</b>
AKPABUYO	49,980,888.05	1,000,000.00	7,404,576.01	500	126,728,436.13	65,771,907.61	60,956,528.52	4,586,712.19	2,500,000.00	<b>2,086,712.19</b>
BAKASSI	31,575,159.12	1,000,000.00	4,677,801.35	500	79,691,573.30	40,557,942.86	39,133,630.44	4,586,712.19	2,500,000.00	<b>2,086,712.19</b>
BEKWARRA	37,869,884.83	1,000,000.00	5,610,353.31	500	95,778,094.56	81,419,399.04	14,358,695.52	4,586,712.19	2,500,000.00	<b>2,086,712.19</b>
BIASE	43,595,967.21	1,000,000.00	6,458,661.81	500	110,411,416.22	101,885,940.20	8,525,476.02	4,586,712.19	2,500,000.00	<b>2,086,712.19</b>
BOKI	48,951,011.80	1,000,000.00	7,252,001.75	500	124,096,530.15	136,521,264.19	-12,424,734.04	4,586,712.19	2,500,000.00	<b>2,086,712.19</b>
CAL. MUN	40,646,085.62	1,000,000.00	6,021,642.31	500	102,872,829.93	109,714,281.11	-6,841,451.18	4,586,712.19	2,500,000.00	<b>2,086,712.19</b>
CAL. SOUTH	42,937,759.22	1,000,000.00	6,361,149.51	500	108,729,329.13	83,043,766.77	25,685,562.36	4,586,712.19	2,500,000.00	<b>2,086,712.19</b>
ETUNG'	33,551,513.35	1,000,000.00	4,970,594.57	500	84,742,256.33	62,304,979.91	22,437,276.42	4,586,712.19	2,500,000.00	<b>2,086,712.19</b>
IKOM	44,636,676.56	1,000,000.00	6,612,840.97	500	113,071,006.77	126,320,279.81	-13,249,273.04	4,586,712.19	2,500,000.00	<b>2,086,712.19</b>
OBANLIKU	38,589,174.46	1,000,000.00	5,716,914.73	500	97,616,279.18	101,195,650.98	-3,579,371.80	4,586,712.19	2,500,000.00	<b>2,086,712.19</b>
OBUBRA	43,100,911.73	1,000,000.00	6,385,320.26	500	109,146,274.41	116,346,897.93	-7,200,623.52	4,586,712.19	2,500,000.00	<b>2,086,712.19</b>
OBUDU	41,062,173.48	1,000,000.00	6,083,284.96	500	103,936,165.57	135,428,262.43	-31,492,096.86	4,586,712.19	2,500,000.00	<b>2,086,712.19</b>
ODUKPANI	45,985,308.03	1,000,000.00	6,812,638.23	500	116,517,509.41	113,418,505.03	3,099,004.38	4,586,712.19	2,500,000.00	<b>2,086,712.19</b>
OGOJA	43,402,725.71	1,000,000.00	6,430,033.44	500	109,917,576.81	132,009,062.15	-22,091,485.34	4,586,712.19	2,500,000.00	<b>2,086,712.19</b>
YAKURR	44,017,965.66	1,000,000.00	6,521,180.10	500	111,489,856.68	128,743,714.69	-17,253,858.01	4,586,712.19	2,500,000.00	<b>2,086,712.19</b>
YALA	47,813,805.19	1,000,000.00	7,083,526.69	500	121,190,335.49	123,289,323.48	-2,098,987.99	4,586,712.19	2,500,000.00	<b>2,086,712.19</b>
	<b>768,032,662.84</b>	<b>18,000,000.00</b>	<b>113,782,616.72</b>	<b>9,000.00</b>	<b>1,944,741,138.36</b>	<b>1,862,270,332.74</b>	<b>82,470,805.62</b>	<b>82,560,819.42</b>	<b>45,000,000.00</b>	<b>37,560,819.42</b>

**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

**FEBRUARY 2019**

<b>INFLOWS</b>						
<b>S/N</b>	<b>LGA</b>	<b>FAAC</b>	<b>VAT</b>	<b>SHARE OF EXCHANGE DIFFERENCE</b>	<b>SHARE OF EXCHANGE DIFFERENCE</b>	<b>TOTAL</b>
1	ABI	108,252,637.76	33,874,624.88	145,196.71	2,027,020.55	<b>144,299,479.90</b>
2	AKAMKPA	136,063,718.71	34,350,314.55	182,510.50	2,547,940.24	<b>173,144,484.00</b>
3	AKPABUYO	130,254,254.30	43,398,424.11	174,716.29	2,439,129.10	<b>176,266,523.80</b>
4	BAKASSI	84,054,463.46	25,417,309.40	112,730.01	1,573,768.81	<b>111,158,271.68</b>
5	BEKWARRA	100,402,400.24	30,942,095.48	134,664.07	1,879,979.51	<b>133,359,139.30</b>
6	BIASE	115,500,557.01	35,708,847.54	154,921.02	2,162,776.98	<b>153,527,102.55</b>
7	BOKI	132,410,101.62	36,984,625.72	177,608.78	2,479,509.77	<b>172,051,845.89</b>
8	CAL. MUN	104,896,270.51	36,476,887.37	140,693.50	1,964,153.43	<b>143,478,004.81</b>
9	CAL. SOUTH	111,804,133.65	37,397,572.20	149,961.93	2,093,545.46	<b>151,445,213.24</b>
10	ETUNG'	87,654,563.53	29,014,209.43	117,426.03	1,639,327.68	<b>118,425,526.67</b>
11	IKOM	119,452,462.11	35,197,272.37	160,226.17	2,236,839.50	<b>157,046,800.15</b>
12	OBANLIKU	102,470,466.48	31,280,788.33	138,271.95	1,930,347.35	<b>135,819,874.11</b>
13	OBUBRA	113,618,827.35	35,954,177.92	152,396.58	2,127,534.45	<b>151,852,936.30</b>
14	OBUDU	107,569,086.64	35,025,969.93	144,279.39	2,014,214.35	<b>144,753,550.31</b>
15	ODUKPANI	122,010,173.22	37,458,810.76	163,655.42	2,284,173.66	<b>161,916,813.06</b>
16	OGOJA	114,670,704.29	35,913,327.14	153,808.02	2,147,238.90	<b>152,885,078.35</b>
17	YAKURR	115,122,814.45	37,760,188.72	154,414.37	2,155,703.80	<b>155,193,121.34</b>
18	YALA	126,952,406.23	38,842,997.74	170,286.39	2,377,285.43	<b>168,342,975.79</b>
		<b>2,033,160,041.56</b>	<b>630,998,443.59</b>	<b>2,727,767.13</b>	<b>38,080,488.97</b>	<b>2,704,966,741.25</b>

**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

<b>OUTFLOWS</b>										
	<b>27% STATUTORY DEDUCTION</b>	<b>CRS RESEVERE FUND</b>	<b>4% CRS INFRASTRUCTURE FUND</b>	<b>JOINT COMM.</b>	<b>CREDIT BALANCE</b>	<b>TOTAL SALARIES &amp; ALLOWANCES</b>	<b>NET ALLOCATION AFTER SALARIES</b>	<b>REDISTRIBUTIONS OF BALANCE TO COUNCILS</b>	<b>SPECIFIC DEDUCTION</b>	<b>SURPLUS /DEFICITS</b>
ABI	38,960,859.57	1,000,000.00	5,771,979.20	500.00	98,566,141.13	106,379,598.14	(7,813,457.01)	(625,824.72)	2,500,000.00	3,125,824.72
AKAMKPA	46,749,010.68	1,000,000.00	6,925,779.36	500.00	118,469,193.96	98,362,798.36	20,106,395.60	(625,824.72)	2,500,000.00	3,125,824.72
AKPABUYO	47,591,961.43	1,000,000.00	7,050,660.95	500.00	120,623,401.42	65,968,980.05	54,654,421.37	(625,824.72)	2,500,000.00	3,125,824.72
BAKASSI	30,012,733.35	1,000,000.00	4,446,330.87	500.00	75,698,707.46	40,603,510.34	35,095,197.12	(625,824.72)	2,500,000.00	3,125,824.72
BEKWARRA	36,006,967.61	1,000,000.00	5,334,365.57	500.00	91,017,306.12	81,817,695.62	9,199,610.50	(625,824.72)	2,500,000.00	3,125,824.72
BIASE	41,452,317.69	1,000,000.00	6,141,084.10	500.00	104,933,200.76	101,652,845.22	3,280,355.54	(625,824.72)	2,500,000.00	3,125,824.72
BOKI	46,453,998.39	1,000,000.00	6,882,073.84	500.00	117,715,273.66	136,261,069.44	(18,545,795.78)	(625,824.72)	2,500,000.00	3,125,824.72
CAL. MUN	38,739,061.30	1,000,000.00	5,739,120.19	500.00	97,999,323.32	109,456,041.30	(11,456,717.98)	(625,824.72)	2,500,000.00	3,125,824.72
CAL. SOUTH	40,890,207.57	1,000,000.00	6,057,808.53	500.00	103,496,697.14	82,841,195.49	20,655,501.65	(625,824.72)	2,500,000.00	3,125,824.72
ETUNG'	31,974,892.20	1,000,000.00	4,737,021.07	500.00	80,713,113.40	62,462,939.71	18,250,173.69	(625,824.72)	2,500,000.00	3,125,824.72
IKOM	42,402,636.04	1,000,000.00	6,281,872.01	500.00	107,361,792.10	125,885,885.18	(18,524,093.08)	(625,824.72)	2,500,000.00	3,125,824.72
OBANLIKU	36,671,366.01	1,000,000.00	5,432,794.96	500.00	92,715,213.14	101,500,350.76	(8,785,137.62)	(625,824.72)	2,500,000.00	3,125,824.72
OBUBRA	41,000,292.80	1,000,000.00	6,074,117.45	500.00	103,778,026.05	115,808,604.60	(12,030,578.55)	(625,824.72)	2,500,000.00	3,125,824.72
OBUDU	39,083,458.58	1,000,000.00	5,790,142.01	500.00	98,879,449.71	135,634,408.48	(36,754,958.77)	(625,824.72)	2,500,000.00	3,125,824.72
ODUKPANI	43,717,539.53	1,000,000.00	6,476,672.52	500.00	110,722,101.01	113,136,323.92	(2,414,222.91)	(625,824.72)	2,500,000.00	3,125,824.72
OGOJA	41,278,971.15	1,000,000.00	6,115,403.13	500.00	104,490,204.06	129,832,872.23	(25,342,668.17)	(625,824.72)	2,500,000.00	3,125,824.72
YAKURR	41,902,142.76	1,000,000.00	6,207,724.85	500.00	106,082,753.72	128,726,965.73	(22,644,212.01)	(625,824.72)	2,500,000.00	3,125,824.72
YALA	45,452,603.46	1,000,000.00	6,733,719.03	500.00	115,156,153.30	123,351,184.52	(8,195,031.22)	(625,824.72)	2,500,000.00	3,125,824.72
	<b>730,341,020.14</b>	<b>18,000,000.00</b>	<b>108,198,669.65</b>	<b>9,000.00</b>	<b>1,848,418,051.46</b>	<b>1,859,683,269.09</b>	<b>(11,265,217.63)</b>	<b>(11,264,844.96)</b>	<b>45,000,000.00</b>	<b>56,264,844.96</b>



**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

**MARCH 2019**

<b>INFLOWS</b>							
<b>S/N</b>	<b>LGA</b>	<b>FAAC</b>	<b>VAT</b>	<b>EXCESS BANK CHARGES</b>	<b>SHARE OF EXCHANGE DIFFERENCE</b>	<b>SHARE OF FOREX EQUALIZATION</b>	<b>TOTAL</b>
1	ABI	102,690,219.31	31,796,331.20	1,002,336.47	188,004.05	9,590,932.08	<b>145,267,823.11</b>
2	AKAMKPA	129,071,826.20	32,235,231.76	1,259,924.79	236,318.81	12,055,685.28	<b>174,858,986.84</b>
3	AKPABUYO	123,560,954.27	40,583,574.37	1,206,119.03	226,226.69	11,540,840.84	<b>177,117,715.20</b>
4	BAKASSI	79,735,829.08	23,993,091.56	778,209.12	145,965.42	7,446,352.60	<b>112,099,447.78</b>
5	BEKWARRA	95,243,482.28	29,090,599.14	929,626.51	174,366.15	8,895,201.28	<b>134,333,275.36</b>
6	BIASE	109,565,604.56	33,488,697.89	1,069,466.34	200,595.32	10,233,269.29	<b>154,557,633.40</b>
7	BOKI	125,605,991.59	34,665,809.33	1,226,086.77	229,971.96	11,731,903.63	<b>173,459,763.28</b>
8	CAL. MUN	99,506,367.94	34,197,338.69	971,249.46	182,173.19	9,293,473.69	<b>144,150,602.97</b>
9	CAL. SOUTH	106,059,161.87	35,046,819.17	1,035,232.21	194,174.17	9,905,697.43	<b>152,241,084.85</b>
10	ETUNG'	83,056,026.73	27,311,812.85	810,627.17	152,045.94	7,756,547.43	<b>119,087,060.12</b>
11	IKOM	113,314,272.09	33,016,687.16	1,106,089.34	207,464.54	10,583,699.19	<b>158,228,212.32</b>
12	OBANLIKU	97,173,332.37	29,403,098.00	954,532.78	179,037.71	9,133,518.80	<b>136,843,519.66</b>
13	OBUBRA	107,780,585.17	33,715,054.79	1,052,039.35	197,326.61	10,066,517.79	<b>152,811,523.71</b>
14	OBUDU	102,041,810.15	32,858,632.98	996,003.97	186,816.29	9,530,399.01	<b>145,613,662.40</b>
15	ODUKPANI	115,740,610.05	35,103,321.63	1,129,762.51	211,904.82	10,810,217.74	<b>162,995,816.75</b>
16	OGOJA	108,778,390.45	33,677,363.35	1,061,782.95	199,154.18	10,159,750.19	<b>153,876,441.12</b>
17	YAKURR	109,207,271.77	35,381,391.47	1,065,968.74	199,939.29	10,199,802.22	<b>156,054,373.49</b>
18	YALA	120,428,813.59	36,380,457.70	1,175,538.10	220,490.76	11,248,224.93	<b>169,453,525.08</b>
		<b>1,928,560,549.47</b>	<b>591,945,313.04</b>	<b>18,830,595.61</b>	<b>3,531,975.90</b>	<b>180,182,033.42</b>	<b>2,723,050,467.44</b>

**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

<b>OUTFLOWS</b>										
	<b>27% STATUTORY DEDUCTION</b>	<b>CRS RESEVERE FUND</b>	<b>4% CRS INFRASTRUCTURE FUND</b>	<b>JOINT COMMITTEEMENT</b>	<b>CREDIT BALANCE</b>	<b>TOTAL SALARIES &amp; ALLOWANCES</b>	<b>NET ALLOCATION AFTER SALARIES</b>	<b>REDISTRIBUTIONS OF BALANCE TO COUNCILS</b>	<b>SPECIFIC DEDUCTION</b>	<b>SURPLUS /DEFICITS</b>
ABI	39,222,312.24	1,000,000.00	5,810,712.92	500.00	99,234,297.95	108,625,662.81	(9,391,364.86)	(3,629,978.02)	2,500,000.00	(6,129,978.02)
AKAMKPA	47,211,926.45	1,000,000.00	6,994,359.47	500.00	119,652,200.92	100,318,828.73	19,333,372.19	(3,629,978.02)	2,500,000.00	(6,129,978.02)
AKPABUYO	47,821,783.10	1,000,000.00	7,084,708.61	500.00	121,210,723.49	67,377,856.36	53,832,867.13	(3,629,978.02)	2,500,000.00	(6,129,978.02)
BAKASSI	30,266,850.90	1,000,000.00	4,483,977.91	500.00	76,348,118.97	41,237,005.86	35,111,113.11	(3,629,978.02)	2,500,000.00	(6,129,978.02)
BEKWARRA	36,269,984.35	1,000,000.00	5,373,331.01	500.00	91,689,460.00	85,051,231.57	6,638,228.43	(3,629,978.02)	2,500,000.00	(6,129,978.02)
BIASE	41,730,561.02	1,000,000.00	6,182,305.34	500.00	105,644,267.05	103,666,325.47	1,977,941.58	(3,629,978.02)	2,500,000.00	(6,129,978.02)
BOKI	46,834,136.09	1,000,000.00	6,938,390.53	500.00	118,686,736.66	139,924,132.38	(21,237,395.72)	(3,629,978.02)	2,500,000.00	(6,129,978.02)
CAL. MUN	38,920,662.80	1,000,000.00	5,766,024.12	500.00	98,463,416.05	111,415,587.51	(12,952,171.46)	(3,629,978.02)	2,500,000.00	(6,129,978.02)
CAL. SOUTH	41,105,092.91	1,000,000.00	6,089,643.39	500.00	104,045,848.55	83,451,701.66	20,594,146.89	(3,629,978.02)	2,500,000.00	(6,129,978.02)
ETUNG'	32,153,506.23	1,000,000.00	4,763,482.40	500.00	81,169,571.48	64,487,452.86	16,682,118.62	(3,629,978.02)	2,500,000.00	(6,129,978.02)
IKOM	42,721,617.33	1,000,000.00	6,329,128.49	500.00	108,176,966.50	128,983,496.76	(20,806,530.26)	(3,629,978.02)	2,500,000.00	(6,129,978.02)
OBANLIKU	36,947,750.31	1,000,000.00	5,473,740.79	500.00	93,421,528.57	104,334,785.86	(10,913,257.29)	(3,629,978.02)	2,500,000.00	(6,129,978.02)
OBUBRA	41,259,111.40	1,000,000.00	6,112,460.95	500.00	104,439,451.36	118,758,802.05	(14,319,350.69)	(3,629,978.02)	2,500,000.00	(6,129,978.02)
OBUDU	39,315,688.85	1,000,000.00	5,824,546.50	500.00	99,472,927.06	148,063,982.98	(48,591,055.92)	(3,629,978.02)	2,500,000.00	(6,129,978.02)
ODUKPANI	44,008,870.52	1,000,000.00	6,519,832.67	500.00	111,466,613.56	115,478,788.76	(4,012,175.20)	(3,629,978.02)	2,500,000.00	(6,129,978.02)
OGOJA	41,546,639.10	1,000,000.00	6,155,057.64	500.00	105,174,244.37	133,732,046.74	(28,557,802.37)	(3,629,978.02)	2,500,000.00	(6,129,978.02)
YAKURR	42,134,680.84	1,000,000.00	6,242,174.94	500.00	106,677,017.71	134,101,830.19	(27,424,812.48)	(3,629,978.02)	2,500,000.00	(6,129,978.02)
YALA	45,752,451.77	1,000,000.00	6,778,141.00	500.00	115,922,432.31	138,225,866.68	(22,303,434.37)	(3,629,978.02)	2,500,000.00	(6,129,978.02)
	<b>735,223,626.21</b>	<b>18,000,000.00</b>	<b>108,922,018.70</b>	<b>9,000.00</b>	<b>1,860,895,822.53</b>	<b>1,927,235,385.23</b>	<b>(66,339,562.70)</b>	<b>(65,339,604.36)</b>	<b>45,000,000.00</b>	<b>(110,339,604.36)</b>

**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

**APRIL 2019**

<b>INFLOWS</b>								
<b>S/N</b>	<b>LGA</b>	<b>FAAC</b>	<b>VAT</b>	<b>SHARE OF EXCHANGE DIFFERENCE</b>	<b>SHARE OF FOREX EQUALIZATION</b>	<b>SHARE OF GOOD &amp; VALUE EQUALIZATION</b>	<b>SHARE OF ADDITIONAL FUND FROM NNPC</b>	<b>TOTAL</b>
1	ABI	96,699,009.45	29,845,271.01	143,453.28	2,840,918.50	11,940,788.35	2,171,052.43	<b>143,640,493.02</b>
2	AKAMKPA	121,540,948.09	30,265,012.16	180,319.04	3,571,000.10	15,009,426.09	2,728,986.58	<b>173,295,692.06</b>
3	AKPABUYO	116,351,686.31	38,248,923.00	172,618.42	3,418,498.64	14,368,440.59	2,612,443.74	<b>175,172,610.70</b>
4	BAKASSI	75,084,283.15	22,382,667.65	111,376.42	2,205,675.18	9,270,769.47	1,685,594.45	<b>110,740,366.32</b>
5	BEKWARRA	89,686,877.65	27,257,652.78	133,047.11	3,634,836.92	11,074,597.85	2,013,563.25	<b>133,800,575.56</b>
6	BIASE	103,173,143.09	31,463,760.49	153,060.83	3,031,184.44	12,740,503.38	2,316,455.16	<b>152,878,107.39</b>
7	BOKI	118,277,371.59	32,589,487.27	175,476.18	3,475,093.12	14,606,315.32	2,655,693.69	<b>171,779,437.17</b>
8	CAL. MUN	93,700,972.73	32,141,466.87	139,004.14	2,752,808.71	11,570,450.23	2,103,718.22	<b>142,408,420.90</b>
9	CAL. SOUTH	99,871,326.16	32,953,864.81	148,161.28	2,934,154.77	12,332,673.77	2,242,304.32	<b>150,482,485.11</b>
10	ETUNG'	78,210,710.22	25,556,516.17	116,016.06	2,297,557.53	9,656,964.18	1,755,811.67	<b>117,593,575.83</b>
11	IKOM	106,702,906.02	31,012,354.54	158,302.28	3,134,984.86	13,176,791.46	2,395,780.27	<b>156,581,119.43</b>
12	OBANLIKU	91,467,856.88	27,556,510.07	136,611.67	2,705,428.67	11,371,305.11	2,067,510.02	<b>135,305,222.42</b>
13	OBUBRA	101,492,289.09	31,680,236.20	150,566.70	2,981,791.18	12,532,896.42	2,278,708.44	<b>151,116,488.03</b>
14	OBUDU	96,088,451.14	30,861,199.93	142,546.98	2,822,970.30	11,865,349.47	2,157,336.27	<b>143,937,854.09</b>
15	ODUKPANI	108,987,743.64	33,007,900.76	161,690.36	3,202,081.65	13,458,808.89	2,447,056.16	<b>161,265,281.46</b>
16	OGOJA	102,431,854.48	31,644,190.11	151,961.20	3,009,407.43	12,648,971.51	2,299,813.00	<b>152,186,197.73</b>
17	YAKURR	102,835,716.32	33,273,831.97	152,560.26	3,021,271.20	12,698,836.62	2,308,879.39	<b>154,291,095.76</b>
18	YALA	113,402,335.30	34,229,285.78	168,241.71	3,331,823.24	14,004,131.41	2,546,205.71	<b>167,682,023.15</b>
		<b>1,816,005,481.31</b>	<b>555,970,131.57</b>	<b>2,695,013.92</b>	<b>54,371,486.44</b>	<b>224,328,020.12</b>	<b>40,786,912.77</b>	<b>2,694,157,046.13</b>

**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

<b>OUTFLOWS</b>										
	<b>27% STATUTORY DEDUCTION</b>	<b>CRS RESEVERE FUND</b>	<b>4% CRS INFRASTRUCTURE FUND</b>	<b>JOINT COMMITTE MENT</b>	<b>CREDIT BALANCE</b>	<b>TOTAL SALARIES &amp; ALLOWANCES</b>	<b>NET ALLOCATION AFTER SALARIES</b>	<b>REDISTRIBUTIONS OF BALANCE TO COUNCILS</b>	<b>SPECIFIC DEDUCTION</b>	<b>SURPLUS /DEFICITS</b>
ABI	38,782,933.12	1,000,000.00	5,745,619.72	500.00	98,111,440.18	109,456,492.65	(11,345,052.47)	(5,047,105.54)	2,500,000.00	(7,547,105.54)
AKAMKPA	46,789,836.86	1,000,000.00	6,931,827.68	500.00	118,573,527.52	100,048,914.46	18,524,613.06	(5,047,105.54)	2,500,000.00	(7,547,105.54)
AKPABUYO	47,296,604.89	1,000,000.00	7,006,904.43	500.00	119,868,601.38	68,069,980.39	51,798,620.99	(5,047,105.54)	2,500,000.00	(7,547,105.54)
BAKASSI	29,899,898.91	1,000,000.00	4,429,614.65	500.00	75,410,352.76	41,081,804.96	34,328,547.80	(5,047,105.54)	2,500,000.00	(7,547,105.54)
BEKWARRA	36,126,155.40	1,000,000.00	5,352,023.02	500.00	91,321,897.14	84,343,769.58	6,978,127.56	(5,047,105.54)	2,500,000.00	(7,547,105.54)
BIASE	41,277,089.00	1,000,000.00	6,115,124.30	500.00	104,485,394.10	103,052,097.67	1,433,296.43	(5,047,105.54)	2,500,000.00	(7,547,105.54)
BOKI	46,380,448.04	1,000,000.00	6,871,177.49	500.00	117,527,311.65	140,238,121.45	(22,710,809.80)	(5,047,105.54)	2,500,000.00	(7,547,105.54)
CAL. MUN	38,450,273.64	1,000,000.00	5,696,336.84	500.00	97,261,310.42	111,678,638.27	(14,417,327.85)	(5,047,105.54)	2,500,000.00	(7,547,105.54)
CAL. SOUTH	40,630,270.98	1,000,000.00	6,019,299.40	500.00	102,832,414.73	84,800,946.66	18,031,468.07	(5,047,105.54)	2,500,000.00	(7,547,105.54)
ETUNG'	31,750,265.47	1,000,000.00	4,703,743.03	500.00	80,139,067.32	64,405,856.41	15,733,210.91	(5,047,105.54)	2,500,000.00	(7,547,105.54)
IKOM	42,276,902.25	1,000,000.00	6,263,244.78	500.00	107,040,472.41	129,133,391.48	(22,092,919.07)	(5,047,105.54)	2,500,000.00	(7,547,105.54)
OBANLIKU	36,532,410.05	1,000,000.00	5,412,208.90	500.00	92,360,103.47	106,314,128.96	(13,954,025.49)	(5,047,105.54)	2,500,000.00	(7,547,105.54)
OBUBRA	40,801,451.77	1,000,000.00	6,044,659.52	500.00	103,269,876.74	118,752,203.20	(15,482,326.46)	(5,047,105.54)	2,500,000.00	(7,547,105.54)
OBUDU	38,863,220.60	1,000,000.00	5,757,514.16	500.00	98,316,619.32	149,229,345.30	(50,912,725.98)	(5,047,105.54)	2,500,000.00	(7,547,105.54)
ODUKPANI	43,541,625.99	1,000,000.00	6,450,611.26	500.00	110,272,544.21	115,390,182.63	(5,117,638.42)	(5,047,105.54)	2,500,000.00	(7,547,105.54)
OGOJA	41,090,273.39	1,000,000.00	6,087,447.91	500.00	104,007,976.43	133,346,465.89	(29,338,489.46)	(5,047,105.54)	2,500,000.00	(7,547,105.54)
YAKURR	41,658,595.86	1,000,000.00	6,171,643.83	500.00	105,460,356.07	134,218,753.17	(28,758,397.10)	(5,047,105.54)	2,500,000.00	(7,547,105.54)
YALA	45,274,146.25	1,000,000.00	6,707,280.93	500.00	114,700,095.97	137,556,168.49	(22,856,072.52)	(5,047,105.54)	2,500,000.00	(7,547,105.54)
	<b>727,422,402.46</b>	<b>18,000,000.00</b>	<b>107,766,281.85</b>	<b>9,000.00</b>	<b>1,840,959,361.83</b>	<b>1,931,117,261.62</b>	<b>(90,157,899.79)</b>	<b>(90,847,899.72)</b>	<b>45,000,000.00</b>	<b>(135,847,899.72)</b>

**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

**MAY 2019**

<b>INFLOWS</b>					
<b>S/N</b>	<b>LGA</b>	<b>FAAC</b>	<b>VAT</b>	<b>SHARE OF EXCHANGE DIFFERENCE</b>	<b>TOTAL</b>
1	ABI	111,507,512.22	31,396,842.55	174,583.13	143,078,937.90
2	AKAMKPA	140,155,056.42	31,836,182.10	219,448.87	172,210,687.39
3	AKPABUYO	134,170,869.27	40,192,874.75	210,077.19	174,573,821.21
4	BAKASSI	86,581,532.03	23,585,798.09	135,545.48	110,302,875.60
5	BEKWARRA	103,421,164.56	28,688,404.21	161,918.78	132,271,487.55
6	BIASE	118,973,421.45	33,090,901.95	186,275.55	152,250,598.95
7	BOKI	136,391,557.57	34,269,190.75	213,555.10	170,874,303.42
8	CAL. MUN	108,050,196.52	33,800,251.54	169,168.51	142,019,616.57
9	CAL. SOUTH	115,165,830.03	34,650,581.67	180,312.78	149,996,724.48
10	ETUNG'	90,186,902.80	26,907,838.77	141,191.94	117,235,933.51
11	IKOM	123,044,251.93	32,618,419.12	192,654.41	155,855,325.46
12	OBANLIKU	105,570,108.61	29,001,215.64	166,256.86	134,737,581.11
13	OBUBRA	117,035,101.33	33,317,485.26	183,240.19	150,535,826.78
14	OBUDU	110,803,397.64	32,460,206.85	173,480.16	143,437,084.65
15	ODUKPANI	125,678,836.64	34,707,140.64	196,777.71	160,582,754.99
16	OGOJA	118,118,618.55	33,279,756.11	184,937.29	151,583,311.95
17	YAKURR	118,584,321.17	34,985,488.61	185,666.35	153,755,476.13
18	YALA	130,769,716.14	35,985,554.11	204,750.73	166,960,020.98
		<b>2,094,208,394.88</b>	<b>584,774,132.72</b>	<b>3,279,841.03</b>	<b>2,682,262,368.63</b>

**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

<b>OUTFLOWS</b>										
	<b>27% STATUTORY DEDUCTION</b>	<b>CRS RESEVERE FUND</b>	<b>4% CRS INFRASTRUCTURE FUND</b>	<b>JOINT COMMITTE MENT</b>	<b>CREDIT BALANCE</b>	<b>TOTAL SALARIES &amp; ALLOWANCES</b>	<b>NET ALLOCATION AFTER SALARIES</b>	<b>REDISTRIBUTIONS OF BALANCE TO COUNCILS</b>	<b>SPECIFIC DEDUCTION</b>	<b>SURPLUS /DEFICITS</b>
ABI	38,631,313.23	1,000,000.00	5,723,157.52	500.00	97,723,967.15	109,456,492.65	(11,732,525.50)	(5,464,734.84)	2,500,000.00	(7,964,734.84)
AKAMKPA	46,496,885.60	1,000,000.00	6,888,427.50	500.00	117,824,874.30	100,048,914.46	17,775,959.84	(5,464,734.84)	2,500,000.00	(7,964,734.84)
AKPABUYO	47,134,931.73	1,000,000.00	6,982,952.85	500.00	119,455,436.63	68,069,980.39	51,385,456.24	(5,464,734.84)	2,500,000.00	(7,964,734.84)
BAKASSI	29,781,776.41	1,000,000.00	4,412,115.02	500.00	75,108,484.16	41,081,804.96	34,026,679.20	(5,464,734.84)	2,500,000.00	(7,964,734.84)
BEKWARRA	35,713,301.64	1,000,000.00	5,290,859.50	500.00	90,266,826.41	84,343,769.58	5,923,056.83	(5,464,734.84)	2,500,000.00	(7,964,734.84)
BIASE	41,107,661.72	1,000,000.00	6,090,023.96	500.00	104,052,413.28	103,052,097.67	1,000,315.61	(5,464,734.84)	2,500,000.00	(7,964,734.84)
BOKI	46,136,061.92	1,000,000.00	6,834,972.14	500.00	116,902,769.36	140,238,121.45	(23,335,352.09)	(5,464,734.84)	2,500,000.00	(7,964,734.84)
CAL. MUN	38,345,296.47	1,000,000.00	5,680,784.66	500.00	96,993,035.43	111,678,638.27	(14,685,602.84)	(5,464,734.84)	2,500,000.00	(7,964,734.84)
CAL. SOUTH	40,499,115.61	1,000,000.00	5,999,868.98	500.00	102,497,239.89	84,800,946.66	17,696,293.23	(5,464,734.84)	2,500,000.00	(7,964,734.84)
ETUNG'	31,653,702.05	1,000,000.00	4,689,437.34	500.00	79,892,294.12	64,405,856.41	15,486,437.71	(5,464,734.84)	2,500,000.00	(7,964,734.84)
IKOM	42,080,937.87	1,000,000.00	6,234,213.02	500.00	106,539,674.57	129,133,391.48	(22,593,716.91)	(5,464,734.84)	2,500,000.00	(7,964,734.84)
OBANLIKU	36,379,146.90	1,000,000.00	5,389,503.24	500.00	91,968,430.97	106,314,128.96	(14,345,697.99)	(5,464,734.84)	2,500,000.00	(7,964,734.84)
OBUBRA	40,644,673.23	1,000,000.00	6,021,433.07	500.00	102,869,220.48	118,752,203.20	(15,882,982.72)	(5,464,734.84)	2,500,000.00	(7,964,734.84)
OBUDU	38,728,012.86	1,000,000.00	5,737,483.39	500.00	97,971,088.41	149,229,345.30	(51,258,256.89)	(5,464,734.84)	2,500,000.00	(7,964,734.84)
ODUKPANI	43,357,343.85	1,000,000.00	6,423,310.20	500.00	109,801,600.94	115,390,182.63	(5,588,581.69)	(5,464,734.84)	2,500,000.00	(7,964,734.84)
OGOJA	40,927,494.23	1,000,000.00	6,063,332.48	500.00	103,591,985.25	133,346,465.89	(29,754,480.64)	(5,464,734.84)	2,500,000.00	(7,964,734.84)
YAKURR	41,513,978.56	1,000,000.00	6,150,219.05	500.00	105,090,778.53	134,218,753.17	(29,127,974.64)	(5,464,734.84)	2,500,000.00	(7,964,734.84)
YALA	45,079,205.66	1,000,000.00	6,678,400.84	500.00	114,201,914.48	137,556,168.49	(23,354,254.01)	(5,464,734.84)	2,500,000.00	(7,964,734.84)
	<b>724,210,839.53</b>	<b>18,000,000.00</b>	<b>107,290,494.75</b>	<b>9,000.00</b>	<b>1,832,752,034.36</b>	<b>1,931,117,261.62</b>	<b>(98,365,227.26)</b>	<b>(98,365,227.12)</b>	<b>45,000,000.00</b>	<b>(143,365,227.12)</b>

**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

**JUNE 2019**

<b>INFLOWS</b>					
<b>S/N</b>	<b>LGA</b>	<b>FAAC</b>	<b>VAT</b>	<b>SHARE OF EXCHANGE DIFFERENCE</b>	<b>TOTAL</b>
1	ABI	125,048,116.57	34,771,545.24	256,069.31	<b>160,075,731.12</b>
2	AKAMKPA	157,175,431.82	35,257,971.36	321,876.02	<b>192,755,279.20</b>
3	AKPABUYO	150,464,380.51	44,510,299.26	308,130.13	<b>195,282,809.90</b>
4	BAKASSI	97,094,390.79	26,123,345.81	198,810.95	<b>123,416,547.55</b>
5	BEKWARRA	115,979,526.99	31,772,827.84	237,493.92	<b>147,989,848.75</b>
6	BIASE	133,420,885.93	36,647,166.81	273,219.14	<b>170,341,271.88</b>
7	BOKI	152,954,813.78	37,951,739.66	313,231.33	<b>191,219,784.77</b>
8	CAL. MUN	121,170,845.19	37,432,541.51	248,127.44	<b>158,851,514.14</b>
9	CAL. SOUTH	129,150,824.26	38,374,006.46	264,473.26	<b>167,789,303.98</b>
10	ETUNG'	101,137,698.29	29,801,428.86	207,092.87	<b>131,146,220.02</b>
11	IKOM	137,986,457.97	36,124,045.25	282,575.30	<b>174,393,078.52</b>
12	OBANLIKU	118,464,930.87	32,119,165.08	243,856.78	<b>150,827,952.73</b>
13	OBUBRA	131,247,143.85	36,898,034.37	268,767.02	<b>168,413,945.24</b>
14	OBUDU	124,258,455.87	35,948,876.46	254,451.53	<b>160,461,783.86</b>
15	ODUKPANI	140,940,844.55	38,436,627.19	288,623.15	<b>179,666,094.89</b>
16	OGOJA	132,462,287.80	36,856,261.58	271,256.24	<b>169,589,805.62</b>
17	YAKURR	132,984,536.41	38,744,807.33	272,325.60	<b>172,001,669.34</b>
18	YALA	146,650,108.39	39,852,055.65	300,317.55	<b>186,802,481.59</b>
		<b>2,348,591,679.84</b>	<b>647,622,745.72</b>	<b>4,810,697.54</b>	<b>3,001,025,123.10</b>

**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

<b>OUTFLOWS</b>										
	<b>27% STATUTORY DEDUCTION</b>	<b>CRS RESEVERE FUND</b>	<b>4% CRS INFRASTRUCTURE FUND</b>	<b>JOINT COMMITTE MENT</b>	<b>CREDIT BALANCE</b>	<b>TOTAL SALARIES &amp; ALLOWANCES</b>	<b>NET ALLOCATION AFTER SALARIES</b>	<b>REDISTRIBUTIONS OF BALANCE TO COUNCILS</b>	<b>SPECIFIC DEDUCTION</b>	<b>SURPLUS /DEFICITS</b>
ABI	43,220,447.40	1,000,000.00	6,403,029.24	500.00	109,451,754.47	135,885,715.58	(26,433,961.11)	(15,129,498.38)	2,500,000.00	<b>(17,629,498.38)</b>
AKAMKPA	52,043,925.38	1,000,000.00	7,710,211.17	500.00	132,000,642.64	111,120,365.51	20,880,277.13	(15,129,498.38)	2,500,000.00	<b>(17,629,498.38)</b>
AKPABUYO	52,726,358.67	1,000,000.00	7,811,312.40	500.00	133,744,638.83	84,181,142.96	49,563,495.87	(15,129,498.38)	2,500,000.00	<b>(17,629,498.38)</b>
BAKASSI	33,322,467.84	1,000,000.00	4,936,661.90	500.00	84,156,917.81	53,841,961.63	30,314,956.18	(15,129,498.38)	2,500,000.00	<b>(17,629,498.38)</b>
BEKWARRA	39,957,259.16	1,000,000.00	5,919,593.95	500.00	101,112,495.64	99,191,167.39	1,921,328.25	(15,129,498.38)	2,500,000.00	<b>(17,629,498.38)</b>
BIASE	45,992,143.41	1,000,000.00	6,813,650.88	500.00	116,534,977.60	123,611,035.49	(7,076,057.89)	(15,129,498.38)	2,500,000.00	<b>(17,629,498.38)</b>
BOKI	51,629,341.89	1,000,000.00	7,648,791.39	500.00	130,941,151.49	169,050,273.54	(38,109,122.05)	(15,129,498.38)	2,500,000.00	<b>(17,629,498.38)</b>
CAL. MUN	42,889,908.82	1,000,000.00	6,354,060.57	500.00	108,607,044.76	136,479,722.13	(27,872,677.37)	(15,129,498.38)	2,500,000.00	<b>(17,629,498.38)</b>
CAL. SOUTH	45,303,112.07	1,000,000.00	6,711,572.16	500.00	114,774,119.75	95,879,577.40	18,894,542.35	(15,129,498.38)	2,500,000.00	<b>(17,629,498.38)</b>
ETUNG'	35,409,479.41	1,000,000.00	5,245,848.80	500.00	89,490,391.81	69,995,632.80	19,494,759.01	(15,129,498.38)	2,500,000.00	<b>(17,629,498.38)</b>
IKOM	47,086,131.20	1,000,000.00	6,975,723.14	500.00	119,330,724.18	163,288,480.02	(43,957,755.84)	(15,129,498.38)	2,500,000.00	<b>(17,629,498.38)</b>
OBANLIKU	40,723,547.24	1,000,000.00	6,033,118.11	500.00	103,070,787.38	114,376,407.27	(11,305,619.89)	(15,129,498.38)	2,500,000.00	<b>(17,629,498.38)</b>
OBUBRA	45,471,765.21	1,000,000.00	6,736,557.81	500.00	115,205,122.22	141,774,066.05	(26,568,943.83)	(15,129,498.38)	2,500,000.00	<b>(17,629,498.38)</b>
OBUDU	43,324,681.64	1,000,000.00	6,418,471.35	500.00	109,718,130.86	179,781,992.36	(70,063,861.50)	(15,129,498.38)	2,500,000.00	<b>(17,629,498.38)</b>
ODUKPANI	48,509,845.62	1,000,000.00	7,186,643.80	500.00	122,969,105.47	145,709,504.93	(22,740,399.46)	(15,129,498.38)	2,500,000.00	<b>(17,629,498.38)</b>
OGOJA	45,789,247.52	1,000,000.00	6,783,592.22	500.00	116,016,465.88	164,668,094.95	(48,651,629.07)	(15,129,498.38)	2,500,000.00	<b>(17,629,498.38)</b>
YAKURR	46,440,450.72	1,000,000.00	6,880,066.77	500.00	117,680,651.84	170,653,839.88	(52,973,188.04)	(15,129,498.38)	2,500,000.00	<b>(17,629,498.38)</b>
YALA	50,436,670.03	1,000,000.00	7,472,099.26	500.00	127,893,212.29	165,540,325.85	(37,647,113.56)	(15,129,498.38)	2,500,000.00	<b>(17,629,498.38)</b>
	<b>810,276,783.24</b>	<b>18,000,000.00</b>	<b>120,041,004.92</b>	<b>9,000.00</b>	<b>2,052,698,334.92</b>	<b>2,325,029,305.74</b>	<b>(272,330,970.82)</b>	<b>(272,330,970.84)</b>	<b>45,000,000.00</b>	<b>(317,330,970.84)</b>



**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

**JULY 2019**

<b>INFLOWS</b>					
<b>S/N</b>	<b>LGA</b>	<b>FAAC</b>	<b>VAT</b>	<b>SHARE OF EXCHANGE DIFFERENCE</b>	<b>TOTAL</b>
1	ABI	136,921,552.78	32,215,684.51	230,104.07	<b>169,367,341.36</b>
2	AKAMKPA	172,100,197.09	35,710,326.80	289,238.03	<b>208,099,761.92</b>
3	AKPABUYO	164,751,775.76	45,118,934.82	276,885.96	<b>210,147,596.54</b>
4	BAKASSI	106,312,868.39	26,421,409.23	178,651.67	<b>132,912,929.29</b>
5	BEKWARRA	126,991,658.46	32,166,316.08	213,412.21	<b>159,371,386.75</b>
6	BIASE	146,089,526.37	37,122,987.01	245,514.92	<b>183,458,028.30</b>
7	BOKI	167,478,742.02	38,449,595.27	281,469.91	<b>206,209,807.20</b>
8	CAL. MUN	132,676,032.17	37,921,627.40	222,967.50	<b>170,820,627.07</b>
9	CAL. SOUTH	141,413,935.45	38,878,994.53	237,655.87	<b>180,530,585.85</b>
10	ETUNG'	110,740,192.27	30,161,618.41	186,093.81	<b>141,087,904.49</b>
11	IKOM	151,088,925.60	36,591,029.46	253,922.38	<b>187,933,877.44</b>
12	OBANLIKU	129,772,096.01	32,518,503.27	219,129.89	<b>162,509,729.17</b>
13	OBUBRA	143,709,348.34	37,378,091.95	241,514.25	<b>181,328,954.54</b>
14	OBUDU	136,056,878.72	36,412,901.91	228,650.33	<b>172,698,430.96</b>
15	ODUKPANI	154,323,738.89	38,942,672.98	259,356.97	<b>193,525,768.84</b>
16	OGOJA	145,039,912.66	37,335,613.57	243,751.06	<b>182,619,277.29</b>
17	YAKURR	145,611,745.12	39,256,058.56	244,711.96	<b>185,112,515.64</b>
18	YALA	160,575,249.35	40,382,009.30	269,865.57	<b>201,227,124.22</b>
		<b>2,571,654,375.45</b>	<b>652,984,375.06</b>	<b>4,322,896.36</b>	<b>3,228,961,646.87</b>

**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

<b>OUTFLOWS</b>										
	<b>27% STATUTORY DEDUCTION</b>	<b>CRS RESEVERE FUND</b>	<b>4% CRS INFRASTRUCTURE FUND</b>	<b>JOINT COMMITTE MENT</b>	<b>CREDIT BALANCE</b>	<b>TOTAL SALARIES &amp; ALLOWANCES</b>	<b>NET ALLOCATION AFTER SALARIES</b>	<b>REDISTRIBUTIONS OF BALANCE TO COUNCILS</b>	<b>SPECIFIC DEDUCTION</b>	<b>SURPLUS /DEFICITS</b>
ABI	45,729,182.17	1,000,000.00	6,774,693.65	500.00	117,932,965.54	108,751,602.89	9,181,362.65	16,398,170.72	2,500,000.00	<b>13,898,170.72</b>
AKAMKPA	56,186,935.72	1,000,000.00	8,323,990.48	500.00	142,588,335.72	99,883,283.42	42,705,052.30	16,398,170.72	2,500,000.00	<b>13,898,170.72</b>
AKPABUYO	56,739,851.07	1,000,000.00	8,405,903.86	500.00	144,001,341.61	67,340,207.21	76,661,134.40	16,398,170.72	2,500,000.00	<b>13,898,170.72</b>
BAKASSI	35,886,490.91	1,000,000.00	5,316,517.17	500.00	90,709,421.21	41,950,500.08	48,758,921.13	16,398,170.72	2,500,000.00	<b>13,898,170.72</b>
BEKWARRA	43,030,274.42	1,000,000.00	6,374,855.47	500.00	108,965,756.86	83,397,294.27	25,568,462.59	16,398,170.72	2,500,000.00	<b>13,898,170.72</b>
BIASE	49,533,667.64	1,000,000.00	7,338,321.13	500.00	125,585,539.53	102,265,032.00	23,320,507.53	16,398,170.72	2,500,000.00	<b>13,898,170.72</b>
BOKI	55,676,647.94	1,000,000.00	8,248,392.29	500.00	141,284,266.97	139,554,199.43	1,730,067.54	16,398,170.72	2,500,000.00	<b>13,898,170.72</b>
CAL. MUN	46,121,569.31	1,000,000.00	6,832,825.08	500.00	116,865,732.68	115,106,117.25	1,759,615.43	16,398,170.72	2,500,000.00	<b>13,898,170.72</b>
CAL. SOUTH	48,743,258.18	1,000,000.00	7,221,223.43	500.00	123,565,604.24	83,444,396.51	40,121,207.73	16,398,170.72	2,500,000.00	<b>13,898,170.72</b>
ETUNG'	38,093,734.21	1,000,000.00	5,643,516.18	500.00	96,350,154.10	63,315,270.96	33,034,883.14	16,398,170.72	2,500,000.00	<b>13,898,170.72</b>
IKOM	50,742,146.91	1,000,000.00	7,517,355.10	500.00	128,673,875.43	127,295,877.85	1,377,997.58	16,398,170.72	2,500,000.00	<b>13,898,170.72</b>
OBANLIKU	43,877,626.88	1,000,000.00	6,500,389.17	500.00	111,131,213.13	105,269,200.91	5,862,012.22	16,398,170.72	2,500,000.00	<b>13,898,170.72</b>
OBUBRA	48,958,817.73	1,000,000.00	7,253,158.18	500.00	124,116,478.63	116,655,544.86	7,460,933.77	16,398,170.72	2,500,000.00	<b>13,898,170.72</b>
OBUDU	46,628,576.36	1,000,000.00	6,907,937.24	500.00	118,161,417.36	147,844,449.83	(29,683,032.47)	16,398,170.72	2,500,000.00	<b>13,898,170.72</b>
ODUKPANI	52,251,957.59	1,000,000.00	7,741,030.75	500.00	132,532,280.50	115,055,746.66	17,476,533.84	16,398,170.72	2,500,000.00	<b>13,898,170.72</b>
OGOJA	49,307,204.87	1,000,000.00	7,304,771.09	500.00	125,006,801.33	131,081,915.55	(6,075,114.22)	16,398,170.72	2,500,000.00	<b>13,898,170.72</b>
YAKURR	49,980,379.22	1,000,000.00	7,404,500.63	500.00	126,727,135.81	132,407,207.02	(5,680,071.21)	16,398,170.72	2,500,000.00	<b>13,898,170.72</b>
YALA	54,331,323.54	1,000,000.00	8,049,084.97	500.00	137,846,215.71	136,259,616.66	1,586,599.05	16,398,170.72	2,500,000.00	<b>13,898,170.72</b>
	<b>871,819,644.65</b>	<b>18,000,000.00</b>	<b>129,158,465.87</b>	<b>9,000.00</b>	<b>2,212,044,536.36</b>	<b>1,916,877,463.36</b>	<b>295,167,073.00</b>	<b>295,167,072.96</b>	<b>45,000,000.00</b>	<b>250,167,072.96</b>

**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

**AUGUST 2019**

<b>INFLOWS</b>					
<b>S/N</b>	<b>LGA</b>	<b>FAAC</b>	<b>VAT</b>	<b>SHARE OF EXCHANGE DIFFERENCE</b>	<b>TOTAL</b>
1	ABI	133,350,925.47	30,931,471.59	224,308.01	<b>164,506,705.07</b>
2	AKAMKPA	167,611,961.89	31,360,219.53	281,952.45	<b>199,254,133.87</b>
3	AKPABUYO	160,452,213.02	39,515,448.90	269,911.52	<b>200,237,573.44</b>
4	BAKASSI	103,540,650.87	23,308,735.91	174,151.64	<b>127,023,538.42</b>
5	BEKWARRA	123,680,046.17	28,288,328.32	208,036.60	<b>152,176,411.09</b>
6	BIASE	142,279,762.06	32,584,690.57	239,330.68	<b>175,103,783.31</b>
7	BOKI	163,111,048.13	33,734,573.17	274,380.00	<b>197,120,001.30</b>
8	CAL. MUN	129,216,146.25	33,276,939.15	217,351.20	<b>162,710,436.60</b>
9	CAL. SOUTH	137,726,123.52	34,106,769.51	231,669.59	<b>172,064,562.62</b>
10	ETUNG'	107,852,491.81	26,550,688.78	181,406.32	<b>134,584,586.91</b>
11	IKOM	147,148,699.04	32,123,598.36	247,526.36	<b>179,519,823.76</b>
12	OBANLIKU	126,371,760.01	28,593,598.48	213,610.26	<b>155,178,968.75</b>
13	OBUBRA	139,961,664.28	32,805,811.41	235,430.78	<b>173,002,906.47</b>
14	OBUDU	132,508,809.73	31,969,200.28	222,890.89	<b>164,700,900.90</b>
15	ODUKPANI	150,299,181.29	34,161,964.96	252,824.07	<b>184,713,970.32</b>
16	OGOJA	141,257,518.92	32,768,991.84	237,611.25	<b>174,264,122.01</b>
17	YAKURR	141,814,440.33	34,433,602.51	238,547.97	<b>176,486,590.81</b>
18	YALA	156,387,625.18	35,409,558.41	263,067.96	<b>192,060,251.55</b>
		<b>2,504,571,067.97</b>	<b>575,924,191.68</b>	<b>4,214,007.55</b>	<b>3,084,709,267.20</b>

**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

<b>OUTFLOWS</b>										
	<b>27% STATUTORY DEDUCTION</b>	<b>CRS RESEVERE FUND</b>	<b>4% CRS INFRASTRUCTURE FUND</b>	<b>JOINT COMMITTEMENT</b>	<b>CREDIT BALANCE</b>	<b>TOTAL SALARIES &amp; ALLOWANCES</b>	<b>NET ALLOCATION AFTER SALARIES</b>	<b>REDISTRIBUTIONS OF BALANCE TO COUNCILS</b>	<b>SPECIFIC DEDUCTION</b>	<b>SURPLUS /DEFICITS</b>
ABI	44,416,810.37	1,000,000.00	6,580,268.20	500.00	112,509,126.50	108,751,602.89	3,757,523.61	10,753,611.17	2,500,000.00	<b>8,253,611.17</b>
AKAMKPA	53,798,616.14	1,000,000.00	7,970,165.35	500.00	136,484,852.38	99,883,283.42	36,601,568.96	10,753,611.17	2,500,000.00	<b>8,253,611.17</b>
AKPABUYO	54,064,144.83	1,000,000.00	8,009,502.94	500.00	137,165,495.68	67,340,207.21	69,825,288.47	10,753,611.17	2,500,000.00	<b>8,253,611.17</b>
BAKASSI	34,296,355.37	1,000,000.00	5,080,941.54	500.00	86,645,741.51	41,950,500.08	44,695,241.43	10,753,611.17	2,500,000.00	<b>8,253,611.17</b>
BEKWARRA	41,087,630.99	1,000,000.00	6,087,056.44	500.00	104,001,223.65	83,397,294.27	20,603,929.38	10,753,611.17	2,500,000.00	<b>8,253,611.17</b>
BIASE	47,278,021.49	1,000,000.00	7,004,151.33	500.00	119,821,110.48	102,265,032.00	17,556,078.48	10,753,611.17	2,500,000.00	<b>8,253,611.17</b>
BOKI	53,222,400.35	1,000,000.00	7,884,800.05	500.00	135,012,300.90	139,554,199.43	(4,541,898.53)	10,753,611.17	2,500,000.00	<b>8,253,611.17</b>
CAL. MUN	43,931,817.88	1,000,000.00	6,508,417.46	500.00	111,269,701.25	115,106,117.25	(3,836,416.00)	10,753,611.17	2,500,000.00	<b>8,253,611.17</b>
CAL. SOUTH	46,457,431.91	1,000,000.00	6,882,582.50	500.00	117,724,048.21	83,444,396.51	34,279,651.70	10,753,611.17	2,500,000.00	<b>8,253,611.17</b>
ETUNG'	36,337,838.47	1,000,000.00	5,383,383.48	500.00	91,862,864.97	63,315,270.96	28,547,594.01	10,753,611.17	2,500,000.00	<b>8,253,611.17</b>
IKOM	48,470,352.42	1,000,000.00	7,180,792.95	500.00	122,868,178.39	127,295,877.85	(4,427,699.46)	10,753,611.17	2,500,000.00	<b>8,253,611.17</b>
OBANLIKU	41,898,321.56	1,000,000.00	6,207,158.75	500.00	106,072,988.44	105,269,200.91	803,787.53	10,753,611.17	2,500,000.00	<b>8,253,611.17</b>
OBUBRA	46,710,784.75	1,000,000.00	6,920,116.26	500.00	118,371,505.46	116,655,544.86	1,715,960.60	10,753,611.17	2,500,000.00	<b>8,253,611.17</b>
OBUDU	44,469,243.24	1,000,000.00	6,588,036.04	500.00	112,643,121.62	147,844,449.83	(35,201,328.21)	10,753,611.17	2,500,000.00	<b>8,253,611.17</b>
ODUKPANI	49,872,771.99	1,000,000.00	7,388,558.81	500.00	126,452,139.52	115,055,746.66	11,396,392.86	10,753,611.17	2,500,000.00	<b>8,253,611.17</b>
OGOJA	47,051,312.94	1,000,000.00	6,970,564.88	500.00	119,241,744.19	131,081,915.55	(11,840,171.36)	10,753,611.17	2,500,000.00	<b>8,253,611.17</b>
YAKURR	47,651,379.52	1,000,000.00	7,059,463.63	500.00	120,775,247.66	132,407,207.02	(11,631,959.36)	10,753,611.17	2,500,000.00	<b>8,253,611.17</b>
YALA	51,856,267.92	1,000,000.00	7,682,410.06	500.00	131,521,073.57	136,259,616.66	(4,738,543.09)	10,753,611.17	2,500,000.00	<b>8,253,611.17</b>
	<b>832,871,502.14</b>	<b>18,000,000.00</b>	<b>123,388,370.69</b>	<b>9,000.00</b>	<b>2,110,442,464.38</b>	<b>1,916,877,463.36</b>	<b>193,565,001.02</b>	<b>193,565,001.06</b>	<b>45,000,000.00</b>	<b>148,565,001.06</b>

**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

**SEPTEMBER 2019**

		<b>INFLOWS</b>				
<b>S/N</b>	<b>LGA</b>	<b>FAAC</b>	<b>VAT</b>	<b>SHARE OF EXCHANGE DIFFERENCE</b>	<b>EXCESS BANK CHARGES</b>	<b>TOTAL</b>
1	ABI	134,273,169.37	28,724,204.31	228,340.67	437,932.29	<b>163,663,646.64</b>
2	AKAMKPA	168,771,211.28	29,125,280.89	287,021.45	550,475.58	<b>198,733,989.20</b>
3	AKPABUYO	161,564,956.05	36,754,172.19	274,764.05	526,967.23	<b>199,120,859.52</b>
4	BAKASSI	104,256,676.51	21,593,439.59	177,282.58	340,008.48	<b>126,367,407.16</b>
5	BEKWARRA	124,535,390.05	26,251,649.37	221,776.73	406,164.47	<b>151,414,980.62</b>
6	BIASE	143,263,771.76	30,270,724.63	243,633.42	467,262.10	<b>174,245,391.91</b>
7	BOKI	164,239,163.39	31,346,393.87	279,312.87	535,691.36	<b>196,400,561.49</b>
8	CAL. MUN	130,109,787.17	30,918,295.53	221,258.79	424,350.02	<b>161,673,691.51</b>
9	CAL. SOUTH	138,678,634.59	31,694,568.68	235,834.60	452,304.82	<b>171,061,342.69</b>
10	ETUNG'	108,598,345.10	24,626,156.99	184,667.68	354,172.30	<b>133,763,342.07</b>
11	IKOM	148,166,405.34	29,839,391.29	251,976.44	483,263.11	<b>178,741,036.18</b>
12	OBANLIKU	127,250,020.01	26,537,217.41	217,450.59	417,046.31	<b>154,421,734.32</b>
13	OBUBRA	140,929,639.50	30,477,574.34	239,663.40	459,648.05	<b>172,106,525.29</b>
14	OBUDU	133,425,227.12	29,694,958.05	226,898.07	435,165.55	<b>163,782,248.79</b>
15	ODUKPANI	151,338,669.14	31,746,201.81	257,369.39	493,606.19	<b>183,835,846.53</b>
16	OGOJA	142,234,459.17	30,443,131.11	241,883.08	463,905.14	<b>173,383,378.50</b>
17	YAKURR	142,795,231.90	32,000,307.90	242,836.64	465,733.96	<b>175,504,110.40</b>
18	YALA	157,469,230.87	32,913,275.66	267,797.49	513,606.07	<b>191,163,910.09</b>
		<b>2,521,899,988.32</b>	<b>534,956,943.62</b>	<b>4,299,767.94</b>	<b>8,227,303.03</b>	<b>3,069,384,002.91</b>

**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

<b>OUTFLOWS</b>										
	<b>27% STATUTORY DEDUCTION</b>	<b>CRS RESEVERE FUND</b>	<b>4% CRS INFRASTRUCTURE FUND</b>	<b>JOINT COMMITTE MENT</b>	<b>CREDIT BALANCE</b>	<b>TOTAL SALARIES &amp; ALLOWANCES</b>	<b>NET ALLOCATION AFTER SALARIES</b>	<b>REDISTRIBUTIONS OF BALANCE TO COUNCILS</b>	<b>SPECIFIC DEDUCTION</b>	<b>SURPLUS /DEFICITS</b>
ABI	44,189,184.59	1,000,000.00	6,546,545.87	500.00	111,927,416.18	108,479,956.03	3,447,460.15	9,995,802.41	2,500,000.00	<b>7,495,802.41</b>
AKAMKPA	53,658,177.08	1,000,000.00	7,949,359.57	500.00	136,125,952.55	99,520,397.77	36,605,554.78	9,995,802.41	2,500,000.00	<b>7,495,802.41</b>
AKPABUYO	53,762,632.07	1,000,000.00	7,964,834.38	500.00	136,392,893.07	67,046,300.67	69,346,592.40	9,995,802.41	2,500,000.00	<b>7,495,802.41</b>
BAKASSI	34,119,199.93	1,000,000.00	5,054,696.29	500.00	86,193,010.94	41,826,841.63	44,366,169.31	9,995,802.41	2,500,000.00	<b>7,495,802.41</b>
BEKWARRA	40,882,044.77	1,000,000.00	6,056,599.22	500.00	103,475,836.63	83,402,935.42	20,072,901.21	9,995,802.41	2,500,000.00	<b>7,495,802.41</b>
BIASE	47,046,255.82	1,000,000.00	6,969,815.68	500.00	119,228,820.42	102,809,181.68	16,419,638.74	9,995,802.41	2,500,000.00	<b>7,495,802.41</b>
BOKI	53,028,151.60	1,000,000.00	7,856,022.46	500.00	134,515,887.43	139,271,355.51	(4,755,468.08)	9,995,802.41	2,500,000.00	<b>7,495,802.41</b>
CAL. MUN	43,651,896.71	1,000,000.00	6,466,947.66	500.00	110,554,347.14	115,884,954.57	(5,330,607.43)	9,995,802.41	2,500,000.00	<b>7,495,802.41</b>
CAL. SOUTH	46,186,562.53	1,000,000.00	6,842,453.71	500.00	117,031,826.46	83,271,119.37	33,760,707.09	9,995,802.41	2,500,000.00	<b>7,495,802.41</b>
ETUNG'	36,116,102.36	1,000,000.00	5,350,533.68	500.00	91,296,206.03	63,186,472.82	28,109,733.21	9,995,802.41	2,500,000.00	<b>7,495,802.41</b>
IKOM	48,260,079.77	1,000,000.00	7,149,641.45	500.00	122,330,814.96	128,603,549.07	(6,272,734.11)	9,995,802.41	2,500,000.00	<b>7,495,802.41</b>
OBANLIKU	41,693,868.27	1,000,000.00	6,176,869.37	500.00	105,550,496.68	104,995,741.55	554,755.13	9,995,802.41	2,500,000.00	<b>7,495,802.41</b>
OBUBRA	46,468,761.83	1,000,000.00	6,884,261.01	500.00	117,753,002.45	117,034,372.61	718,629.84	9,995,802.41	2,500,000.00	<b>7,495,802.41</b>
OBUDU	44,221,207.17	1,000,000.00	6,551,289.95	500.00	112,009,251.67	147,885,813.91	(35,876,562.24)	9,995,802.41	2,500,000.00	<b>7,495,802.41</b>
ODUKPANI	49,635,678.56	1,000,000.00	7,353,433.86	500.00	125,846,234.11	115,279,219.08	10,567,015.03	9,995,802.41	2,500,000.00	<b>7,495,802.41</b>
OGOJA	46,813,512.20	1,000,000.00	6,935,335.14	500.00	118,634,031.17	131,874,021.98	(13,239,990.82)	9,995,802.41	2,500,000.00	<b>7,495,802.41</b>
YAKURR	47,386,109.81	1,000,000.00	7,020,164.42	500.00	120,097,336.18	133,576,075.56	(13,478,739.38)	9,995,802.41	2,500,000.00	<b>7,495,802.41</b>
YALA	51,614,255.72	1,000,000.00	7,646,556.40	500.00	130,902,597.96	135,986,308.26	(5,083,710.30)	9,995,802.41	2,500,000.00	<b>7,495,802.41</b>
	<b>828,733,680.79</b>	<b>18,000,000.00</b>	<b>122,775,360.12</b>	<b>9,000.00</b>	<b>2,099,865,962.01</b>	<b>1,919,934,617.49</b>	<b>179,931,344.52</b>	<b>179,924,443.38</b>	<b>45,000,000.00</b>	<b>134,924,443.38</b>

**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

**OCTOBER 2019**

<b>INFLOWS</b>					
<b>S/N</b>	<b>LGA</b>	<b>FAAC</b>	<b>VAT</b>	<b>SHARE OF EXCHANGE DIFFERENCE</b>	<b>TOTAL</b>
1	ABI	130,611,997.28	30,361,789.73	209,273.35	<b>161,183,060.36</b>
2	AKAMKPA	164,169,162.38	30,784,685.05	263,054.06	<b>195,216,901.49</b>
3	AKPABUYO	157,159,440.00	38,828,591.53	251,820.20	<b>196,239,851.73</b>
4	BAKASSI	101,414,160.47	22,843,108.13	162,478.80	<b>124,419,747.40</b>
5	BEKWARRA	121,139,801.14	27,754,726.66	194,092.56	<b>149,088,620.36</b>
6	BIASE	139,357,398.58	31,992,441.46	223,289.10	<b>171,573,129.14</b>
7	BOKI	159,760,712.49	33,126,627.59	255,989.18	<b>193,143,329.26</b>
8	CAL. MUN	126,562,164.67	32,675,240.50	202,782.83	<b>159,440,188.00</b>
9	CAL. SOUTH	134,897,306.29	33,493,743.27	216,141.51	<b>168,607,191.07</b>
10	ETUNG'	105,637,417.67	26,040,806.75	169,247.22	<b>131,847,471.64</b>
11	IKOM	144,126,261.62	31,537,643.39	230,935.45	<b>175,894,840.46</b>
12	OBANLIKU	123,763,457.51	28,055,829.74	199,292.63	<b>152,018,579.88</b>
13	OBUBRA	137,086,920.81	32,210,543.89	219,650.59	<b>169,517,115.29</b>
14	OBUDU	129,787,185.40	31,385,352.91	207,951.22	<b>161,380,489.53</b>
15	ODUKPANI	147,212,055.88	33,548,185.27	235,878.06	<b>180,996,119.21</b>
16	OGOJA	138,356,150.63	32,174,226.92	221,684.92	<b>170,752,062.47</b>
17	YAKURR	138,901,634.19	33,816,114.84	222,558.85	<b>172,940,307.88</b>
18	YALA	153,175,415.97	34,778,748.47	245,435.35	<b>188,199,599.79</b>
		<b>2,453,118,642.98</b>	<b>565,408,406.10</b>	<b>3,931,555.88</b>	<b>3,022,458,604.96</b>

**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

<b>OUTFLOWS</b>										
	<b>27% STATUTORY DEDUCTION</b>	<b>CRS RESEVERE FUND</b>	<b>4% CRS INFRASTRUCTURE FUND</b>	<b>JOINT COMMITTEEMENT</b>	<b>CREDIT BALANCE</b>	<b>TOTAL SALARIES &amp; ALLOWANCES</b>	<b>NET ALLOCATION AFTER SALARIES</b>	<b>REDISTRIBUTIONS OF BALANCE TO COUNCILS</b>	<b>SPECIFIC DEDUCTION</b>	<b>SURPLUS /DEFICITS</b>
ABI	43,519,426.30	1,000,000.00	6,447,322.41	500.00	110,215,811.65	108,401,857.29	1,813,954.36	8,182,225.79	2,500,000.00	<b>5,682,225.79</b>
AKAMKPA	52,708,563.40	1,000,000.00	7,808,676.06	500.00	133,699,162.03	99,715,898.15	33,983,263.88	8,182,225.79	2,500,000.00	<b>5,682,225.79</b>
AKPABUYO	52,984,759.97	1,000,000.00	7,849,594.07	500.00	134,404,997.77	67,130,630.12	67,274,367.65	8,182,225.79	2,500,000.00	<b>5,682,225.79</b>
BAKASSI	33,593,331.80	1,000,000.00	4,976,789.90	500.00	84,849,125.71	41,887,366.09	42,961,759.62	8,182,225.79	2,500,000.00	<b>5,682,225.79</b>
BEKWARRA	40,253,927.50	1,000,000.00	5,963,544.81	500.00	101,870,648.05	83,471,263.19	18,399,384.86	8,182,225.79	2,500,000.00	<b>5,682,225.79</b>
BIASE	46,324,744.87	1,000,000.00	6,862,925.17	500.00	117,384,959.11	102,946,270.58	14,438,688.53	8,182,225.79	2,500,000.00	<b>5,682,225.79</b>
BOKI	52,148,698.90	1,000,000.00	7,725,733.17	500.00	132,268,397.19	139,475,340.86	(7,206,943.67)	8,182,225.79	2,500,000.00	<b>5,682,225.79</b>
CAL. MUN	43,048,850.76	1,000,000.00	6,377,607.52	500.00	109,013,229.72	115,606,255.97	(6,593,026.25)	8,182,225.79	2,500,000.00	<b>5,682,225.79</b>
CAL. SOUTH	45,523,941.59	1,000,000.00	6,744,287.64	500.00	115,338,461.84	83,206,080.98	32,132,380.86	8,182,225.79	2,500,000.00	<b>5,682,225.79</b>
ETUNG'	35,598,817.34	1,000,000.00	5,273,898.87	500.00	89,974,255.43	63,572,915.30	26,401,340.13	8,182,225.79	2,500,000.00	<b>5,682,225.79</b>
IKOM	47,491,606.92	1,000,000.00	7,035,793.62	500.00	120,366,939.92	128,807,350.12	(8,440,410.20)	8,182,225.79	2,500,000.00	<b>5,682,225.79</b>
OBANLIKU	41,045,016.57	1,000,000.00	6,080,743.20	500.00	103,892,320.12	104,754,425.80	(862,105.68)	8,182,225.79	2,500,000.00	<b>5,682,225.79</b>
OBUBRA	45,769,621.13	1,000,000.00	6,780,684.61	500.00	115,966,309.55	117,009,345.19	(1,043,035.64)	8,182,225.79	2,500,000.00	<b>5,682,225.79</b>
OBUDU	43,572,732.17	1,000,000.00	6,455,219.58	500.00	110,352,037.78	147,948,212.68	(37,596,174.90)	8,182,225.79	2,500,000.00	<b>5,682,225.79</b>
ODUKPANI	48,868,952.19	1,000,000.00	7,239,844.77	500.00	123,886,822.25	115,495,835.44	8,390,986.81	8,182,225.79	2,500,000.00	<b>5,682,225.79</b>
OGOJA	46,103,056.87	1,000,000.00	6,830,082.50	500.00	116,818,423.10	131,534,194.88	(14,715,771.78)	8,182,225.79	2,500,000.00	<b>5,682,225.79</b>
YAKURR	46,693,883.13	1,000,000.00	6,917,612.32	500.00	118,328,312.44	133,595,815.62	(15,267,503.18)	8,182,225.79	2,500,000.00	<b>5,682,225.79</b>
YALA	50,813,891.94	1,000,000.00	7,527,983.99	500.00	128,857,223.86	135,648,315.09	(6,791,091.23)	8,182,225.79	2,500,000.00	<b>5,682,225.79</b>
	<b>816,063,823.34</b>	<b>18,000,000.00</b>	<b>120,898,344.20</b>	<b>9,000.00</b>	<b>2,067,487,437.52</b>	<b>1,920,207,373.35</b>	<b>147,280,064.17</b>	<b>147,280,064.22</b>	<b>45,000,000.00</b>	<b>102,280,064.22</b>



**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

**NOVEMBER 2019**

		<b>INFLOWS</b>				
<b>S/N</b>	<b>LGA</b>	<b>FAAC</b>	<b>VAT</b>	<b>SHARE OF EXCHANGE DIFFERENCE</b>	<b>SHARE OF SOLID MINERALS</b>	<b>TOTAL</b>
1	ABI	128,782,531.53	34,296,454.60	246,406.34	1,888,865.98	<b>165,214,258.45</b>
2	AKAMKPA	161,869,546.12	34,774,154.05	309,729.78	2,374,281.62	<b>199,327,711.57</b>
3	AKPABUYO	154,958,030.17	43,860,491.71	296,502.61	2,272,886.67	<b>201,387,911.16</b>
4	BAKASSI	99,993,772.24	25,803,407.11	191,308.67	1,466,506.28	<b>127,454,994.30</b>
5	BEKWARRA	119,443,045.71	31,351,535.31	228,531.91	1,751,846.74	<b>152,774,959.67</b>
6	BIASE	137,405,407.30	36,138,426.81	262,909.01	2,015,369.73	<b>175,822,112.85</b>
7	BOKI	157,522,857.43	37,419,595.13	301,411.31	2,310,515.73	<b>197,554,379.60</b>
8	CAL. MUN	124,789,438.97	36,909,711.60	238,764.16	1,830,283.13	<b>163,768,197.86</b>
9	CAL. SOUTH	133,007,799.19	37,834,286.31	254,493.16	1,950,856.78	<b>173,047,435.44</b>
10	ETUNG'	104,157,859.98	29,415,503.98	199,278.07	1,527,596.89	<b>135,300,238.92</b>
11	IKOM	142,107,426.01	35,624,690.25	271,912.11	2,084,384.41	<b>180,088,412.78</b>
12	OBANLIKU	122,021,243.12	31,691,659.14	234,654.66	1,798,781.68	<b>155,746,338.60</b>
13	OBUBRA	135,166,737.31	36,384,783.71	258,624.90	1,982,529.21	<b>173,792,675.13</b>
14	OBUDU	127,969,277.74	35,452,664.05	244,849.61	1,876,932.60	<b>165,543,724.00</b>
15	ODUKPANI	145,150,011.97	37,895,783.60	277,731.73	2,128,995.64	<b>185,452,522.94</b>
16	OGOJA	136,418,183.09	36,343,770.34	261,020.18	2,000,890.67	<b>175,023,864.28</b>
17	YAKURR	136,956,026.74	38,198,434.87	262,049.19	2,008,778.63	<b>177,425,289.43</b>
18	YALA	151,029,822.38	39,285,818.74	288,984.84	2,215,258.04	<b>192,819,884.00</b>
		<b>2,418,749,017.00</b>	<b>638,681,171.31</b>	<b>4,629,162.24</b>	<b>35,485,560.43</b>	<b>3,097,544,910.98</b>

**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

<b>OUTFLOWS</b>										
	<b>27% STATUTORY DEDUCTION</b>	<b>CRS RESEVERE FUND</b>	<b>4% CRS INFRASTRUCTURE FUND</b>	<b>JOINT COMMITTE MENT</b>	<b>CREDIT BALANCE</b>	<b>TOTAL SALARIES &amp; ALLOWANCES</b>	<b>NET ALLOCATION AFTER SALARIES</b>	<b>REDISTRIBUTIONS OF BALANCE TO COUNCILS</b>	<b>SPECIFIC DEDUCTION</b>	<b>SURPLUS /DEFICITS</b>
ABI	44,607,849.78	1,000,000.00	6,608,570.34	500.00	112,997,338.33	107,783,147.10	5,214,191.23	12,165,272.64	2,500,000.00	<b>9,665,272.64</b>
AKAMKPA	53,818,482.12	1,000,000.00	7,973,108.46	500.00	136,535,620.98	98,849,091.70	37,686,529.28	12,165,272.64	2,500,000.00	<b>9,665,272.64</b>
AKPABUYO	54,374,736.01	1,000,000.00	8,055,516.45	500.00	137,957,158.70	67,203,187.63	70,753,971.07	12,165,272.64	2,500,000.00	<b>9,665,272.64</b>
BAKASSI	34,412,848.46	1,000,000.00	5,098,199.77	500.00	86,943,446.07	41,334,619.49	45,608,826.58	12,165,272.64	2,500,000.00	<b>9,665,272.64</b>
BEKWARRA	41,249,239.11	1,000,000.00	6,110,998.39	500.00	104,414,222.17	82,882,246.47	21,531,975.70	12,165,272.64	2,500,000.00	<b>9,665,272.64</b>
BIASE	47,471,970.47	1,000,000.00	7,032,884.51	500.00	120,316,757.87	102,111,855.48	18,204,902.39	12,165,272.64	2,500,000.00	<b>9,665,272.64</b>
BOKI	53,339,682.49	1,000,000.00	7,902,175.18	500.00	135,312,021.92	138,756,755.47	(3,444,733.55)	12,165,272.64	2,500,000.00	<b>9,665,272.64</b>
CAL. MUN	44,217,413.42	1,000,000.00	6,550,727.91	500.00	111,999,556.52	113,406,374.26	(1,406,817.74)	12,165,272.64	2,500,000.00	<b>9,665,272.64</b>
CAL. SOUTH	46,722,807.57	1,000,000.00	6,921,897.42	500.00	118,402,230.45	82,334,266.26	36,067,964.19	12,165,272.64	2,500,000.00	<b>9,665,272.64</b>
ETUNG'	36,531,064.51	1,000,000.00	5,412,009.56	500.00	92,356,664.85	63,204,705.53	29,151,959.32	12,165,272.64	2,500,000.00	<b>9,665,272.64</b>
IKOM	48,623,871.45	1,000,000.00	7,203,536.51	500.00	123,260,504.82	126,743,934.21	(3,483,429.39)	12,165,272.64	2,500,000.00	<b>9,665,272.64</b>
OBANLIKU	42,051,511.42	1,000,000.00	6,229,853.54	500.00	106,464,473.63	104,228,374.83	2,236,098.80	12,165,272.64	2,500,000.00	<b>9,665,272.64</b>
OBUBRA	46,924,022.29	1,000,000.00	6,951,707.01	500.00	118,916,445.84	115,484,079.10	3,432,366.74	12,165,272.64	2,500,000.00	<b>9,665,272.64</b>
OBUDU	44,696,805.48	1,000,000.00	6,621,748.96	500.00	113,224,669.56	147,593,446.27	(34,368,776.71)	12,165,272.64	2,500,000.00	<b>9,665,272.64</b>
ODUKPANI	50,072,181.19	1,000,000.00	7,418,100.92	500.00	126,961,740.83	114,418,272.97	12,543,467.86	12,165,272.64	2,500,000.00	<b>9,665,272.64</b>
OGOJA	47,256,443.36	1,000,000.00	7,000,954.57	500.00	119,765,966.35	128,452,115.87	(8,686,149.52)	12,165,272.64	2,500,000.00	<b>9,665,272.64</b>
YAKURR	47,904,828.15	1,000,000.00	7,097,011.58	500.00	121,422,949.71	131,352,250.98	(9,929,301.27)	12,165,272.64	2,500,000.00	<b>9,665,272.64</b>
YALA	52,061,368.68	1,000,000.00	7,712,795.36	500.00	132,045,219.96	134,183,364.21	(2,138,144.25)	12,165,272.64	2,500,000.00	<b>9,665,272.64</b>
	<b>836,337,125.96</b>	<b>18,000,000.00</b>	<b>123,901,796.44</b>	<b>9,000.00</b>	<b>2,119,296,988.58</b>	<b>1,900,322,087.83</b>	<b>218,974,900.75</b>	<b>218,974,907.52</b>	<b>45,000,000.00</b>	<b>173,974,907.52</b>

**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

**DECEMBER2019**

		<b>INFLOWS</b>				
<b>S/N</b>	<b>LGA</b>	<b>FAAC</b>	<b>VAT</b>	<b>SHARE OF EXCHANGE DIFFERENCE</b>	<b>SHARE OF SOLID MINERALS</b>	<b>TOTAL</b>
1	ABI	107,049,150.32	30,059,338.69	173,321.28	11,506,577.86	<b>148,788,388.15</b>
2	AKAMKPA	134,550,949.60	30,469,905.38	217,862.74	14,463,628.78	<b>179,702,346.50</b>
3	AKPABUYO	128,806,088.80	38,279,308.47	208,558.80	13,845,951.84	<b>181,139,907.91</b>
4	BAKASSI	83,120,081.72	22,759,848.65	134,565.79	8,933,650.58	<b>114,948,146.74</b>
5	BEKWARRA	99,286,214.36	27,528,279.14	160,748.47	10,671,885.21	<b>137,647,127.18</b>
6	BIASE	114,216,467.94	31,642,452.16	184,929.19	12,277,212.36	<b>158,321,061.65</b>
7	BOKI	130,937,961.22	32,743,573.45	212,011.57	14,075,176.58	<b>177,968,722.82</b>
8	CAL. MUN	103,730,108.68	32,305,345.61	167,945.80	11,149,706.59	<b>147,353,106.68</b>
9	CAL. SOUTH	110,561,148.89	33,099,986.63	179,009.52	11,884,212.90	<b>155,724,357.94</b>
10	ETUNG'	86,581,258.02	25,864,325.00	140,171.43	9,305,801.85	<b>121,891,556.30</b>
11	IKOM	118,124,400.47	31,200,912.78	191,261.94	12,697,635.40	<b>162,214,210.59</b>
12	OBANLIKU	101,324,376.08	27,820,604.18	165,055.19	10,957,803.11	<b>140,267,838.56</b>
13	OBUBRA	112,355,662.56	31,854,196.26	181,915.76	12,077,154.73	<b>156,468,929.31</b>
14	OBUDU	106,373,202.53	31,053,062.00	172,226.28	11,433,882.21	<b>149,032,373.02</b>
15	ODUKPANI	120,653,687.62	33,152,841.49	195,355.44	12,969,397.66	<b>166,971,282.21</b>
16	OGOJA	113,395,840.53	31,818,938.04	183,600.60	12,189,008.91	<b>157,587,388.08</b>
17	YAKURR	113,842,924.89	33,412,960.13	184,324.40	12,237,060.74	<b>159,677,270.16</b>
18	YALA	125,540,958.70	34,347,530.17	203,270.83	13,494,890.26	<b>173,586,649.96</b>
		<b>2,010,450,482.93</b>	<b>559,413,408.23</b>	<b>3,256,135.03</b>	<b>216,170,637.57</b>	<b>2,789,290,663.76</b>

**GOVERNMENT OF CROSS RIVER STATE OF NIGERIA**

<b>OUTFLOWS</b>										
	<b>27% STATUTORY DEDUCTION</b>	<b>CRS RESEV ERE FUND</b>	<b>4% CRS INFRASTRUCTURE FUND</b>	<b>JOINT COMMITTE MENT</b>	<b>CREDIT BALANCE</b>	<b>TOTAL SALARIES &amp; ALLOWANCES</b>	<b>NET ALLOCATION AFTER SALARIES</b>	<b>REDISTRIBUTIONS OF BALANCE TO COUNCILS</b>	<b>SPECIFIC DEDUCTION</b>	<b>SURPLUS /DEFICITS</b>
ABI	40,172,864.80	1,000,000.00	5,951,535.53	500.00	101,663,487.82	107,720,695.85	(6,057,208.03)	506,641.59	2,500,000.00	<b>(1,993,358.41)</b>
AKAMKPA	48,519,633.56	1,000,000.00	7,188,093.86	500.00	122,994,119.09	98,849,091.70	24,145,027.39	506,641.59	2,500,000.00	<b>(1,993,358.41)</b>
AKPABUYO	48,907,775.14	1,000,000.00	7,245,596.32	500.00	123,986,036.45	67,203,187.63	56,782,848.82	506,641.59	2,500,000.00	<b>(1,993,358.41)</b>
BAKASSI	31,035,999.62	1,000,000.00	4,597,925.87	500.00	78,313,721.24	41,238,615.12	37,075,106.12	506,641.59	2,500,000.00	<b>(1,993,358.41)</b>
BEKWARRA	37,164,724.34	1,000,000.00	5,505,885.09	500.00	93,976,017.75	82,766,640.82	11,209,376.93	506,641.59	2,500,000.00	<b>(1,993,358.41)</b>
BIASE	42,746,686.65	1,000,000.00	6,332,842.47	500.00	108,241,032.54	101,952,822.50	6,288,210.04	506,641.59	2,500,000.00	<b>(1,993,358.41)</b>
BOKI	48,051,555.16	1,000,000.00	7,118,748.91	500.00	121,797,918.75	138,635,706.14	(16,837,787.39)	506,641.59	2,500,000.00	<b>(1,993,358.41)</b>
CAL. MUN	39,785,338.80	1,000,000.00	5,894,124.27	500.00	100,673,143.61	112,745,668.41	(12,072,524.80)	506,641.59	2,500,000.00	<b>(1,993,358.41)</b>
CAL. SOUTH	42,045,576.64	1,000,000.00	6,228,974.32	500.00	106,449,306.98	82,166,994.29	24,282,312.69	506,641.59	2,500,000.00	<b>(1,993,358.41)</b>
ETUNG'	32,910,720.20	1,000,000.00	4,875,662.25	500.00	83,104,673.85	63,204,705.53	19,899,968.32	506,641.59	2,500,000.00	<b>(1,993,358.41)</b>
IKOM	43,797,836.86	1,000,000.00	6,488,568.42	500.00	110,927,305.31	126,453,489.14	(15,526,183.83)	506,641.59	2,500,000.00	<b>(1,993,358.41)</b>
OBANLIKU	37,872,316.41	1,000,000.00	5,610,713.54	500.00	95,784,308.61	104,188,587.53	(8,404,278.92)	506,641.59	2,500,000.00	<b>(1,993,358.41)</b>
OBUBRA	42,246,610.91	1,000,000.00	6,258,757.17	500.00	106,963,061.22	114,998,184.27	(8,035,123.05)	506,641.59	2,500,000.00	<b>(1,993,358.41)</b>
OBUDU	40,238,740.72	1,000,000.00	5,961,294.92	500.00	101,831,837.40	147,593,446.27	(45,761,608.87)	506,641.59	2,500,000.00	<b>(1,993,358.41)</b>
ODUKPANI	45,082,246.20	1,000,000.00	6,678,851.29	500.00	114,209,684.72	114,418,272.97	(208,588.25)	506,641.59	2,500,000.00	<b>(1,993,358.41)</b>
OGOJA	42,548,594.78	1,000,000.00	6,303,495.52	500.00	107,734,797.78	128,395,217.72	(20,660,419.94)	506,641.59	2,500,000.00	<b>(1,993,358.41)</b>
YAKURR	43,112,862.94	1,000,000.00	6,387,090.81	500.00	109,176,816.41	130,886,928.02	(21,710,111.61)	506,641.59	2,500,000.00	<b>(1,993,358.41)</b>
YALA	46,868,395.49	1,000,000.00	6,943,466.00	500.00	118,774,288.47	134,063,755.50	(15,289,467.03)	506,641.59	2,500,000.00	<b>(1,993,358.41)</b>
	<b>753,108,479.22</b>	<b>18,000,000.00</b>	<b>111,571,626.55</b>	<b>9,000.00</b>	<b>1,906,601,558.00</b>	<b>1,897,482,009.41</b>	<b>9,119,548.59</b>	<b>9,119,548.62</b>	<b>45,000,000.00</b>	<b>(35,880,451.38)</b>





## OUR VISION

TO BE A FIRST CLASS AGENT OF  
ACCOUNTABILITY AND ENSURING  
VALUE FOR MONEY ON EVERY  
PUBLIC EXPENDITURE