



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

PM.B 0130, Bauchi, Bauchi State.

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

29<sup>th</sup> September, 2021

**CONSOLIDATED REPORT OF THE AUDITOR GENERAL FOR**  
**LOCAL GOVERNMENTS ON THE ACCOUNT OF**  
**20 LOCAL GOVERNMENT COUNCILS OF BAUCHI STATE**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020:**

**STATEMENT OF FINANCIAL RESPONSIBILITY**

Heads of Finance and Accounts of the 20 Local Governments in the State are responsible for the preparation and presentation of their Financial Statements in accordance with the provisions of the Constitution of the Federal Republic of Nigeria, Ninety (90) days after the expiration of the financial year.

**STATEMENT OF RESPONSIBILITY OF AUDITOR GENERAL**

The responsibility to form an independent opinion based on Financial Statement and accompanying accounts prepared and submitted by the Heads of Finance and Accounts of the 20 Local Governments in the State is vested in the Auditor General who is responsible to report on them in accordance with part II, Section 14 of Bauchi State Public Sector Audit and other related matters Law, 2021.

**STATE OF ACCOUNTS**

The accounts of the 20 Local Governments in the State have been audited and reported upon. Non-compliance with the laid down procedures of retirement of payment vouchers as contained in Financial Memorandum chapter 14 paragraph 4-10 were noted. The Inspection Reports for year 2020 have been issued and forwarded to appropriate quarters as required.

a) **REVENUE ACCOUNTS**

A sum of **N48,202,919,625.41** was earned as total Revenue as at 31<sup>st</sup> December, 2020 out of which **N157,598,182.00** representing **0.33%** was generated as independent revenue by the twenty Local Governments. In addition, the Financial Statements showed a decrease in the independent revenue of the twenty Local Government was noticed when compared with year 2019 revenue generation. The Chairmen of the Local Governments should propel the managements towards changing their mindset on the need to aggressively push for increase in the IGR and to be emerging self-sustenance Local Government councils.

The following deficiencies were noticed: -

- (i) Remittances were not timely made as agreed.
- (ii) Records were not properly maintained.
- (iii) Revenue records and receipts were printed and used indiscriminately.

All the aforementioned problems contributed immensely to poor independent revenue earned during the financial year under review.

b) **ANALYTICAL CASH BOOK**

The cash book in use for the period under review, covered by this statutory report were not well prepared. Budgetary codes that were used in some of the expenditure/revenues in the cash books were not uniform when compare with that of payment/revenue vouchers codes. Audit is of the opinion that the twenty Local Governments should henceforth take the use of budgetary codes with utmost seriousness it deserves as Audit will not hesitate to sanction any erring officer forthwith.

Some of the Cashiers still post transactions with abrogated method which is not IPSAS compliant. The Twenty Local Governments of Bauchi State are expected to train those newly appointed cashiers and re-train the existing officers handling cash books so as to be conversant with the existing process of

how Financial Transactions are being recoded into the Cash Books and other related financial records.

C) **ADVANCES**

A total sum of **N1,324,720,893.00** was accrued as receivables from previous years and the year under review. Audit observed that non retirement of advances from previous years constituted the greater proportion of receivable noted in the financial statement.

c) **RESERVES**

The reserves of the Twenty Local Governments stood at **N2,366,518,696.00** during the Financial Year under review.

d) **BUDGET PREPARATION**

Statement of comparison for Budget and Actual for the year ended 31<sup>st</sup> December, 2020, prepared and presented reflected some anomalies. The amount budgeted by all the Twenty Local Governments do not show the correct position of independent revenue expected, **N1,208,921,135.00** was budgeted while **N157,598,182.00** was earned. Secondly, the total sum of **N48,353,737,559.00** was budgeted for the expenditure but **N47,193,399,252.00** was actually spent in the year 2020.

It was further observed that some Local Governments have not strictly adhered to the National Chart of Account that are presently in place for the preparation of budget. This attitude should be discouraged. Also, intensive training should be given to the budget officers in the Local Governments to improve the preparation of budget for the Local Governments.

e) **FISCAL OPERATION REPORT**

i. The personnel Expenses: Total recurrent expenditures ratio shows that **76%** of revenues were incurred on personnel cost of the twenty Local Governments. Therefore, the personnel expenditure took greater percentage of total expenditure for the period.

f) **INTERNAL CONTROL AND INTERNAL CHECK**

During the period under review, the Internal Audit of the Twenty Local Governments of Bauchi State was not as effective as expected by the audit as most of the lapses observed by Audit Inspection officers ought to have been discovered and corrected. Also, the Internal Auditors have not reflected the lapses noted in their monthly reports (if any). The placement of Internal Audit units under the accounting officers of the twenty Local Governments of Bauchi State have not helped matters, it only succeeded in making the unit a pawn in the hands of Local Governments management.

g) **CONTROL OVER EXPENDITURES**

It appeared that sufficient control has not been exercised over expenditure incurred by the Local Governments authority.

**DEVELOPMENT INITIATIVES**


In line with this office corporate plan of being in a high performance and model organization. Audit is a continuous improving technic to ensure better and efficient performance that strengthens office of the Auditor-General for Local Governments operations. This is through a systematic evaluation to improving the effectiveness of risk-management control and good governance processes. During the time of reporting, the following was achieved, on the job trainings conducted on International Public Sector Accounting Standards (IPSAS) on accrual basis for the staffers of the Twenty Local Governments of Bauchi State. Besides, preparation of General-Purpose Financial Statements (GPFS) was asked to be prepared and presented to the Auditor-General by the Twenty Local Governments of Bauchi State.

### **AUDIT CERTIFICATION**

I have examined the financial statements of all the 20 Local Government Councils of Bauchi State as at 31<sup>st</sup> December, 2020 in accordance with Section 125 (2), (4) and (5) of the 1999 Constitution of the Federal Republic of Nigeria as amended and in compliance with Part II, Section 14 of Bauchi State Public Sector Audit and other related matters Law, 2021.

The Audit was conducted in accordance with Bauchi State Audit Manual for the Office of the Auditor General for Local Governments in Bauchi State, Version I of September, 2015 and Generally Accepted Auditing Standards (IPSAS) accrual basis. In addition, projects and programs were verified in line with the concept of performance Audit. We relied on the report submitted by three External Auditors engaged on audit of the accounts of 20 Local Government Councils of the State.

Having obtained relevant information and explanation required, I certify that in my opinion, the statements of financial position as well as supporting accounts and statements give a true and fair view of the State of affairs of the 20 Local Governments of Bauchi State as at 31<sup>st</sup> December, 2020 subject to the observations and comments contained in the body of this report.

  
KABIRU GARBA GAMAWA, FCNA.  
Auditor-General for Local Governments  
Bauchi State.

<p style="text-align: center;"><b>BAUCHI STATE LOCAL GOVERNMENT COUNCILS</b>  <b>FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020</b>  <b>CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2020</b></p>					
	Notes	2020	2020	2019	2019
		N	N	N	N
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash & Cash Equivalents	1	65,758,593		92,049,007	
Advances	2	<u>1,324,720,893</u>		<u>165,170,407</u>	
(A) Total Current Assets			1,390,479,486		257,219,414
<b>Non-Current Assets</b>					
Investments	3	416,293,050		415,497,573	
Property, Plant & Equipment	4	<u>3,169,004,591</u>		<u>2,302,376,861</u>	
(B) Total Non Current Assets			<u>3,585,297,641</u>		<u>2,717,874,434</u>
<b>Total Assets (C) =(A) + (B)</b>			<b><u>4,975,777,127</u></b>		<b><u>2,975,093,848</u></b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Deposits	5	408,517,562		495,165,149	
Payables	6	<u>1,230,959,847</u>		<u>987,236</u>	
(D) Total Current Liabilities			1,639,477,409		496,152,385
<b>Non Current Liabilities</b>					
Public Funds	7	114,883,132		114,883,132	
(E) Total Non Current Liabilities			<u>114,883,132</u>		<u>114,883,132</u>
<b>(F) Total Liabilities (F)=(D) + (E)</b>			1,754,360,541		611,035,517
<b>NET ASSETS/FUND</b>					
Capital Grants	8	854,897,617		854,897,616	
Reserves	9	<u>2,366,518,969</u>		<u>1,509,160,716</u>	
			<u>3,221,416,586</u>		<u>2,364,058,332</u>
<b>Total Net Assets &amp; Liabilities</b>			<b><u>4,975,777,127</u></b>		<b><u>2,975,093,849</u></b>



BAUCHI STATE LOCAL GOVERNMENT COUNCILS					
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020					
CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2020					
2019 ACTUAL		NOTES	ACTUAL 2020	BUDGET 2020	VARIANCE
N			N	N	N
	<b>REVENUE</b>				
29,733,163,709	Local Govt Share of FAAC	10	43,216,608,591	54,829,780,519	(11,613,171,928)
-	Other Receipts	11	4,828,712,852	6,321,758,637	(1,493,045,785)
241,403,220	Internally Generated Revenue	12	157,598,182	1,208,921,135	(1,051,322,953)
<b>29,974,566,929</b>	<b>TOTAL RECURRENT REVENUE</b>		<b>48,202,919,625</b>	<b>62,360,460,291</b>	(14,157,540,666)
					-
	<b>EXPENDITURE</b>				-
22,461,606,103	Personnel Cost	13	36,820,954,758	28,062,007,577	8,758,947,181
6,518,128,653	Overhead Cost	14	10,372,444,494	20,291,729,982	(9,919,285,488)
<b>28,979,734,756</b>	<b>TOTAL RECURRENT EXPENDITURE</b>		<b>47,193,399,252</b>	<b>48,353,737,559</b>	(1,160,338,307)
994,832,173	Surplus/(Deficit) from operating Activities for the year		1,009,520,373	14,006,722,732	(12,997,202,359)
994,832,173	Surplus/(Deficit) from Ordinary Activities		1,009,520,373	14,006,722,732	(12,997,202,359)
-	Minority Interest Share of Surplus/(Deficit)		-	-	-
<b>994,832,173</b>	<b>Net Surplus/(Deficit) for the year</b>		<b>1,009,520,373</b>	<b>14,006,722,732</b>	<b>(12,997,202,359)</b>

<b>BAUCHI STATE LOCAL GOVERNMENT COUNCILS</b>				
<b>FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020</b>				
<b>CONSOLIDATED STATEMENT OF CHANGES IN NET ASSET/FUND</b>				
		<b>Capital</b>		<b>TOTAL</b>
		<b>Grant</b>	<b>Reserve</b>	
		<b>=N=</b>	<b>=N=</b>	<b>=N=</b>
Balance as at 31 December 2019		899,369,932	1,599,956,747	2,499,326,679
Prior Year Adjustment		0	(44,128,411)	(44,128,411)
Surplus /(Deficit)		0	1,041,178,109	1,041,178,109
Balance as at 31 December 2020		<u>899,369,932</u>	<u>2,597,026,447</u>	<u>3,496,396,379</u>
Balance as at 31 December 2018		899,369,932	546,418,486	1,445,788,418
Prior Year Adjustment		0	10,055,847	10,055,847
Surplus /(Deficit)		0	1,043,482,404	1,043,482,404
Balance as at 31 December 2019		<u>899,369,932</u>	<u>1,599,956,747</u>	<u>2,499,326,679</u>



BAUCHI STATE LOCAL GOVERNMENT COUNCILS				
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020				
CONSOLIDATED STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2020				
Description	Notes	2020	2019	
CASHFLOWS FROM OPERATING ACTIVITIES		N	N	
<b>Inflows</b>				
Statutory Allocation	8	43,216,608,591	29,733,163,709	
Other Receipt		4,828,712,852	0	
Internally Generated Revenue	9	<u>157,202,984</u>	<u>241,403,220</u>	
<b>Total inflow from Operating Activities</b>		48,202,524,427	29,974,566,929	
<b>Outflows</b>				
Salaries & Wages	10	(36,820,954,759)	(22,461,626,103)	
Overhead Cost	11	<u>(10,358,668,372)</u>	<u>(6,508,808,883)</u>	
		<u>(47,179,623,131)</u>	<u>(28,970,434,986)</u>	
<b>Total outflow from operating Activities</b>		1,022,901,296	1,004,131,943	
<b>Prior Year Adjustment</b>		(39,395,500)	10,055,847	
<b>Net Cash Inflow from Operating Activities</b>		<b>983,505,796</b>	<b>1,014,187,790</b>	
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Acquisition of Investment		(5,571,477)	(91,701,062)	
Dividend Received		395,198	-	
Purchase/Construction of PPE		<u>(861,851,730)</u>	<u>(1,247,098,780)</u>	
<b>Net Cash from Investing Activities</b>		<b>(867,028,009)</b>	<b>(1,338,799,842)</b>	
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Movement in Deposits		997,731,081	242,391,396	
Payables		(987,236)	0	
Movement in Advances		<u>(1,140,512,049)</u>	<u>69,129,554</u>	
<b>Net Cash Flow from Financing Activities</b>		<b>(143,768,204)</b>	<b>311,520,950</b>	
<b>Net Cash flow from All Activities</b>		<b>(27,290,416.93)</b>	<b>(13,091,102.00)</b>	
<b>Cash &amp; its Equivalent as at 1/1/ 2020</b>		<u>93,049,010</u>	<u>106,120,113</u>	
<b>Cash &amp; its Equivalent as at 31/12/2020</b>		<b><u>65,758,593</u></b>	<b><u>93,029,011</u></b>	

**BAUCHI STATE LOCAL GOVERNMENT COUNCILS**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020**  
**CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS**

	<b>2020</b>	<b>2019</b>
<b>1. Cash and Cash Equivalent</b>	<b>N</b>	<b>N</b>
Alkaleri	3,994,708	2,004,329
Bauchi	151,347	17,197,968
Bogoro	2,709,486	410,809
Dambam	(836,952)	4,438,771
Darazo	233,657	9,740,464
Dass	11,986	879,794
Gamawa	(4,099,892)	5,115,817
Ganjuwa	8,998	923,231
Giade	18,833	834,616
Itas/Gadua	55,746,823	8,001,912
Jama'are	(690,468)	3,256,590
Katagum	10,993,235	16,165,666
Kirfi	436	4,220,210
Misau	54,384	(909,704)
Ningi	13,303	10,896,777
Shira	(34,863,315)	(67,476,187)
Tafawa Balewa	267,170	3,926,527
Toro	78,907	6,272,647
Warji	1,858,972	32,574,312
Zaki	<u>30,106,974</u>	<u>33,574,458</u>
	<b><u>65,758,593</u></b>	<b><u>92,049,007</u></b>

## 2. Advances

Alkaleri	2,000,000	1,453,000
Bauchi	77,709,756	26,470,785
Bogoro	2,600,500	1,100,500
Dambam	142,223,000	891,850
Darazo	2,712,000	5,378,400
Dass	11,405,000	7,580,000
Gamawa	198,685,200	7,127,132
Ganjuwa	1,155,000	7,056,000
Giade	2,604,892	2,557,513
Itas/Gadau	156,919,555	0
Jama'are	136,995,903	12,189,679
Katagum	190,397,655	5,946,000
Kirfi	1,400,000	11,436,167
Misau	18,587,099	0
Ningi	22,804,693	30,934,693
Shira	163,648,758	0
Tafawa Balewa	2,130,000	7,901,000
Toro	30,378,229	26,478,229
Warji	3,770,000	3,680,000
Zaki	<u>156,593,652</u>	<u>6,989,459</u>
	<b><u>1,324,720,893</u></b>	<b><u>165,170,407</u></b>

## 3. Investments

	<b>2020</b>	<b>2019</b>
	<b>N</b>	<b>N</b>
Alkaleri	25,698,079	25,692,075
Bauchi	46,662,979	46,662,979
Bogoro	16,600,828	16,600,828
Dambam	19,423,568	19,423,568
Darazo	20,842,248	20,842,248
Dass	17,743,868	17,743,868
Gamawa	1,735,511	1,735,511
Ganjuwa	20,528,820	20,528,820

Giade	20,576,115	20,576,115
Itas/Gadau	7,532,166	7,532,166
Jama'are	14,154,624	14,154,624
Katagum	24,061,452	24,061,452
Kirfi	20,289,607	20,289,607
Misau	11,055,678	10,260,201
Ningi	45,158,900	45,158,900
Shira	20,538,355	20,538,355
Tafawa Balewa	21,504,014	21,504,014
Toro	44,005,178	44,005,178
Warji	13,517,885	13,517,885
Zaki	<u>4,663,175</u>	<u>4,663,175</u>
	<b><u>416,293,050</u></b>	<b><u>415,491,569</u></b>

<b>4. Property, Plant &amp; Equipment</b>	<b>As at 31-12-2020</b>	<b>Addition</b>	<b>As at 1-1-2020</b>
Alkaleri	429,957,009	62,538,845	367,418,164
Bauchi	416,658,475	180,230,735	236,427,740
Bogoro	58,908,850	28,000,000	30,908,850
Dambam	57,228,802	4,411,487	52,817,315
Darazo	138,214,773	47,572,151	90,642,622
Dass	163,009,349	46,202,250	116,807,099
Gamawa	191,894,338	23,110,110	168,784,228
Ganjuwa	91,140,787	48,040,424	43,100,363
Giade	75,547,469	5,585,000	69,962,469
Itas/Gadau	99,835,915	0	99,835,915
Jama'are	98,167,926	2,000,000	96,167,926
Katagum	134,016,151	67,971,200	66,044,951
Kirfi	75,386,574	14,488,840	60,897,734
Misau	99,532,657	2,243,000	97,289,657
Ningi	172,217,425	106,507,650	65,709,775
Shira	53,997,441	4,776,000	49,221,441
Tafawa Balewa	268,070,580	48,975,300	219,095,280
Toro	182,384,748	62,500,000	119,884,748
Warji	176,825,311	68,934,349	107,890,962

Zaki	<u>186,010,011</u>	<u>42,540,499</u>	<u>143,469,512</u>
	<b><u>3,169,004,591</u></b>	<b><u>866,627,840</u></b>	<b><u>2,302,376,751</u></b>

	<b>2020</b>	<b>2019</b>
	<b>N</b>	<b>N</b>
<b>5. Deposits</b>		
Alkaleri	40,692,257	45,661,315
Bauchi	52,863,086	97,843,966
Bogoro	13,622,912	13,622,912
Dambam	22,914,943	27,178,330
Darazo	26,225,566	8,630,675
Dass	11,967,609	15,336,395
Gamawa	0	8,990,816
Ganjuwa	8,377,266	4,708,776
Giade	3,040,388	3,827,626
Itas/Gadau	0	18,532,346
Jama'are	21,138,405	21,138,405
Katagum	0	3,247,200
Kirfi	37,572,575	37,572,575
Misau	12,251,008	7,833,828
Ningi	20,797,325	26,047,979
Shira	3,241,753	3,028,104
Tafawa Balewa	32,855,915	14,858,423
Toro	8,594,666	13,759,278
Warji	89,929,580	122,413,892
Zaki	<u>2,432,308</u>	<u>932,308</u>
	<b><u>408,517,562</u></b>	<b><u>495,165,149</u></b>

## 6. Payable

Alkaleri	0	987,236
Bauchi	0	0
Bogoro	127,542,745	0
Dambam	141,331,150	0
Darazo	0	0
Dass	0	0
Gamawa	189,590,567	0

Ganjuwa	0	0
Giade	0	0
Itas/Gadai	155,119,555	0
Jama'are	123,406,224	0
Katagum	182,351,655	0
Kirfi	0	0
Misau	0	0
Ningi	0	0
Shira	162,013,758	0
Tafawa Balewa	0	0
Toro	0	0
Warji	0	0
Zaki	<u>149,604,193</u>	<u>0</u>
	<b><u>1,230,959,847</u></b>	<b><u>987,236</u></b>

	<b>2020</b>	<b>2019</b>
	<b>N</b>	<b>N</b>
<b>7. Public Fund</b>		
Alkaleri	26,689,921	26,689,922
Bauchi	16,687,628	16,687,629
Bogoro	79,003,625	79,003,625
Kirfi	(16,288,861)	(16,288,861)
Toro	<u>8,790,819</u>	<u>8,790,819</u>
	<b><u>114,883,132</u></b>	<b><u>114,883,134</u></b>
<b>8. Capital Grant</b>		
Alkaleri	56,158,376	82,848,297
Bauchi	70,241,438	86,929,066
Bogoro	43,091,215	43,091,215
Dambam	35,564,440	35,564,440
Darazo	44,472,316	44,472,316
Dass	29,599,724	29,599,724

Gamawa	47,145,867	47,145,867
Ganjuwa	48,154,548	48,154,548
Giade	32,870,862	32,870,862
Itas/Gadau	38,791,730	38,791,730
Jama'are	31,469,321	31,469,321
Katagum	48,050,468	48,050,468
Kirfi	43,275,810	43,275,810
Misau	41,107,430	41,107,430
Ningi	60,333,058	60,333,058
Shira	40,585,202	40,585,202
Tafawa Balewa	41,794,139	41,794,139
Toro	59,695,102	59,695,102
Warji	42,496,570	42,496,570
Zaki	0	0
	<b><u>854,897,617</u></b>	<b><u>898,275,165</u></b>

<b>9. Reserves</b>	<b>As at 31-12-2020</b>	<b>for the year</b>	<b>As at 1-1-2020</b>
Alkaleri	338,109,242	71,032,518	267,076,724
Bauchi	401,390,405	259,403,965	141,986,440
Bogoro	(182,440,833)	(95,744,068)	(86,696,765)
Dambam	18,227,885	3,399,151	14,828,734
Darazo	91,304,796	17,804,053	73,500,743
Dass	150,602,870	52,528,228	98,074,642
Gamawa	151,478,723	24,852,608	126,626,115
Ganjuwa	56,301,791	37,556,701	18,745,090
Giade	62,836,059	5,603,833	57,232,226
Itas/Gadau	126,123,174	68,077,256	58,045,918
Jama'are	72,614,035	(547,057)	73,161,092
Katagum	129,066,371	68,145,969	60,920,402
Kirfi	32,517,093	232,899	32,284,194
Misau	75,871,380	18,172,483	57,698,897
Ningi	159,063,938	92,744,830	66,319,108
Shira	(2,519,475)	38,810,223	(41,329,698)
Tafawa Balewa	217,321,710	21,547,451	195,774,259



Toro	179,766,475	65,370,872	114,395,603
Warji	63,546,018	70,793,321	(7,247,303)
Zaki	<u>225,337,312</u>	<u>37,573,016</u>	<u>187,764,296</u>
	<b><u>2,366,518,969</u></b>	<b><u>857,358,252</u></b>	<b><u>1,509,160,717</u></b>

	<b>2020</b>	<b>2019</b>
<b>10. Statutory Allocation</b>	<b>N</b>	<b>N</b>
Alkaleri	2,846,382,244	1,514,649,047
Bauchi	3,400,040,577	2,874,776,382
Bogoro	1,592,049,119	909,584,249
Dambam	1,773,278,832	1,381,117,473
Darazo	2,247,485,686	1,860,365,187
Dass	1,473,014,441	951,131,446
Gamawa	2,377,156,935	1,596,267,145
Ganjuwa	2,403,724,796	1,318,015,080
Giade	1,688,884,069	1,335,472,960
Itas/Gadau	1,947,901,814	1,524,312,651
Jama'are	1,546,678,384	950,743,360
Katagum	2,290,727,228	2,210,369,076
Kirfi	1,833,169,140	856,785,269
Misau	2,127,929,437	1,655,540,949
Ningi	2,863,066,167	1,467,411,208
Shira	2,040,839,477	1,262,083,682
Tafawa Balewa	2,207,679,786	1,704,160,006
Toro	3,065,234,881	1,970,769,513

Warji	1,615,695,589	902,257,689
Zaki	<u>1,875,669,989</u>	<u>1,487,351,337</u>
	<b><u>43,216,608,593</u></b>	<b><u>29,733,163,709</u></b>

### 11. Other Receipt

Alkaleri	0	
Bauchi	1,199,085,949	
Bogoro	0	
Dambam	122,930,342	
Darazo	58,088,550	
Dass	0	
Gamawa	623,667,821	
Ganjuwa	113,157,510	
Giade	115,800,366	
Itas/Gadua	584,610,492	
Jama'are	20,614,581	
Katagum	809,797,116	
Kirfi	0	
Misau	448,067,610	
Ningi	113,506,253	
Shira	0	
Tafawa Balewa	0	
Toro	0	
Warji	294,828,494	
Zaki	324,557,768	
	<b><u>4,828,712,852</u></b>	<b><u>0</u></b>

### 12. Internally Generated Revenue

Alkaleri	6,290,645	1,738,072
Bauchi	41,848,472	42,639,279
Bogoro	1,008,900	174,490
Dambam	4,084,080	1,780,221
Darazo	12,246,189	6,321,048

Dass	1,029,815	1,294,475
Gamawa	8,305,072	6,396,910
Ganjuwa	9,820,288	2,324,950
Giade	5,096,700	3,720,127
Itas/Gadua	1,821,340	1,498,567
Jama'are	4,034,039	2,623,892
Katagum	17,971,498	6,483,750
Kirfi	1,793,759	8,494,300
Misau	11,738,541	2,899,429
Ningi	11,152,910	125,558,579
Shira	4,860,415	2,846,868
Tafawa Balewa	1,718,900	4,122,608
Toro	6,206,700	14,382,529
Warji	1,802,525	694,000
Zaki	4,767,394	5,409,126
	<b><u>157,598,182</u></b>	<b><u>241,403,220</u></b>

### 13. Personnel Cost

	<b>2020</b>	<b>2019</b>
	<b>N</b>	<b>N</b>
Alkaleri	1,927,428,365	928,833,135
Bauchi	4,017,915,366	2,551,969,490
Bogoro	1,302,171,306	874,088,391
Dambam	1,617,238,661	1,004,610,250
Darazo	1,821,407,762	1,286,543,853
Dass	1,206,759,759	754,853,139
Gamawa	1,747,961,244	1,057,357,281
Ganjuwa	1,751,045,251	1,057,204,963
Giade	1,423,115,082	875,881,879
Itas/Gadua	1,751,304,096	1,163,180,666
Jama'are	1,234,635,206	366,004,804
Katagum	2,526,706,537	1,594,336,995
Kirfi	1,007,709,075	651,659,348
Misau	2,058,703,247	1,180,715,150
Ningi	1,871,459,073	1,272,526,322

Shira	1,585,438,566	902,527,658
Tafawa Balewa	2,104,509,240	1,418,992,969
Toro	2,528,670,115	1,789,840,543
Warji	1,423,819,463	735,560,112
Zaki	<u>1,912,957,344</u>	<u>994,919,155</u>
	<b><u>36,820,954,758</u></b>	<b><u>22,461,606,103</u></b>

#### 14. Overhead Cost

Alkalari	854,212,006	332,781,524
Bauchi	363,655,667	311,284,115
Bogoro	259,088,036	43,645,866
Dambam	279,655,442	375,258,227
Darazo	448,606,855	543,154,634
Dass	214,756,269	200,527,272
Gamawa	1,236,315,976	443,035,315
Ganjuwa	727,607,922	241,687,553
Giade	381,062,219	434,220,330
Itas/Gadai	714,952,293	291,518,004
Jama'are	337,238,856	511,374,501
Katagum	523,643,336	574,692,070
Kirfi	827,020,925	191,730,517
Misau	526,734,957	367,179,480
Ningi	1,023,521,427	283,073,557
Shira	421,451,104	415,075,337
Tafawa Balewa	83,341,995	180,690,911
Toro	477,400,594	178,994,139
Warji	417,713,823	167,574,853
Zaki	<u>254,464,792</u>	<u>377,480,905</u>
	<b><u>10,372,444,494</u></b>	<b><u>6,464,979,110</u></b>

<b>BAUCHI STATE   BAUCHI STATE LOCAL GOVERNMENTS STATEMENT OF CONSOLIDATED REVENUE</b>				
<b>LG</b>	<b>FAAC</b>	<b>IGR</b>	<b>OTHER RECEIPTS</b>	<b>TOTAL REVENUE</b>
<b>ALKALERI</b>	2,846,382,244.13	6,290,645		2,852,672,889.13
<b>BAUCHI</b>	3,400,040,577.13	41,848,472	1,199,085,949	4,640,974,998.13
<b>BOGORO</b>	1,592,049,119.03	1,008,900		1,593,058,019.03
<b>DAMBAM</b>	1,773,278,831.67	4,084,080	122,930,342	1,900,293,253.67
<b>DARAZO</b>	2,247,485,686.34	12,246,189	58,088,550	2,317,820,425.34
<b>DASS</b>	1,473,014,441.14	1,029,815		1,474,044,256.14
<b>GAMAWA</b>	2,377,156,934.96	8,305,072	623,667,821	3,009,129,827.96
<b>GANJUWA</b>	2,403,724,795.78	9,820,288	113,157,510	2,526,702,593.78
<b>GIADE</b>	1,688,884,069.01	5,096,700	115,800,366	1,809,781,135.01
<b>I/GADAU</b>	1,947,901,813.97	1,821,340	584,610,492	2,534,333,645.97
<b>JAMA'ARE</b>	1,546,678,384.42	4,034,039	20,614,581	1,571,327,004.42
<b>KATAGUM</b>	2,290,727,228.39	17,971,498	809,797,116	3,118,495,842.39
<b>KIRFI</b>	1,833,169,140.34	1,793,759		1,834,962,899.34
<b>MISAU</b>	2,127,929,437.26	11,738,541	448,067,610	2,587,735,588.26
<b>NINGI</b>	2,863,066,167.13	11,152,910	113,506,253	2,987,725,330.13
<b>SHIRA</b>	2,040,839,477.16	4,860,415		2,045,699,892.16
<b>T/BALEWA</b>	2,207,679,786.18	1,718,900		2,209,398,686.18
<b>TORO</b>	3,065,234,881.47	6,206,700		3,071,441,581.47
<b>WARJI</b>	1,615,695,588.80	1,802,525	294,828,494	1,912,326,607.80
<b>ZAKI</b>	1,875,669,989.10	4,767,394	324,557,768	2,204,995,151.10
<b>TOTAL</b>	<b>43,216,608,593.41</b>	<b>157,598,182</b>	<b>4,828,712,852</b>	<b>48,202,919,627.41</b>

## **ALKALERI LOCAL GOVERNMENT COUNCIL**

### **CORPORATE INFORMATION**

1. **CHAIRMAN**

Alh. Yusuf Garba

2. **HEAD OF ADMINISTRATION**

Alh. Mati Hassan

3. **TREASURER**

Alh. Nasiru Zakarai

4. **BANKERS**

Unity Bank Plc  
Fidelity Bank Plc.

5. **AUDITORS**

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

## **ALKALERI LOCAL GOVERNMENT COUNCIL**

### **STATEMENT OF RESPOONSIBILITIES ON THE FIANACIAL STATEMENTS**

These Financial Statements have been prepared by the Management of Alkaleri Local Government Council in accordance with the provisions of the Finance (Council and Management) Act 1958 as amended. The Financial Statements comply with Generally Accepted Accounting Practice.

#### **RESPONSIBILITIES FOR FINANICAL STATEMNETS:**

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

We accept responsibilities for the integrity of these Financial Statements, the information they contain and their compliance with the Finance (Council and Management) Act 1958 as amended.

In our opinion, these financial statements fairly reflect the financial position of the Local Government as at 31<sup>st</sup> December, 2020 and its operations for the year ended on that date.

Yusuf Ali 28/9/2021  
Chairman's Name, Signature & Date

Nasim Zakari 29/9/2021  
Treasurer' Name, Signature & Date





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

We have audited the Financial Statements of *Alkaleri Local Government Council* for the year ended 31<sup>st</sup> December, 2020 set out on pages 5 to 14, which have been prepared on the basis of accounting policies on page 4.

### **RESPECTIVE RESPONSIBILITIES OF THE MANAGEMENT**

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

### **AUDITORS' RESPONSIBILITY**

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

### **BASIS OF OPINION**

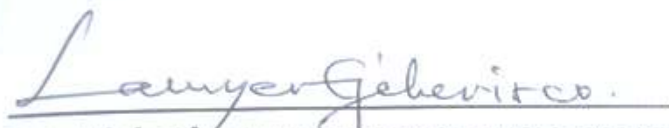
We conducted the audit in accordance with the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda for Local Governments.

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

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

### Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Council as at 31<sup>st</sup> December, 2020 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.

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



## SIGNIFICANT ACCOUNTING POLICIES

### 1. BASIS OF PREPARATION

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

### 2. ACCOUNTING PERIOD

The Financial Statements is for the accounting period from 01/01/2020 to 31/12/2020.

### 3. REPORTING CURRENCY

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

### 4. CASH AND CASH EQUIVALENT

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

### 5. ACCOUNTS RECEIVABLES

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

### 6. PREPAYMENTS

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

### 7. INVENTORY

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

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

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

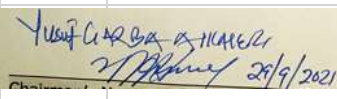

### 9. DEPOSITS

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

# ALKALERI LOCAL GOVERNMENT COUNCIL

## FINANCIAL STATEMENTS

### STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2020

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2020						
			2020		2019	
	NOTES	N	N		N	N
<b>CURRENT ASSETS</b>						
Cash & Cash Equivalent	1	3,994,708			2,004,329	
Receivables	2	<u>2,000,000</u>			<u>1,453,000</u>	
<b>Total Current Assets - A</b>				5,994,708		3,457,329
<b>NON-CURRENT ASSETS</b>						
Investments	3	25,698,079			25,698,079	
Property, Plant & Equipment	4	<u>429,957,009</u>			<u>367,418,164</u>	
<b>Total Non-Current Assets - B</b>				<u>455,655,088</u>		<u>393,116,243</u>
<b>Total Assets C = A + B</b>				<u>461,649,796</u>		<u>396,573,572</u>
<b>CURRENT LIABILITIES</b>						
Deposits	5	40,692,257			45,661,315	
Payables		<u>-</u>			<u>987,236</u>	
<b>Total Current liabilities - D</b>				40,692,257		46,648,551
<b>NON-CURRENT LIABILITIES</b>						
Public Fund		26,689,921			26,689,921	
Long Term Borrowings		<u>-</u>			<u>-</u>	
<b>Total Non-Current liabilities - E</b>				<u>26,689,921</u>		<u>26,689,921</u>
<b>Total liabilities F = D + E</b>				<u>67,382,178</u>		<u>73,338,472</u>
<b>Net Assets G = C - F</b>				<u>394,267,618</u>		<u>323,235,100</u>
<b>REPRESENTED BY:</b>						
<b>NET ASSETS/EQUITY</b>						
Capital Grants		56,158,376			56,158,376	
Accumulated Surplus	6	<u>338,109,242</u>			<u>267,076,724</u>	
				394,267,618		<u>323,235,100</u>
						
						
<b>Total Net Assets/Equity H = G</b>				<u>394,267,618</u>		<u>323,235,100</u>
The Notes on pages 10 to 13 form an integral part of these Accounts						



# ALKALERI LOCAL GOVERNMENT COUNCIL

## FINANCIAL STATEMENTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

### STATEMENT OF CHANGES IN EQUITY

	Accumulated fund	Revaluation Reserve	Total
	N	N	N
<b>Balance as at 31st December, 2018</b>	12,304,264	-	12,304,264
Surplus/(Deficit) on Revaluation	-	-	-
Prior Year Adjustment	-	-	-
Surplus/(Deficit)	<u>254,772,460</u>	<u>-</u>	<u>254,772,460</u>
	<u>267,076,724</u>	<u>-</u>	<u>267,076,724</u>
<b>Balance as at 31st December, 2019</b>	<u>267,076,724</u>	<u>-</u>	<u>267,076,724</u>
<b>Balance as at 31st December, 2019</b>	267,076,724	-	267,076,724
Surplus/(Deficit) on Revaluation	-	-	-
Prior Year Adjustment	-	-	-
Surplus/(Deficit)	<u>71,032,518</u>	<u>-</u>	<u>71,032,518</u>
	<u>338,109,242</u>	<u>-</u>	<u>338,109,242</u>
<b>Balance as at 31st December, 2020</b>	<u>338,109,242</u>	<u>-</u>	<u>338,109,242</u>
The Notes on pages 10 to 13 form an integral part of these Accounts			

# **ALKALERI LOCAL GOVERNMENT COUNCIL**

## **FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31ST DECEMBER, 2020

## **CASH FLOW STATEMENTS**

	<b>2020</b>		<b>2019</b>	
	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<i>Inflows</i>				
Government Share of FAAC	2,846,382,244		1,514,649,047	
Internally Generated Revenue	6,290,645		1,738,072	
Transfer from other Govt. Entities	-		-	
<b>Total inflow From Investing Activities (A)</b>	<b>2,852,672,889</b>		<b>1,516,387,119</b>	
	-----		-----	
<i>Outflows</i>				
Personnel Cost	1,927,428,365		928,833,135	
Social Benefits	-		-	
Overhead Cost	854,212,006		332,781,524	
Finance Cost	-		-	
<b>Total outflow From Investing Activities (B)</b>	<b>2,781,640,371</b>		<b>1,261,614,659</b>	
	-----		-----	
<b>Net Cash in flow/(outflow) from Operating Activities (A - B)</b>		<b>71,032,518</b>		<b>254,772,460</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase/Construction of PPE	(62,538,845)		(256,773,716)	
Purchase/Construction of Investment Property	-		-	
Acquisition of Investments	-		(7,413,909)	
<b>Net Cash Flow from Investing Activities</b>		<b>(62,538,845)</b>	<b>(264,187,625)</b>	<b>(264,187,625)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Capital Grants Received		-		-
Proceeds from Borrowings		-		-
Repayments of Borrowings		-		-
<b>Net Cash Flow from Financing Activities</b>		<b>-</b>		<b>-</b>
<b>Net Cash Flow from All Activities</b>		<b>8,493,673</b>		<b>(9,415,165)</b>
		-----		-----
<b>NET MOVEMENT IN CURRENT ASSETS/LIABILITIES</b>				
Net Movement in Receivables		(547,000)		(1,200,000)
Net Movement in Deposits		(4,969,058)		17,692,745
Payables		(987,236)		-
		(6,503,294)		16,492,745
		-----		-----
<b>Net Cash Flow from All Activities</b>		<b>1,990,379</b>		<b>7,077,580</b>
Cash & Its Equivalent as at - 1/1/2020		<u>2,004,329</u>		<u>(5,073,251)</u>
Cash & Its Equivalent as at - 31/12/2020		<b><u>3,994,708</u></b>		<b><u>2,004,329</u></b>
<b>Cash &amp; Its Equivalent as at - 31/12/2020</b>				
Cash Balances		-		-
Bank Balances		<u>3,994,708</u>		<u>2,004,329</u>
		<b><u>3,994,708</u></b>		<b><u>2,004,329</u></b>



# ALKALERI LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

NOTES	APPENDIX	2020		2019
1 <u>CASH &amp; CASH EQUIVALENT</u>		<b>N</b>		<b>N</b>
Fidelity Bank - 500030038437		2,378,213		175,146
Unity Bank - 0015911878		<u>1,616,495</u>		<u>1,829,183</u>
		<u>3,994,708</u>		<u>2,004,329</u>
2 <u>RECEIVABLES</u>				
Advances	1	<u>2,000,000</u>		<u>1,453,000</u>
3 <u>INVESTMENTS</u>				
Investments	2	<u>25,698,075</u>		<u>25,698,079</u>
		As at		As at
4 <u>CAPITAL EXPENDITURE</u>		<u>1/1/2020</u>	<u>Additions</u>	<u>31/12/2020</u>
<b>Property, Plant &amp; Equipment</b>		<b>N</b>	<b>N</b>	<b>N</b>
Construction/Renovation of D/Head house		4,233,000	-	4,233,000
Purchase/Compensation of Land		4,529,000	-	4,529,000
Construction/Renovation of Primary School		12,851,712	-	12,851,712
Drilling of hand pump		18,017,994	29,100	18,047,094
Renovation of Dispensary Clinic		8,255,500	-	8,255,500
Construction of Skills Acquisition Centre		924,000	-	924,000
Construction/Provision of Housing		9,396,945	1,750,000	11,146,945
Construction/Provision of Office Building		1,900,993	-	1,900,993
Fencing of Graveyard		67,889,526	-	67,889,526
Cattle Route Demarcation		19,750,000	3,500,000	23,250,000
Construction of Access Road		7,760,750	230,000	7,990,750
Construction/Provision of Water Facilities		7,500,000	416,500	7,916,500
Rehabilitation/Repairs-Electricity		100,336,644	585,000	100,921,644
Construction of Feeder Road		1,478,155	15,197,995	16,676,150
Renovation of Market		625,000	-	625,000
Construction and Fencing Graveyard		14,903,445	5,500,000	20,403,445
Construction/Renovation of Health Facilities		9,645,310	-	9,645,310
Infrastructure		13,164,996	-	13,164,996
Office Furniture		3,437,500	-	3,437,500
Land Purchase		400,000	300,000	700,000
Purchase of Computers		150,000	-	150,000
Purchase of Motorcycles		1,719,000	242,000	1,961,000
Stand-By Generator		835,000	-	835,000
Decontamination @ Yankari		17,597,965	-	17,597,965
Purchase of Toyota Hilux		39,746,692	-	39,746,692
Construction of Pit Toilet		369,037	-	369,037
Provision of PHC Unit		-	32,000,000	32,000,000
Constrtn. of 1 Office, 1 Cell and a Toilet for T/force		-	250,000	250,000
Provision of Slaughter Slan		-	908,250	908,250
Mosque Construction		-	<u>1,630,000</u>	<u>1,630,000</u>
		<u>367,418,164</u>	<u>62,538,845</u>	<u>429,957,009</u>

# ALKALERI LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

NOTES	APPENDIX	2020 N	2019 N
5 <u>DEPOSITS</u>	3	<u>40,692,257</u>	<u>45,661,315</u>
6 <u>RESERVES</u>			
Brought Forward		267,076,724	12,304,264
Operating Balance for the Year		<u>71,032,518</u>	<u>254,772,460</u>
		<u>338,109,242</u>	<u>267,076,724</u>
7 <u>STATUTORY ALLOCATION</u>			
Govt. Share of FAAC		<u>2,846,382,244</u>	<u>1,514,649,047</u>
8 <u>OTHER REVENUE</u>			
Internally Generated Revenue		6,290,645	1,738,072
Interest Payment and Dividends		-	-
Miscellaneous		-	-
		<u>6,290,645</u>	<u>1,738,072</u>
9 <u>PERSONNEL COST</u>			
Salaries and Wages		1,892,520,365	902,199,635
Allowances		<u>34,908,000</u>	<u>26,633,500</u>
		<u>1,927,428,365</u>	<u>928,833,135</u>
10 <u>OVERHEAD COST</u>			
10 <u>ALLOWANCES &amp; SOCIAL CONTRIBUTION</u>			
Security Allowance		3,973,500	47,500,000
Honourarium & Sitting Allowance		6,578,500	16,398,905
Welfare Package		3,085,000	26,003,800
Immunization Supervision Allowance		-	57,750
Disturbance Allowance		<u>300,000</u>	<u>526,902</u>
<b>Sub Total</b>		<u>13,937,000</u>	<u>90,487,357</u>
10 <u>TRAVEL &amp; TRANSPORT</u>			
Local Travel & Transport: Others		3,384,200	18,213,159
Local Travel & Transport: Training		-	2,816,500
International Travel & Transport		-	<u>23,617,200</u>
<b>Sub Total</b>		<u>3,384,200</u>	<u>44,646,859</u>

## ALKALERI LOCAL GOVERNMENT COUNCIL

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

<b>NOTES</b>				<b><u>2020</u></b>	<b><u>2019</u></b>
				<b><u>N</u></b>	<b><u>N</u></b>
10.3	<b><u>MATERIALS AND SUPPLIES</u></b>				
	Supply of Relief Materials			6,250,000	3,680,000
	Purchase of Agro-Chemicals			152,500	22,050,000
	Drugs & Medical Supplies			6,279,392	30,000,000
	Uniforms and Other Clothing			250,000	-
	Purchase of Mattresses			101,000	-
	Office Stationeries/Computer Consumables			60,300	1,547,832
	Covid - 19 Control			3,569,000	-
	Printing of Non-Security Document			1,866,000	23,642,000
	Purchase of Seedlings			<u>180,000</u>	<u>-</u>
	<b><i>Sub Total</i></b>			<b><u>18,708,192</u></b>	<b><u>80,919,832</u></b>
10.4	<b><u>MISCELLANEOUS EXPENSES</u></b>				
	Security Vote			6,500,000	11,000,000
	Security Expenses			29,176,300	-
	Security Materials			-	25,000,000
	Refreshment and Meals			583,200	2,470,500
	Financial Assistance			6,134,405	15,793,819
	Hospitality and Entertainment			8,498,250	13,230,116
	Logistics Support			7,527,500	-
	Postages and Courier Services			-	47,750
	Water Pollution Control			-	130,000
	NATA and Fuelling			2,066,000	-
	Rent			-	503,000
	Medical Expenses - Local			50,500	-
	General Expenses			-	20,000
	Electricity Bills			100,000	184,125
	Bank Charges			54,760	46,863
	Special Days Celebration and Prayer			2,100,000	6,043,000
	Tree Planting			-	330,000
	Cleaning and Sanitation			-	1,010,000
	Advertisement and Publicity			20,000	11,527,500
	Sallah Gifts			4,250,000	330,000
	Christmas Gifts			1,401,000	1,010,000
	OD Interests Related Charges			<u>746,817,449</u>	<u>11,527,500</u>
	<b><i>Sub Total</i></b>			<b><u>815,279,364</u></b>	<b><u>87,336,673</u></b>

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

[illegible]

# ALKALERI LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

<b><u>APPENDIX 1: CONT'D</u></b>		<b><u>2020</u></b>	<b><u>2019</u></b>
<b><u>SCHEDULES OF ADVANCES</u></b>		<b><u>N</u></b>	<b><u>N</u></b>
<b><i>Balance Brought Forward</i></b>		-	<b>578,000</b>
16	MOHAMMED SANI UMAR	-	225,000
17	YUSUF GARBA	-	300,000
18	ALH. ADO ADAMU	-	150,000
19	ALH. NASIRU ZAKARI	-	150,000
20	MOHAMMED A. I. GARBA	-	10,000
21	YAU ABBA	-	10,000
22	SAIDU Y. GAR	-	5,000
23	IBRAHIM HARDO D.	-	5,000
24	IBRAHIM ABDULKADIR	-	5,000
25	ABDULLAHI TANKO	-	5,000
26	HUSSAINI U.	-	5,000
27	MARGARET BABUJE	-	5,000
28	Idris Mohammed Bappa - Salary Advance	100,000	-
29	Sammako Umar	100,000	-
30	Adamu Abubakar	100,000	-
31	Usman Yunusa	100,000	-
32	Idris Haladu	100,000	-
33	Saidu Mustapha	100,000	-
34	Yusif Ibrahim	100,000	-
35	Musa Kalla Adamu	100,000	-
36	Abdullahi Umar	100,000	-
37	Dantani Mijinyawa	100,000	-
38	Mohammed Ali	100,000	-
39	Shuaibu Adamu	100,000	-
40	Idris Abubakar	100,000	-
41	Umar Dahiru	100,000	-
42	Sa'sdu Jibrin Bubu	100,000	-
43	Adamu Hussaini	100,000	-
44	Ibrahim Samaila	100,000	-
45	Sanda Sulaiman	100,000	-
46	Dan'asabe Malami	100,000	-
47	Mohammed Inuwa Padi	100,000	-
		<b><u>2,000,000</u></b>	<b><u>1,453,000</u></b>

[illegible]

<b><u>SCHEDULES OF INVESTMENT</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>
---------------------------------------	--------------------	--------------------

S/N	NAME OF COMPANY	N	N
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1	Urban Development Bank Plc	500,000	500,000
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2	Bauchi State Investment Corporation	100,000	100,000
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3	Ashaka Cement Company Plc	300,500	300,500
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1	Urban Development Bank Plc			500,000		500,000	
2	Bauchi State Investment Corporation			100,000		100,000	
3	Ashaka Cement Company Plc			300,500		300,500	
4	Zaranda Hotel Bauchi			137,420		137,420	
5	Arewa Ceramic Ltd			100,000		100,000	
6	Kaduna Textile Ltd			245,000		245,000	
7	Bauchi Printing and Publishing Ltd			200,000		200,000	
8	Federal Savings Bank Plc			570,128		570,128	
9	Afribank Plc			10,175,612		10,175,612	
10	Unipetrol Plc			435,040		435,040	
11	Yankari Savings and Loan Ltd			1,343,990		1,343,990	
12	African Petroleum			10,000		10,000	
13	Jaiz Plc			6,248,000		6,248,000	
14	Inland Bank Nig. Plc			4,130,389		4,130,389	
15	Compil Plc			2,000		2,000	
16	Access Bank Plc			<u>1,200,000</u>		<u>1,200,000</u>	
				<b><u>25,698,079</u></b>		<b><u>25,698,079</u></b>	

# ALKALERI LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

<b><u>APPENDIX 3</u></b>			
<b><u>SCHEDULES OF DEPOSITS</u></b>			
S/N	<b><u>PARTICULARS</u></b>	<b><u>2020</u></b> <b><u>N</u></b>	<b><u>2019</u></b> <b><u>N</u></b>
1	Bauchi Board of Internal Revenue (PAYE)	12,178,841	9,782,470
2	Nulge Union Dues	-	-
3	N.A.N.N.M Dues	31,204	309,281
4	Medical Health Workers Union	137,397	137,397
5	Federal Inland Revenue VAT AND WHT	26,407,940	33,149,845
6	Yaya Digare	34,285	34,285
7	Bako Natsira	16,447	16,447
8	Adamu Gemu S/Gari	10,727	10,727
9	Tela Noma Yashi	10,726	10,726
10	Dayyabu Zakari	17,048	17,048
11	Sama'ila Lukman	49,838	49,838
12	Alh. Wambai Saleh	38,464	38,464
13	Alh. Babayo Rasha	219,900	219,895
14	Mallam Bako Gwaram	100,000	100,000
15	Ahmed Aminu	50,000	50,000
16	Shehu Ahmed Futuk	50,000	50,000
17	Nuhu Sama'ila	50,000	50,000
18	Saleh Umar	10,000	10,000
19	Shehu Muhammed	31,964	3,964
20	Alh. Isyaku A. Adamu	43,900	43,900
21	Alh. Ibrahim Yusuf	49,920	49,920
22	Yaya Ahmed	10,000	10,000
23	Abubakar Ado	50,000	50,000
24	Sarki Yamman Duguri	2,067	-
25	Isah Sambo	50,000	50,000
26	Alh. Haruna Mai'Awaki	44,550	44,550
27	Babayo Mamuda	28,400	28,400
28	Sarki Yamman Duguri	20,000	20,000
29	Hussaini A. Kirfi	352,068	352,068
30	Iliya Abubakar Abdullahi	2,394	2,394
31	Sule Usman	444,177	444,176
32	Nulge Union Dues	100,000	475,520
33	Musa Ibrahim	50,000	50,000
		<b><u>40,692,257</u></b>	<b><u>45,661,315</u></b>



# **BAUCHI LOCAL GOVERNMENT COUNCILS**

## **CORPORATE INFORMATION**

### **1. CHAIRMAN**

Alh. Danladi Mohammed Danbaba *(January to August, 2020) as Chairman (CTC)*

Ismail Yusuf Mohammed *(August to October, 2020) as H.O.A, Acting Chairman*

Mahmood Babama'aji *(October to December, 2020) as Executive Chairman*

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

Abdullahi Yunusa *(January to June, 2020)*

Bala Abdullahi Jahun *(June to July, 2020) as Acting H.O.A*

Dauda Adamu *(July to August, 2020) as Acting H.O.A*

Ismail Yusuf Mohammed *(August to December, 2020)*

### **3. TREASURER**

Ahmed Mohammed Dambam

### **4. BANKERS**

Unity Bank Plc  
Fidelity Bank Plc.  
Sterling Bank Plc

### **5. AUDITORS**

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

## **BAUCHI LOCAL GOVERNMENT COUNCIL**

### **STATEMENT OF RESPONSIBILITIES ON THE FINANCIAL STATEMENTS**

These Financial Statements have been prepared by the Management of Bauchi Local Government Council in accordance with the provisions of the Finance (Council and Management) Act 1958 as amended. The Financial Statements comply with Generally Accepted Accounting Practice.

#### **RESPONSIBILITIES FOR FINANCIAL STATEMENTS:**

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

We accept responsibilities for the integrity of these Financial Statements, the information they contain and their compliance with the Finance (Council and Management) Act 1958 as amended.

In our opinion, these financial statements fairly reflect the financial position of the Local Government as at 31<sup>st</sup> December, 2020 and its operations for the year ended on that date.

\_\_\_\_\_  
Chairman's Name, Signature & Date

*Mohammed Aminu Adamu* *Musa* 29/9/21  
\_\_\_\_\_  
Treasurer's Name, Signature & Date



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

We have audited the Financial Statements of *Bauchi Local Government Council* for the year ended 31<sup>st</sup> December, 2020 set out on pages 5 – 15, which have been prepared on the basis of accounting policies on page 4.

### **RESPECTIVE RESPONSIBILITIES OF THE MANAGEMENT**

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

### **AUDITORS' RESPONSIBILITY**

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

## **BASIS OF OPINION**

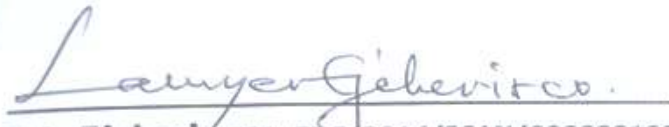
We conducted the audit in accordance with the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda for Local Governments.

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

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

## **Opinion**

In our opinion, the Financial Statements give a true and fair view of the financial position of the Council as at 31<sup>st</sup> December, 2020 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.

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



## SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation

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

2. ACCOUNTING PERIOD

The Financial Statements is for the accounting period from 01/01/2020 to 31/12/2020.

3. REPORTING CURRENCY

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

4. CASH AND CASH EQUIVALENT

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

5. ACCOUNTS RECEIVABLES

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

6. PREPAYMENTS

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

7. INVENTORY

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

8. PROPERTY PLANT AND EQUIPMENT (PPE)


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

9. DEPOSITS

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

# BAUCHI LOCAL GOVERNMENT COUNCIL

## STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2020

	NOTES	2020		2019	
		N	N	N	N
<b>CURRENT ASSETS</b>					
Cash & Cash Equivalent	1	151,347		17,197,968	
Receivables	2	<u>77,709,756</u>		<u>26,470,785</u>	
<b>Total Current Assets - A</b>			77,861,103		43,668,753
<b>NON-CURRENT ASSETS</b>					
Investments	3	46,662,979		46,662,979	
Property, Plant & Equipment	4	<u>416,658,475</u>		<u>236,427,740</u>	
<b>Total Non-Current Assets - B</b>			<u>463,321,454</u>		<u>283,090,719</u>
<b>Total Assets C = A + B</b>			541,182,557		326,759,472
<b>CURRENT LIABILITIES</b>					
Deposits	5	<u>52,863,086</u>		<u>97,843,966</u>	
<b>Total Current liabilities - D</b>			52,863,086		97,843,966
<b>NON-CURRENT LIABILITIES</b>					
Public Fund	6	16,687,628		16,687,628	
Long Term Borrowings		<u>-</u>		<u>-</u>	
<b>Total Non-Current liabilities - E</b>			<u>16,687,628</u>		<u>16,687,628</u>
<b>Total liabilities F = D + E</b>			69,550,714		114,531,594
<b>Net Assets G = C - F</b>			<u><b>471,631,843</b></u>		<u><b>212,227,878</b></u>
<b>REPRESENTED BY:</b>					
<b>NET ASSETS/EQUITY</b>					
Capital Grants	7	70,241,438		70,241,438	
Reserves	8	<u>401,390,405</u>		<u>141,986,440</u>	
			<u>471,631,843</u>		<u>212,227,878</u>
<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="border: 1px solid black; padding: 5px; width: 200px;">   Treasurer's Name, Signature &amp; Date </div> <div style="text-align: center;"> ) CHAIRMAN  )  TREASURER </div> </div>					
<b>Total Net Assets/Equity H = G</b>			<u><b>471,631,843</b></u>		<u><b>212,227,878</b></u>
The Notes on pages 8 to 11 form an integral part of these Accounts					

**BAUCHI LOCAL GOVERNMENT COUNCIL****FINANCIAL STATEMENTS**

YEAR ENDED 31ST DECEMBER, 2020

**STATEMENT OF FINANCIAL PERFORMANCE**

				{ <b>2020</b> }			<b>2019</b>
<b>NOTES</b>				<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE</u>	<u>ACTUAL</u>
<u>REVENUE</u>				<u>N</u>	<u>N</u>	<u>N</u>	<u>N</u>
Govt. Share of FAAC	9			3,400,040,577	7,337,756,050	(2,738,629,524)	2,874,776,382
Other Receipts	10			1,199,085,949			
Internally Generated Revenue	11			<u>41,848,472</u>	<u>225,301,400</u>	<u>(183,452,928)</u>	<u>42,639,279</u>
<b>Total Revenue (A)</b>				<u>4,640,974,998</u>	<u>7,563,057,450</u>	<u>(2,922,082,452)</u>	<u>2,917,415,661</u>
<b>LESS: EXPENDITURE</b>							
Personnel Cost	12			4,017,915,366	5,147,897,290	1,129,981,924	2,551,969,490
Overhead Cost	13			363,655,667	448,366,407	84,710,740	311,284,115
<b>Total Expenditure (B)</b>				<u>4,381,571,033</u>	<u>5,596,263,697</u>	<u>1,214,692,664</u>	<u>2,863,253,605</u>
<b>Surplus/(Deficit) from</b>							
<b>Operating Activities (A -B)</b>				<u>259,403,965</u>	<u>1,966,793,753</u>	<u>(1,707,389,788)</u>	<u>54,162,056</u>
The Notes on pages 8 to 11 form an integral part of these Accounts							

**BAUCHI LOCAL GOVERNMENT COUNCIL****FINANCIAL STATEMENTS**

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

**STATEMENT OF CHANGES IN EQUITY**

	Accumulated fund	Revaluation Reserve	Total
	N	N	N
<b><i>Balance as at 31st December, 2018</i></b>	87,824,384	-	87,824,384
Surplus/(Deficit) on Revaluation	-	-	-
Prior Year Adjustment	-	-	-
Surplus/(Deficit)	<u>54,162,056</u>	<u>-</u>	<u>54,162,056</u>
	<u>141,986,440</u>	<u>-</u>	<u>141,986,440</u>
<b><i>Balance as at 31st December, 2019</i></b>	<u>141,986,440</u>	<u>-</u>	<u>141,986,440</u>
<b><i>Balance as at 31st December, 2019</i></b>	141,986,440	-	141,986,440
Surplus/(Deficit) on Revaluation	-	-	-
Prior Year Adjustment	-	-	-
Surplus/(Deficit)	<u>259,403,965</u>	<u>-</u>	<u>259,403,965</u>
	<u>401,390,405</u>	<u>-</u>	<u>401,390,405</u>
<b><i>Balance as at 31st December, 2020</i></b>	<u>401,390,405</u>	<u>-</u>	<u>401,390,405</u>



# BAUCHI LOCAL GOVERNMENT COUNCIL

## FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2020

## CASH FLOW STATEMENTS

	2020		2019	
	N	N	N	N
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<i>Inflows</i>				
Government Share of FAAC	3,400,040,577		2,874,776,382	
Other Receipts	1,199,085,949		-	
Internally Generated Revenue	41,848,472		42,639,279	
Transfer from other Govt. Entities	-		-	
<b>Total inflow From Investing Activities (A)</b>	<b>4,640,974,998</b>		<b>2,917,415,661</b>	
<i>Outflows</i>				
Personnel Cost	4,017,915,366		2,551,969,490	
Social Benefits	-		-	
Overhead Cost	363,655,667		311,284,115	
Finance Cost	-		-	
<b>Total outflow From Investing Activities (B)</b>	<b>4,381,571,033</b>		<b>2,863,253,605</b>	
<b>Net Cash in flow/(outflow) from Operating Activities (A - B)</b>		<b>259,403,965</b>		<b>54,162,056</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase/Construction of PPE	(180,230,965)		(106,520,754)	
Purchase/Construction of Investment Proper	-		-	
Acquisition of Investments	-		-	
<b>Net Cash Flow from Investing Activities</b>		<b>(180,230,965)</b>		<b>(106,520,754)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Capital Grants Received		-		-
Proceeds from Borrowings		-		-
Repayments of Borrowings		-		-
<b>Net Cash Flow from Financing Activities</b>		<b>-</b>		<b>-</b>
<b>Net Cash Flow from All Activities</b>		<b>79,173,000</b>		<b>(52,358,698)</b>
<b>NET MOVEMENT IN CURRENT ASSETS/LIABILITIES</b>				
Net Movement in Receivables		(51,238,971)		(5,769,600)
Net Movement in Deposits		(44,980,880)		73,427,280
		(96,219,851)		67,657,680
<b>Net Cash Flow from All Activities</b>		<b>(17,046,621)</b>		<b>15,298,982</b>
Cash & Its Equivalent as at - 1/1/2020		<u>17,197,968</u>		<u>1,898,986</u>
Cash & Its Equivalent as at - 31/12/2020		<b><u>151,347</u></b>		<b><u>17,197,968</u></b>
<b>Cash &amp; Its Equivalent as at - 31/12/2020</b>				
Cash Balances		-		36,017
Bank Balances		<u>151,347</u>		<u>17,161,951</u>
		<b><u>151,347</u></b>		<b><u>17,197,968</u></b>

# BAUCHI LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

NOTES	APPENDIX	2020	2019
<b>1 CASH &amp; CASH EQUIVALENT</b>		<b>N</b>	<b>N</b>
Fidelity Bank - 5030107171		3,701	1,577,268
Fidelity Bank - 5030044041		94,498	13,812,907
Unity Bank - 0022893503		53,148	55,112
Sterling Bank - 0500571254		-	1,716,664
Cash		-	36,017
		<u>151,347</u>	<u>17,197,968</u>
<b>2 RECEIVABLES</b>			
Advances	1	<u>77,709,756</u>	<u>26,470,785</u>
<b>3 INVESTMENTS</b>			
Investments	2	<u>46,662,979</u>	<u>46,662,979</u>
		As at	As at
<b>4 CAPITAL EXPENDITURE</b>		<u>1/1/2020</u>	<u>Additions</u> <u>31/12/2020</u>
<b>Property, Plant &amp; Equipment</b>		<b>N</b>	<b>N</b>
Construction/Provision of Hospital/Health Centre		4,325,941	1,888,045 6,213,986
Rehabilitation/Repairs of Residential Building		7,736,983	- 7,736,983
Construction/Provision of Electricity		14,372,497	- 14,372,497
Rehabilitation/Repairs of Roads		29,227,000	978,000 30,205,000
Rehabilitation/Repairs of Market/Parks		850,000	- 850,000
Construction/Provision of Water Facilities		6,546,500	- 6,546,500
Office Furniture		1,000,000	2,178,000 3,178,000
Rehabilitation/Repairs of Electricity		3,368,672	613,000 3,981,672
Renovation of Slaughter Slab		1,963,225	- 1,963,225
Renovation of Dispensary		510,000	858,950 1,368,950
Fencing and Drilling of hand pump		26,415,782	2,329,000 28,744,782
Rural Electrification		19,747,609	- 19,747,609
Construction/Provision of Public School		20,702,170	15,105,000 35,807,170
Purchase of House		20,000,000	11,000,000 31,000,000
Purchase of Land		1,900,000	- 1,900,000
Supply of Office Equipment		7,649,100	- 7,649,100
Expansion of LG Chambers		7,496,850	- 7,496,850
Construction of Toilet		1,027,575	- 1,027,575
Construction of Shops		8,968,526	- 8,968,526
Construction of Church Building		-	10,000,000 10,000,000
Extension of ECWA HQTRS Conference Hall		-	19,000,000 19,000,000
Completion of Mosque Building		-	18,300,000 18,300,000
Renovation of District Head Residence		-	5,758,500 5,758,500
<b>Balance Carried Forward</b>		<u>183,808,430</u>	<u>88,008,495</u> <u>271,816,925</u>

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

				As at 1/1/2020 N	Additions N	As at 31/12/2020 N
<b>Balance Brought Forward</b>				<b>183,808,430</b>	<b>88,008,495</b>	<b>271,816,925</b>
Purchase of Health/Medical Equipment				3,444,000	4,655,700	8,099,700
Construction/Provision of Office Building				261,000	-	261,000
Construction/Provision of Residential Buildings				3,136,000	-	3,136,000
Construction of Culvert				-	52,926,790	52,926,790
Renovation of Health Centre				21,648,310	-	21,648,310
Purchase of Generator				80,000	-	80,000
Construction of Drainage				23,000,000	-	23,000,000
Construction/Provision of Cemeteries				<u>1,050,000</u>	<u>34,639,750</u>	<u>35,689,750</u>
<b>Grand Total</b>				<b><u>236,427,740</u></b>	<b><u>180,230,735</u></b>	<b><u>416,658,475</u></b>
<b>NOTES</b>				<b>2020 N</b>		<b>2019 N</b>
5	<u>DEPOSITS</u>		3	<b><u>52,863,086</u></b>		<b><u>97,843,966</u></b>
6	<u>PUBLIC FUND</u>			<b><u>16,687,628</u></b>		<b><u>16,687,628</u></b>
7	<u>CAPITAL GRANT (PARIS CLUB REFUND)</u>			<b><u>70,241,438</u></b>		<b><u>70,241,438</u></b>
8	<u>RESERVES</u>					
	Brought Forward			141,986,440		87,824,384
	Operating Balance for the Year			<u>259,403,965</u>		<u>54,162,056</u>
				<b><u>401,390,405</u></b>		<b><u>141,986,440</u></b>
9	<u>STATUTORY ALLOCATION</u>					
	Govt. Share of FAAC			<u>3,400,040,577</u>		2,874,776,382
10	<u>OTHER RECEIPTS</u>					
	(MLGA) Augmentation			641,737,100		-
	MLGA (O/H)			<u>557,348,849</u>		
				<b><u>1,199,085,949</u></b>		
11	<u>INTERNALLY GENERATED REVENUE</u>			<b><u>41,848,472</u></b>		<b><u>42,639,279</u></b>
12	<u>PERSONNEL COST</u>					
	Salaries and Wages			3,985,169,666		2,517,683,060
	Allowances			<u>32,745,700</u>		<u>34,286,430</u>
				<b><u>4,017,915,366</u></b>		<b><u>2,551,969,490</u></b>

# BAUCHI LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

### NOTES

13	<u>OVERHEAD COST</u>	<u>2020</u>	<u>2019</u>
13.1	<u>ALLOWANCES &amp; SOCIAL CONTRIBUTION</u>	<u>N</u>	<u>N</u>
	Security Allowance	1,255,000	47,640,000
	Honourarium & Sitting Allowance	7,500,000	2,635,500
	Welfare Package	565,000	7,850,400
	Immunization Supervision Allowance	-	4,122,350
	Medical Expenses - Local	470,000	60,000
	Sallah Gifts	1,500,000	-
	Medical Expenses - Foreign	12,472,582	-
	Disturbance Allowance	50,000	-
	Christmas Gifts	1,000,000	-
	<b>Sub Total</b>	<u>24,812,582</u>	<u>62,308,250</u>
13.2	<u>MATERIALS AND SUPPLIES</u>		
	Supply of Relief Materials	14,236,697	25,774,000
	Supply of Working Materials	575,000	7,920,766
	Agric Chemicals and Inputs	10,173,000	-
	Teaching Aid/Instructural Materials	-	40,000
	Office Stationeries/Computer Consumables	347,100	2,730,000
	Drugs & Medical Supplies	34,826,550	30,617,000
	Printing of Non-Security Document	2,315,000	14,061,750
	Uniform and Other Clothing	-	30,000
	Purchase of Seedlings	1,898,000	-
	Supply of Mattresses	6,000,000	-
	Covid - 19 Control	52,600,000	-
	<b>Sub Total</b>	<u>122,971,347</u>	<u>81,173,516</u>
13.3	<u>MISCELLANEOUS EXPENSES</u>		
	Security Vote	7,000,000	16,100,000
	Refreshment and Meals	3,569,000	3,442,000
	Financial Assistance	52,332,450	25,754,500
	Hospitality and Entertainment	10,668,450	7,080,000
	General Expenses	-	6,391,400
	Residential Rent	1,350,000	2,400,000
	Publicity and Advertisement	568,000	540,000
	NATA Fuelling	1,331,000	-
	Logistics Support	30,535,174	41,969,650
	Special Days Celebration and Prayer	20,700,000	45,150,000
	Cleaning and Sanitation	52,500	260,000
	Electricity Bills	289,200	-
	Security Expenses	30,614,000	-
	Bank Charges	42,079	42,559
	Clearing of Bush	21,105,109	-
	<b>Sub Total</b>	<u>180,156,962</u>	<u>149,130,109</u>

# BAUCHI LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

<b>NOTES</b>				<b><u>2020</u></b>	<b><u>2019</u></b>
				<b><u>N</u></b>	<b><u>N</u></b>
13.4	<b><u>TRAVEL &amp; TRANSPORT</u></b>				
	Local Travel & Transport: Others			3,645,350	4,043,775
	Local Travel & Transport: Training			-	750,000
	International Travel & Transport			-	<u>950,000</u>
	<b><i>Sub Total</i></b>			<u>3,645,350</u>	<u>5,743,775</u>
13.5	<b><u>MAINTENANCE SERVICES</u></b>				
	Maintenance of Generator			10,000	81,100
	Maintenance of Office Equipment			28,000	-
	Other Maintenance			4,131,000	721,000
	Maintenance of Motor Vehicles			1,222,500	4,138,300
	Maintenance of Drainage			23,000,000	-
	Maintenance of Office Building			25,000	4,793,900
	Maintenance of Office Furniture			-	105,000
	Maintenance of Market/Public Places			-	877,600
	Motor Vehicles Fuel Cost			85,000	-
	Minor Road Repairs			<u>2,323,000</u>	<u>-</u>
	<b><i>Sub Total</i></b>			<u>30,824,500</u>	<u>10,716,900</u>
13.6	<b><u>CONSULTING AND PROFESSIONAL SERVICES</u></b>				
	Legal Services			100,000	1,171,000
	Stock Broker			184,926	450,565
	Surveying			-	30,000
	Revenue Consultant/Committee			<u>960,000</u>	<u>560,000</u>
	<b><i>Sub Total</i></b>			<u>1,244,926</u>	<u>2,211,565</u>
	<b><i>Grand Total Overhead</i></b>			<b><u>363,655,667</u></b>	<b><u>311,284,115</u></b>
	<b><u>APPENDIX 1</u></b>				
S/N	<b><u>SCHEDULES OF ADVANCES</u></b>				
1	Sundry Persons 2017			-	1,833,600
2	Alh. Ghani Shehu			5,225,100	8,190,350
3	Danladi Mohammed			240,000	500,000
4	Babangida Abdullahi			-	360,000
5	Hamza Aliyu			-	42,000
6	Abdullahi Aliyu			<u>-</u>	<u>500,000</u>
	<b><i>Balance Carried Forward</i></b>			<u>5,465,100</u>	<u>11,425,950</u>

# BAUCHI LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

		<b><u>2020</u></b>	<b><u>2019</u></b>
		<b><u>N</u></b>	<b><u>N</u></b>
	<b><u>APPENDIX 1: CONT'D</u></b>		
	<b><u>SCHEDULES OF ADVANCES</u></b>		
S/N	<b><i>Balance Brought Forward</i></b>	<b>5,465,100</b>	<b>11,425,950</b>
7	Umar Mohammed	200,000	500,000
8	Shehu Yelwa Jahun	1,622,340	8,425,235
9	Sulaiman Abubakar	605,000	865,000
10	Alh. Garba Muhammed	4,700	4,700
11	Danjuma Muhammed	601,400	1,400
12	Garba Yahaya	20,000	20,000
13	Education Secretary Bauchi LEA	2,082,500	2,082,500
14	Babangida Hamidu	-	20,000
15	Umar Ghani	55,000	110,000
16	Saidu I. Ghani	-	30,000
17	Marwanar Limanci	20,000	60,000
18	Sectional Head, Rural Water	20,000	20,000
19	Hon. Labaran Abdullahi	300,000	300,000
20	Idris Adamu Gulban	50,000	700,000
21	Alh. Bako G. Gamawa	1,956,000	1,906,000
22	Mohammed S.	585,000	-
23	Musa Danjuma	786,720	-
24	Abdullahi Yunusa	150,000	-
25	Auwal M. Saleh	80,000	-
26	Bala A. Jahun	70,000	-
27	Faruk G. Jahun	50,000	-
28	Audi Adamu	100,000	-
29	Maimuna Inuwa	50,000	-
30	Abbas Ibrahim Bura	20,000	-
31	Abubakar S. Ladan	40,000	-
32	Abbas Lawal	20,000	-
33	Murktar Adamu	20,000	-
34	Abdulkadir Abubakar	30,000	-
35	Sulaiman Saraki	5,000	-
36	Haji. Yelwa Muhammed	5,000	-
37	Abubakar Babama'aji	13,130,000	-
38	Isah A. Aliyu	5,000	-
39	Sulaiman M. Bello	5,000	-
40	Zainab Alkasim	5,000	-
41	Usman M. Shehu	5,000	-
42	Tanko Musa Jibril	5,000	-
43	Hamisu Shehu	5,000	-
44	Sulaiman Abdullahi	50,000	-
45	Danjuma Salmanu	5,000	-
46	Ali Babama'aji	<u>5,000</u>	<u>-</u>
	<b><i>Balance Carried Forward</i></b>	<b>28,233,760</b>	<b>26,470,785</b>

# BAUCHI LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

<b><u>APPENDIX 1: CONT'D</u></b>		<b><u>2020</u></b>	<b><u>2019</u></b>
<b><u>SCHEDULES OF ADVANCES</u></b>		<b><u>N</u></b>	<b><u>N</u></b>
S/N	<b><i>Balance Brought Forward</i></b>	<b>#####</b>	<b>26,470,785</b>
47	Danladi A. Bibi	5,000	-
48	Sagir Umar	5,000	-
49	Adamu Y. Lame	27,546,296	-
50	Ibrahim Ghani	5,000	-
51	Abubakar G. Badamasi	5,000	-
52	Shehu A. Galadani	5,000	-
53	Bala Inuwa	5,000	-
54	Abubakar Usman	5,000	-
55	Isah Usman Farouk	5,000	-
56	Sani Ladan	5,000	-
57	Sulaiman Y. Halad	5,000	-
58	Umar Garba	5,000	-
59	Mahdi A. Bashir	5,000	-
60	Sulaiman Maidawa	5,000	-
61	Yusuf Muhammed	5,000	-
62	Abdulhamid M. Aliyu	5,000	-
63	Shehu Sani	5,000	-
64	Rufai Mijinyawa	5,000	-
65	Ibrahim Garba	5,000	-
66	Ibrahim Musa	5,000	-
67	Bilyanu Yakubu	5,000	-
68	Sirajo A. Bashir	5,000	-
69	Usamatu L. Muhammed	5,000	-
70	Danjuma A. Muhammed	1,132,700	-
71	Imrana Muhammed	780,000	-
72	Isah Aliyu	5,000	-
73	Ahmed Dambam	150,000	-
74	Bala Adamu	5,000	-
75	Sadiq Babaji	30,000	-
76	Alh. Danladi M. Danbaba	300,000	-
77	Mahamood Babaji	150,000	-
78	Dauda Adamu	150,000	-
79	Abbas L awal	20,000	-
80	Muktar S. Adamu	20,000	-
81	Nuhu A. Jumba	20,000	-
82	Shehu A. Jumba	20,000	-
83	Ibrahim S. Jahun	20,000	-
84	Shehu Mudi	5,000	-
85	Isayku Sabo	10,000	-
86	Almustapha Alkali	100,000	-
87	Hon. Bulali	50,000	-
	<b><i>Balance Carried Forward</i></b>	<b>58,857,756</b>	<b>26,470,785</b>

**BAUCHI LOCAL GOVERNMENT COUNCIL****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020**

<b><u>APPENDIX 1: CONT'D</u></b>		<b><u>2020</u></b>	<b><u>2019</u></b>
<b><u>SCHEDULES OF ADVANCES</u></b>		<b><u>N</u></b>	<b><u>N</u></b>
<b>S/N</b>	<b><i>Balance Brought Forward</i></b>	<b>58,857,756</b>	<b>26,470,785</b>
88	Adamu Sallama	20,000	-
89	Abbas I. Bura	20,000	-
90	Sadiq A. Sambo	5,000	-
91	Nwur Y. Umar	5,000	-
92	Umar G. Alkas	5,000	-
93	Yakubu Maringuwa	5,000	-
94	Salisu T. Burai	5,000	-
95	Yahaya Haruna	50,000	-
96	Umar Isah	5,000	-
97	Yelwa Mohammed	5,000	-
98	Hon. Musa Zango	250,000	-
99	Hon. Rilwanu Umari	50,000	-
100	Nasiru Shaaban	5,000	-
101	Hassan Misau	50,000	-
102	Adamu Musa	5,000	-
103	Babangida Abdullahi	5,000	-
104	Haruna Jahun	5,000	-
105	Mamuda Garba	2,825,000	-
106	Muhammed S. Saraki	6,000,000	-
107	Abubakar Babama'aji	5,232,000	-
108	Sani Dankade	200,000	-
109	Salisu Zungni	100,000	-
110	Sirajo Miri	200,000	-
111	Haruna Shubutun	200,000	-
112	Ahmed Ibrahim	200,000	-
113	Umar Dindima	200,000	-
114	Sulaiman Yakubu	200,000	-
115	Muhammed H. Luda	200,000	-
116	Mahommed S. Isah	200,000	-
117	Kabiru A. Adamu	200,000	-
118	Inuwa N. Ilelah	200,000	-
119	Mohammed H. Luda	200,000	-
120	Muhammed S. Isah	200,000	-
121	Kabiru A. Adamu	200,000	-
122	Muhammed Mudi	200,000	-
123	Dahiru M. Habila	200,000	-
124	Rilwanu S. Umar	200,000	-
125	Safiyanu Yakubu	200,000	-
126	Aliyu M. Bello	200,000	-
127	Sarajo Mohammed	200,000	-
128	Rabiu Yushrau	200,000	-
129	Umar Saidu	200,000	-
	<b>Grand Total</b>	<b><u>77,709,756</u></b>	<b><u>26,470,785</u></b>



## **BOGORO LOCAL GOVERNMENT COUNCIL** **CORPORATE INFORMATION**

### **CORPORATE INFORMATION**

1. **CHAIRMAN, CARETAKER COMMITTEE**

Hon. Habila Iliya

2. **HEAD OF ADMINISTRATION**

Hon. Rakiya Musa Gurara

3. **DIRECTOR OF FINANCE**

Idris Bello

4. **BANKERS**

First Bank of Nigeria Plc  
Fidelity Bank Plc.  
Bauchi Investment Cooperation  
Micro Finance Bank

5. **AUDITORS**

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

E-mail: [johnejeheri@gmail.com](mailto:johnejeheri@gmail.com)

## **BOGORO LOCAL GOVERNMENT COUNCIL**

### **STATEMENT OF RESPONSIBILITIES ON THE FINANCIAL STATEMENTS**

These Financial Statements have been prepared by the Management of Bogoro Local Government Council in accordance with the provisions of the Finance (Council and Management) Act 1958 as amended. The Financial Statements comply with Generally Accepted Accounting Practice.

#### **RESPONSIBILITIES FOR FINANCIAL STATEMENTS:**

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

We accept responsibilities for the integrity of these Financial Statements, the information they contain and their compliance with the Finance (Council and Management) Act 1958 as amended.

In our opinion, these financial statements fairly reflect the financial position of the Local Government as at 31<sup>st</sup> December, 2020 and its operations for the year ended on that date.

*24/9/21*  
Tijja Habila  
Chairman's Name, Signature & Date

KAGIR BARI BERO  
Treasurer's Name, Signature & Date



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

We have audited the Financial Statements of *Bogoro Local Government Council* for the year ended 31<sup>st</sup> December, 2020 set out on pages 5 – 11, which have been prepared on the basis of accounting policies on page 4.

### **RESPECTIVE RESPONSIBILITIES OF THE MANAGEMENT**

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

### **AUDITORS' RESPONSIBILITY**

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

## **BASIS OF OPINION**

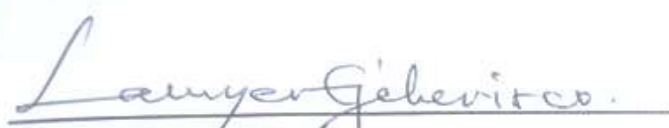
We conducted the audit in accordance with the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda for Local Governments.

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

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

## **Opinion**

In our opinion, the Financial Statements give a true and fair view of the financial position of the Council as at 31<sup>st</sup> December, 2020 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.

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



## **SIGNIFICANT ACCOUNTING POLICIES**

### **1. Basis of Preparation**

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

### **2. ACCOUNTING PERIOD**

The Financial Statements is for the accounting period from 01/01/2020 to 31/12/2020.

### **3. REPORTING CURRENCY**

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

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

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

### **5. ACCOUNTS RECEIVABLES**

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

### **6. PREPAYMENTS**

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

### **7. INVENTORY**

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

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


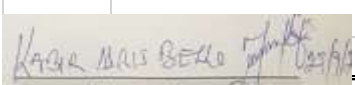
These are assets acquired or constructed and are held for use by the Council from which benefits are derivable beyond a financial year.

### **9. DEPOSITS**

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

# BOGORO LOCAL GOVERNMENT COUNCIL

## STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2020

		<u>2020</u>		<u>2019</u>	
	NOTES	N	N	N	N
<u>CURRENT ASSETS</u>					
Cash & Cash Equivalent	1	2,709,486		410,809	
Prepayments	2	<u>2,600,500</u>		<u>1,100,500</u>	
<b>Total Current Assets - A</b>			5,309,986		1,511,309
<u>NON-CURRENT ASSETS</u>					
Investments	3	16,600,828		16,600,828	
Property, Plant & Equipment	4	<u>58,908,850</u>		<u>30,908,850</u>	
<b>Total Non-Current Assets - B</b>			<u>75,509,678</u>		<u>47,509,678</u>
<b>Total Assets C = A + B</b>			80,819,664		49,020,987
			-----		-----
<u>CURRENT LIABILITIES</u>					
Deposits	5	<u>13,622,912</u>		<u>13,622,912</u>	
<b>Total Current liabilities - D</b>			13,622,912		13,622,912
<u>NON-CURRENT LIABILITIES</u>					
Public Fund	6	<u>79,003,625</u>		<u>79,003,625</u>	
<b>Total Non-Current liabilities - E</b>			<u>79,003,625</u>		<u>79,003,625</u>
<b>Total liabilities F = D + E</b>			92,626,537		92,626,537
			-----		-----
<b>Net Assets G = C - F</b>			<u>(11,806,873)</u>		<u>(43,605,550)</u>
<b><u>REPRESENTED BY:</u></b>					
<u>NET ASSETS/EQUITY</u>					
Capital Grants	7		43,091,215		43,091,215
Accumulated Fund	8		(54,898,088)		(86,696,765)
					
) CHAIRMAN					
					
) TREASURER					
<b>Total Net Assets/Equity H = G</b>			<u>(11,806,873)</u>		<u>(43,605,550)</u>
The Notes on pages 8 to 9 form an integral part of these Accounts					

			{ <b>2020</b> }			2019
<b>NOTES</b>			<b>ACTUAL</b>	<b>BUDGET</b>	<b>VARIANCE</b>	<b>ACTUAL</b>
			<b>₹</b>	<b>₹</b>	<b>₹</b>	<b>₹</b>
<b>REVENUE</b>						
Govt. Share of FAAC	9		1,592,049,119	1,585,402,234	6,646,885	909,584,249
Internally Generated Revenue	10		<u>1,008,900</u>	<u>22,478,500</u>	<u>(21,469,600)</u>	<u>174,490</u>
<i>Total Revenue (A)</i>			<u>1,593,058,019</u>	<u>1,607,880,734</u>	<u>(14,822,715)</u>	<u>909,758,739</u>
<b>LESS: EXPENDITURE</b>						
Personnel Cost	11		1,302,171,306	1,355,298,226	53,126,920	874,088,391
Overhead Cost	12		<u>259,088,036</u>	<u>206,921,552</u>	<u>(52,166,484)</u>	<u>43,645,866</u>
<i>Total Expenditure (B)</i>			<u>1,561,259,342</u>	<u>1,562,219,778</u>	<u>960,436</u>	<u>917,734,257</u>
<b>Surplus/(Deficit) for the Year (A-B)</b>			<u>31,798,677</u>	<u>45,660,956</u>	<u>(13,862,279)</u>	<u>(7,975,518)</u>
The Notes on pages 8 to 9 form an integral part of these Accounts						

**BOGORO LOCAL GOVERNMENT COUNCIL****FINANCIAL STATEMENTS**

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

**STATEMENT OF CHANGES IN EQUITY**

	Accumulated	Revaluation	Total
	₦	₦	₦
<b><i>Balance as at 31st December, 2018</i></b>	(78,721,247)	-	(78,721,247)
Surplus/(Deficit) on Revaluation	-	-	-
Prior Year Adjustment	-	-	-
Surplus/(Deficit)	(7,975,518)	-	(7,975,518)
	<u>(86,696,765)</u>	<u>-</u>	<u>(86,696,765)</u>
<b><i>Balance as at 31st December, 2019</i></b>	<u>(86,696,765)</u>	<u>-</u>	<u>(86,696,765)</u>
<b><i>Balance as at 31st December, 2019</i></b>	(86,696,765)	-	(86,696,765)
Surplus/(Deficit) on Revaluation	-	-	-
Prior Year Adjustment	-	-	-
Surplus/(Deficit)	31,798,677	-	31,798,677
	<u>(54,898,088)</u>	<u>-</u>	<u>(54,898,088)</u>
<b><i>Balance as at 31st December, 2020</i></b>	<u>(54,898,088)</u>	<u>-</u>	<u>(54,898,088)</u>



# BOGORO LOCAL GOVERNMENT COUNCIL

## FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2020

## CASH FLOW STATEMENTS

	2020		2019	
	N	N	N	N
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<i>Inflows</i>				
Government Share of FAAC	1,592,049,119		909,584,249	
Internally Generated Revenue	1,008,900		174,490	
Transfer from other Govt. Entities	-		-	
<b>Total inflow From Investing Activities (A)</b>	<b>1,593,058,019</b>		<b>909,758,739</b>	
<i>Outflows</i>				
Personnel Cost	1,302,171,306		874,088,391	
Social Benefits	-		-	
Overhead Cost	259,088,036		436,458,666	
Finance Cost	-		-	
<b>Total outflow From Investing Activities (B)</b>	<b>1,561,259,342</b>		<b>917,734,257</b>	
<b>Net Cash in flow/(outflow) from Operating Activities (A - B)</b>		<b>31,798,677</b>		<b>(7,975,518)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase/Construction of PPE	(28,000,000)		-	
Purchase/Construction of Investment Property	-		-	
Acquisition of Investments	-		-	
<b>Net Cash Flow from Investing Activities</b>		<b>(28,000,000)</b>		<b>(7,975,518)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Capital Grants Received				-
Proceeds from Borrowings		-		-
Repayments of Borrowings		-		-
<b>Net Cash Flow from Financing Activities</b>		<b>-</b>		<b>-</b>
<b>Net Cash Flow from All Activities</b>		<b>2,298,677</b>		<b>(7,975,518)</b>
<b>NET MOVEMENT IN CURRENT ASSETS/LIABILITIES</b>				
Net Movement in Receivables		-		-
Net Movement in Deposits		-		-
		<b>2,298,677</b>		<b>(7,975,518)</b>
<b>Net Cash Flow from All Activities</b>				
Cash & Its Equivalent as at - 1/1/2020		<b>410,809</b>		<b>8,386,327</b>
Cash & Its Equivalent as at - 31/12/2020		<b>2,709,486</b>		<b>410,809</b>
<b>Cash &amp; Its Equivalent as at - 31/12/2020</b>				
Cash Balances		-		-
Bank Balances		<b>2,709,486</b>		<b>410,809</b>
		<b>2,709,486</b>		<b>410,809</b>

# BOGORO LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

### **NOTES:**

			<b><u>2020</u></b>	<b><u>2019</u></b>
1	<u>Cash and Bank Balances</u>		N	N
	Fidelity Bank Plc (A/C-5030091368)		2,709,486	390,381
	First Bank Plc (A/C-2000139537)		-	13,057
	First Bank Plc (A/C-2004482420)		-	7,371
			<b><u>2,709,486</u></b>	<b><u>410,809</u></b>
2	<u>PREPAYMENTS</u>	<b><u>APPENDIX</u></b>		
	Advances	1	<u>2,600,500</u>	<u>1,100,500</u>
3	<u>INVESTMENTS</u>	2	<u>16,600,828</u>	<u>16,600,828</u>
4	<u>PROPERTY, PLANT &amp; EQUIPMENT</u>	3	<u>58,908,850</u>	<u>30,908,850</u>
5	<u>DEPOSITS</u>	4	<u>13,622,912</u>	<u>13,622,912</u>
6	<u>PUBLIC FUND</u>		<u>79,003,625</u>	<u>79,003,625</u>
7	<u>CAPITAL GRANT</u>			
	Paris club Refund		<u>43,091,215</u>	<u>43,091,215</u>
8	<u>ACCUMULATED FUND</u>			
	Balance brought Forward		(86,696,765)	(78,721,247)
	<i>Surplus/(Deficit) for the Year</i>		<u>31,798,677</u>	<u>(7,975,518)</u>
			<b><u>(54,898,088)</u></b>	<b><u>(86,696,765)</u></b>
9	<u>STATUTORY ALLOCATION</u>			
	Govt. Share of FAAC		<b><u>1,592,049,119</u></b>	<b><u>909,584,249</u></b>
10	<u>OTHER REVENUE</u>			
	Internally Generated Revenue		<b><u>1,008,900</u></b>	<b><u>174,490</u></b>
11	<u>PERSONNEL COST</u>			
	Salaries		1,288,113,306	874,088,391
	Allowances		<u>14,058,000</u>	-
			<b><u>1,302,171,306</u></b>	<b><u>874,088,391</u></b>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

<b>NOTES</b>				
12	<u>OVERHEAD COST</u>		<b><u>2020</u></b>	<b><u>2019</u></b>
12	<u>Allowances and Social Contribution</u>		N	N
	Security Allowances		5,370,000	-
	Honorarium and Sitting Allowances		5,172,450	-
	Welfare Package		<u>1,180,000</u>	<u>-</u>
	<b><i>Sub Total</i></b>		<b><u>11,722,450</u></b>	<b><u>-</u></b>
12	<u>Travel and Transport</u>			
	Local Travel and Transport - Others		<u>3,780,000</u>	<u>-</u>
	<b><i>Sub Total</i></b>		<b><u>3,780,000</u></b>	<b><u>-</u></b>
12	<u>Materials and Supplies</u>			
	Supply of Relief Materials		1,990,000	-
	Supply of Curtains		377,500	-
	Corona Virus Control		3,991,000	-
	Printing of Non-Security Documents		<u>60,000</u>	<u>-</u>
	<b><i>Sub Total</i></b>		<b><u>6,418,500</u></b>	<b><u>-</u></b>
12	<u>Miscellaneous Expenses</u>			
	Security Vote		7,000,000	-
	Refreshment and Meals		729,000	-
	Financial Assistance		2,070,000	-
	Hospitality and Entertainment		13,865,000	-
	Logistics Support		8,847,998	-
	Security Expenses		7,927,000	-
	Cleaning and Sanitation		1,850,000	-
	NATA and Fuelling		3,474,050	-
	Sporting Activities		117,000	-
	Bank Charges		26,641	-
	Publicity and Advertisement		120,000	-
	Sallah Gifts		1,700,000	-
	Special DAYS Celebration and Prayer		5,000,000	-
	OD Interest and Related Charges		<u>182,052,897</u>	<u>-</u>
	<b><i>Sub Total</i></b>		<b><u>234,779,586</u></b>	<b><u>-</u></b>
13	<u>Maintenance Services</u>			
	Maintenance of Generator		20,000	-
	Maintenance of Motor Vehicle		415,000	-
	Minor Road Maintenance		<u>452,500</u>	<u>-</u>
	<b><i>Sub Total</i></b>		<b><u>887,500</u></b>	<b><u>-</u></b>
13	<u>Consulting and Professional Services</u>			
	Legal Services		<u>1,500,000</u>	<u>-</u>
	<b><i>Sub Total</i></b>		<b><u>1,500,000</u></b>	<b><u>-</u></b>
	<b><i>Grand Total</i></b>		<b><u>259,088,036</u></b>	<b><u>43,645,866</u></b>

# BOGORO LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

<u>APPENDIX</u>					
<u>SCHEDULES OF ADVANCES</u>			<u>1</u>	<u>2020</u>	
S/N	<u>NAME OF STAFF</u>			<u>N</u>	
1	Hon. Iliya Habila			100,000	
2	Hon. Sunday Samuel			100,000	
3	Hon. Dai Bulus Yarda			100,000	
4	Hon. Babayo Manzo			100,000	
5	Hon. Gideon Landi			100,000	
6	Hon. John Daniel			100,000	
7	Hon. John Njwala			100,000	
8	Hon. Jessy Amos			100,000	
9	Hon. Simoen Shirya Ruben			100,000	
10	Hon. Emmanuel Yohanna			100,000	
11	Hon. Samson Jonathan			100,000	
12	Hon. Keziah Faruk			100,000	
13	Hon. Munza John			100,000	
14	Hon. Zabs Gaba Maman			100,000	
15	Hon. Uba Michael			<u>100,000</u>	
				1,500,000	
	<i>Balances brought forward from 2019</i>			<u>1,100,500</u>	
	<b>Total</b>			<b><u>2,600,500</u></b>	

# BOGORO LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

<b><u>APPENDIX 3</u></b>	As at		As at
	<u>1/1/2020</u>	<u>Additions</u>	<u>31/12/2020</u>
<b><u>PROPERTY, PLANT &amp; EQUIPMEN</u></b>	<b><u>N</u></b>	<b><u>N</u></b>	<b><u>N</u></b>
Completion of guest house	3,036,972	-	3,036,972
Drilling of borehole	9,975,000	500,000	10,475,000
Hand pump	4,307,692	-	4,307,692
Purchase of generator	65,000	-	65,000
Lock up shop	5,033,061	-	5,033,061
Construction of culvert	1,936,125	-	1,936,125
Renovation of primary school	1,115,500	-	1,115,500
Sport equipment	720,000	-	720,000
Purchase of motor cycle	2,009,500	-	2,009,500
Construction of BOI S/Complex	2,710,000	-	2,710,000
Renovation of Council Chamber	-	500,000	500,000
Purchase of Chairman Car	-	2,000,000	2,000,000
Construction of Bridges	-	25,000,000	25,000,000
	<b><u>30,908,850</u></b>	<b><u>28,000,000</u></b>	<b><u>58,908,850</u></b>
<b><u>APPENDIX 4</u></b>		<b><u>2020</u></b>	<b><u>2019</u></b>
<b><u>SCHEDULES OF DEPOSITS</u></b>		<b><u>N</u></b>	<b><u>N</u></b>
<b><u>PARTICULARS</u></b>			
FIRS - 5% VAT on Contracts		650,598	650,598
Contract Deduction		1,681,634	1,681,634
UBA NULGE Cash Loan		<u>11,290,680</u>	<u>11,290,680</u>
		<b><u>13,622,912</u></b>	<b><u>13,622,912</u></b>

# **DAMBAM LOCAL GOVERNMENT COUNCILS**

## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

## **CORPORATE INFORMATION**

### **CHAIRMAN**

**AHMED GARBA**

### **HEAD OF ADMINISTRATION**

**ALH. MUSA MODIBBO**

### **TREASURER**

**ABDULMUTALIB A. MAHMOUD**

### **AUDITORS**

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

### **BANKERS**

**FIDELITY BANK  
UNITY BANK**

# DAMBAM LOCAL GOVERNMENT COUNCIL

## FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020

### STATEMENT OF RESPONSIBILITY ON THE FINANCIAL STATEMENTS

#### STATEMENT OF RESPONSIBILITY RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Management of Dambam Local Government Council in accordance with the provisions of the Finance (Council and Management) Act 1958 as amended.

#### RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Management of Dambam Local Government is responsible for establishing and maintaining a system of the internal control designed to provide reasonable assurance that the transactions recorded are within statutory authority and properly record the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system 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 Finance (Control and Management). Act 1958 as amended.

In our opinion, these financial statements fairly reflect the financial position of the Local Government as at 31<sup>st</sup> December, 2020 and its operations for the year ended on that date.

Wazir A. LUSA  
CHAIRMAN

DATE

29/9/20

ABANI MOHAMMED JIKI  
TREASURER

DATE 29/9/2021



#### **BASIS OF OPINION**

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

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

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

#### **BASIS OF QUALIFIED OPINION**

Monthly bank reconciliation statements were not prepared in the year under review. There is difference between the cash book balance and the bank statement also the Local Government's monthly Loan/Overdraft transactions recorded in the cash book without the necessary details of the Loan/overdraft facilities, such as the interest and principal repayments and the total facility utilized by the Council in the year.

#### **OPINION**

In our opinion, Except for effects of the issues described in the basis of qualified opinion paragraph, the Financial Statements give a true and fair view of the financial position of the Council as at 31 December 2020 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.

SIGNED.....

**YAKUBU MOHAMMED MAHMOUD, FCA**  
FRC/ICAN/2016/00000015663  
FOR: ABDULKADEER MAHMOUD & CO.  
(CHARTERED ACCOUNTANTS)





**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

**SIGNIFICANT ACCOUNTING POLICIES**

**1. BASIS OF PREPARATION:**

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

**2. ACCOUNTING PERIOD**

The Financial Statements is for the accounting period from 1 January 2020 to 31 December 2020.

**3. REPORTING CURRENCY**

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

**4. CASH AND CASH EQUIVALENT**

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

**5. ACCOUNTS RECEIVABLES**

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

**6. PREPAYMENTS**

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

**7. INVENTORY**

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

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

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

**9. DEPOSITS**

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

**10.COMPARATIVE FIGURES**

Comparative figures were provided from the previous period for ease of comparison.

## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

### **SIGNIFICANT ACCOUNTING POLICIES Cont'd**

#### **11.BUDGET FIGURES**

Appropriation figures are the ones obtained from the Local Government's Appropriation bill.

#### **12.GOING CONCERN**

The Accounts are prepared with the assumption that the Local Government will continue as a Going Concern.

#### **13.RECEIPTS**

They represent monies received from Federal Account Allocation Committee (FAAC) and internally generated revenue.

#### **14.EXTERNAL ASSISTANCE**

The Council did not receive any External Assistance during the year under review.

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

**STATEMENT OF FINANCIAL POSITION**

	NOTES	2020 N	2020 N	2019 N	2019 N
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash & Cash Equivalents	5	(836,952)		4,438,771	
Prepayments	6	142,223,000		891,850	
Inventories		<u>-</u>		<u>-</u>	
Total Current Assets	A		141,386,048		5,330,621
<b>Non-Current Assets</b>					
Investments	7	19,423,568		19,423,568	
Property, Plant & Equipment	8	57,228,802		52,817,315	
Investment Property		<u>-</u>		<u>-</u>	
Total Non Current Assets	B		<u>76,652,370</u>		<u>72,240,883</u>
Total Assets C=A+B			<u><u>218,038,418</u></u>		<u><u>77,571,504</u></u>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Deposits	9	22,914,943		27,178,330	
Payables	10	<u>141,331,150</u>		<u>-</u>	
Total Current Liabilities	D		164,246,093		27,178,330
<b>Non Current Liabilities</b>					
Public Funds		<u>-</u>		<u>-</u>	
Long Term Borrowings		<u>-</u>		<u>-</u>	
Total Non Current Liabilities	E		-		-
Total Liabilities F=D+E			164,246,093		27,178,330
<b>NET ASSETS/EQUITY</b>					
Capital Grants	11	35,564,440		35,564,440	
Reserves	12	<u>18,227,885</u>	<u>53,792,325</u>	<u>14,828,734</u>	<u>50,393,174</u>
Total Net Assets/Equity H=G			<u><u>218,038,418</u></u>		<u><u>77,571,504</u></u>

Wazir A. CUBA  
 CHAIRMAN  
 AB

ABANI MOHAMMED JIKI  
 TREASURER

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

**STATEMENTS OF FINANCIAL PERFORMANCE**

2019			2020		
ACTUAL		NOTES	ACTUAL	BUDGET	VARIANCE
N			N	N	N
<b>REVENUE</b>					
1,381,117,473	Govt Share of FAAC	1	1,773,278,832	1,956,806,799	(183,527,967)
-	Govt Share of VAT	1	-	-	-
	Other receipt	1	122,930,342		
-	Tax Revenue	2	-	-	-
-	Non-Tax Revenue	2	-	-	-
-	Investment Income	2	-	-	-
-	Interest Earned	2	-	-	-
-	Aid & Grants		-		-
1,780,221	Other Revenue	2	4,084,080	14,127,225	(10,043,145)
<b>1,382,897,694</b>	<b>TOTAL REVENUE (a)</b>		<b>1,900,293,254</b>	<b>1,970,934,024</b>	<b>(70,640,770)</b>
<b>EXPENDITURE</b>					
1,004,610,250	Salaries	3	1,617,238,661	680,180,549	(937,058,112)
	Social Benefits			-	-
375,258,227	Overhead Cost	3	279,655,442	726,832,168	447,176,726
-	Grants & Contributions		-	-	-
-	Depreciation Charges		-	-	-
<b>1,379,868,477</b>	<b>TOTAL EXPENDITURE(b)</b>		<b>1,896,894,103</b>	<b>1,407,012,717</b>	<b>(489,881,386)</b>
<b>Surplus/(Deficit) from operating</b>					
<b>3,029,217</b>	<b>Activities for the period C=(a-b)</b>		<b>3,399,151</b>	<b>563,921,307</b>	<b>560,522,156</b>
-	Gain/Loss on Disposal	22	-	-	-
-	Gain/Loss on Foreign Exchange Transaction	23	-	-	-
-	Share of Surplus/(Deficit) In Assoc. & Joint V	24	-	-	-
-	<b>Total Non Operating Revenue or (Expenses)(d)</b>		<b>-</b>	<b>-</b>	<b>-</b>
3,029,217	Surplus/(Deficit)from Ordinary Activities e=(c+d)		3,399,151	563,921,307	560,522,156
-	Minority Interest Share of Surplus/(Deficit) (	25	-	-	-
<b>3,029,217</b>	<b>Net Surplus/(Deficit) for the period g=(e-f)</b>		<b>3,399,151</b>	<b>563,921,307</b>	<b>560,522,156</b>

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

**STATEMENT OF CHANGES IN EQUITY**

	Accumulated Fund =N=	Revaluation Reserve =N=	TOTAL =N=
Balance as at 31 December 2018	11,799,517	-	11,799,517
Surplus /(Deficit) on revaluation	-	-	-
Surplus /(Deficit)	<u>3,029,217</u>	<u>-</u>	<u>3,029,217</u>
	<u><b>14,828,734</b></u>	<u><b>-</b></u>	<u><b>14,828,734</b></u>
			-
Balance as at 31 December 2019	<u><b>14,828,734</b></u>	<u><b>-</b></u>	<u><b>14,828,734</b></u>
Balance as at 31 December 2019	14,828,734	-	14,828,734
Surplus /(Deficit) on revaluation	-	-	-
Surplus /(Deficit)	<u>3,399,151</u>	<u>-</u>	<u>3,399,151</u>
	<u><b>18,227,885</b></u>	<u><b>-</b></u>	<u><b>18,227,885</b></u>
			-
Balance as at 31 December 2020	<u><b>18,227,885</b></u>	<u><b>-</b></u>	<u><b>18,227,885</b></u>

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

**STATEMENT OF CASH FLOW**

Description	Notes	2020	2019
		N	N
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>			
<i>Inflows</i>			
Government Share of FAAC	1,773,278,832	1,381,117,473	
Government Share of VAT	-	-	
Other receipts	122,930,342		
Interest Earned	-	-	
Aid & Grants	-	-	
Other Revenue	4,084,080	1,780,221	
<b>Total inflow from Operating Activities (A)</b>		1,900,293,254	1,382,897,694
<i>Outflows</i>			
Salaries & Wages	(1,617,238,661)	(1,004,610,250)	
Social Benefits	-	-	
Overhead Cost	(279,655,442)	(375,258,227)	
<b>Total outflow from operating Activities (B)</b>		(1,896,894,103)	(1,379,868,477)
<b>Net Cash Inflow/(Outflow) from Operating Activities C=(A+B)</b>		3,399,151	3,029,217
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Investment	-	2,592,816	
Dividends Received	-	-	
Purchase/Construction of PPE	(4,411,487)	(2,486,925)	
Purchase/Construction of Investment Property	-	-	
Acquisition of investments	-	-	
<b>Net Cash from Investing Activities</b>		(4,411,487)	105,891
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Capital Grants Received	-	-	
Proceeds from Borrowings	-	-	
Repayment of Borrowings	-	-	
<b>Net Cash Flow from Financing Activities</b>		-	-
<b>Net Cash flow from all Activities</b>		(1,012,336)	3,135,108
<b>Net Movement in Current Assets / Liabilities</b>			
Net Movement in Inventories			
Net Movement in Receivables	(141,331,150)		(891,850)
Net Movement in Payables	137,067,763		2,204,500
	(4,263,387)		1,312,650
Net Cash Flow from Operating Activities	(5,275,723)		4,447,758
Cash & Its Equivalent as at 1/1/2020	4,438,771		(8,986)
<b>Cash &amp; Its Equivalent as at 31/12/2020</b>	<b>(836,953)</b>		<b>4,438,771</b>
<b>Cash &amp; its Equivalent as at 31/12 2020</b>			
Cash Balances	-		-
Bank Balances	(836,952)		4,438,771
	<b>(836,953)</b>		<b>4,438,771</b>

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

**CAPITAL DEVELOPMENT FUND**

	<b>2020</b>	<b>2019</b>
	<b>N</b>	<b>N</b>
<b>Balance b/f</b>	<b>52,817,315</b>	
Construction of slaughter slab	-	214,755.00
Motor Vehicle	-	2,272,170.00
Joint projects	1,511,750	-
Construction/provision of infrastructure		2,126,600
Rehabilitation/repairs –water facilities		1,044,000
Rehabilitation/repairs –electricity		989,000
Purchase of guest house		15,400,000
Purchase of Residential building		3,500,000
Purchase of motor cycles		1,151,269
Purchase of office furniture & fittings		3,600,000
Rehabilitation/repairs–Market/parks		1,019,500
Construction/provision of water facilities		3,020,000
Rehabilitation/repairs–Agricultural facilities		859,021
Rehabilitation/repairs of residential building		500,000
Construction/provision of water–ways		1,375,000
Construction/provision of electricity		2,000,000
Rehabilitation/repairs –Roads		1,500,000
Construction/provision of residential buildings	2,899,737	9,325,000
Construction/provision of housing	-	2,351,000
Renovation of market	-	570,000
	<b><u>57,228,802</u></b>	<b><u>52,817,315</u></b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

	<b>2020</b>	<b>2019</b>
	<b>N</b>	<b>N</b>
<b>NOTE 1 STATUTORY ALLOCATION</b>		
Share of FAAC	1,773,278,832	1,381,117,473
Other receipts	122,930,342	-
	<u><b>1,896,209,174</b></u>	<u><b>1,381,117,473</b></u>
<b>NOTE 2 OTHER REVENUE</b>		
Internally Generated Revenue	4,084,080	1,780,221
10% Share of State Internal Revenue	-	-
	<u><b>4,084,080</b></u>	<u><b>1,780,221</b></u>
<b>NOTE 3 PERSONNEL COST</b>		
Staff Salaries & Wages	1,400,396,167	675,562,079
LEA Staff Salaries	37,052,386	218,950,235
Pension & gratuity	171,332,108	101,788,436
Allowances	8,458,000	8,309,500
	<u><b>1,617,238,661</b></u>	<u><b>1,004,610,250</b></u>
<b>NOTE 4 OVERHEAD COST</b>		
<i>ALLOWANCES AND SOCIAL CONTRIBUTION</i>		
Security allowance	60,853,238	55,742,823
Grants to community/NGOs/Emirate Council	59,980,564	69,380,628
PHCDA (Agency)	-	40,515,792
Immunization	981,750	2,067,135
Hajj	-	14,225,134
Joint projects and mandetory payments	56,510,926	81,450,887
Contribution to BASUG	24,000,000	16,012,300
Honourarium & sitting allowance	663,000	7,396,000
Welfare package	100,000	4,624,875
Disturbance allowance	341,500	624,253
	<u><b>203,430,978</b></u>	<u><b>292,039,828</b></u>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

	2020 N	2019 N
<i>TRAVEL &amp; TRANSPORT</i>		
Local travel & transport: Others	5,126,842	11,655,260
Max air	4,428,000	
Local travel & transport: Training	-	145,000
	<u>9,554,842</u>	<u>11,800,260</u>
<i>MATERIALS AND SUPPLIES</i>		
Purchase of customised bags	-	3,075,000
Purchase of exercise books	-	2,000,000
Office stationeries/computer consumables	145,000	265,000
Drug and medical supplies	1,500,000	-
Printing of security document	974,000	
Printing of non-security document	40,000	587,631
	<u>2,659,000</u>	<u>5,927,631</u>
<i>MISCELLANEOUS EXPENSES</i>		
Security services	26,760,000	13,490,000
Refreshment & Meals	12,300,000	19,814,250
Financial Assistance	1,322,000	1,162,380
Workshop	500,000	2,100,000
Trade Fair	-	600,000
Sporting activities	-	15,000
Residential rent	30,000	150,000
Electricity bills	700,000	1,000,000
	<u>41,612,000</u>	<u>38,331,630</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

	2020 N	2019 N
<b><i>MAINTENANCE SERVICES</i></b>		
Maintenance of generator	80,000	-
Maintenance of office furniture	181,000	-
Maintenance of communication equipments	-	58,500
Other maintenance service	2,787,000	4,759,200
Maintenance of motor vehicles	611,000	8,721,950
Maintenance of of office building	1,097,000	1,988,800
Motor vehicle fuel cost	476,000	396,000
	<u>5,232,000</u>	<u>15,924,450</u>
<b><i>CONSULTING &amp; PROFESSIONAL SERVICES</i></b>		
Medical consulting		-
Legal	2,870,000	
Information technology consulting	-	800,000
	<u>2,870,000</u>	<u>800,000</u>
<b>FINANCIAL CHARGES</b>		
1% admin Charges	14,276,699	10,407,357
Bank charges	19,923	27,071
	<u>14,296,622</u>	<u>10,434,427</u>
<b>Total overheads</b>	<u>279,655,442</u>	<u>375,258,227</u>

**NOTE 5 CASH & CASH EQUIVALENT**

Bank Balance	(836,952)	4,438,771
Cash	-	-
	<u>(836,952)</u>	<u>4,438,771</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

	2020 N	2019 N
<b>NOTE 6 RECEIVABLES &amp; PREPAYMENTS</b>		
Receivables	141,331,150	-
Advances	891,850	891,850
	<u>142,223,000</u>	<u>891,850</u>
<b>NOTE 7 INVESTMENTS</b>	<u>19,423,568</u>	<u>19,423,568</u>
<b>NOTE 8 CAPITAL EXPENDITURE</b>		
Balance b/f	52,817,315	
Construction of slaughter slab	-	214,755.00
Motor Vehicle	-	2,272,170.00
Joint projects	1,511,750	-
Construction/provision of infrastructure		2,126,600
Rehabilitation/repairs -water facilities		1,044,000
Rehabilitation/repairs -electricity		989,000
Purchase of guest house		15,400,000
Purchase of Residential building		3,500,000
Purchase of motor cycles		1,151,269
Purchase of office furniture & fittings		3,600,000
Rehabilitation/repairs-Market/parks		1,019,500
Construction/provision of water facilities		3,020,000
Rehabilitation/repairs-Agricultural facilities		859,021
Rehabilitation/repairs of residential building		500,000
Construction/provision of water-ways		1,375,000
Construction/provision of electricity		2,000,000
Rehabilitation/repairs -Roads		1,500,000
Construction/provision of residential buildings	2,899,737	9,325,000
Construction/provision of housing	-	2,351,000
Renovation of market	-	570,000
	<u>57,228,802</u>	<u>52,817,315</u>
<b>NOTE 9 DEPOSITS</b>	<u>22,914,943</u>	<u>27,178,330</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

	<b>2020</b>	<b>2019</b>
	<b>N</b>	<b>N</b>
<b>NOTE 10 PAYABLES</b>		
Staff salaries & other expenses(Dec.2020)	<u><b>141,331,150</b></u>	<u><b>-</b></u>
<b>NOTE 11 CAPITAL GRANT</b>		
Paris club refund	<u><b>35,564,440</b></u>	<u><b>35,564,440</b></u>
<b>NOTE 12 RESERVES</b>		
Brought Forward	14,828,734	11,799,517
Operating Balance for the Year	<u><b>3,399,151</b></u>	<u><b>3,029,217</b></u>
	<u><b>18,227,885</b></u>	<u><b>14,828,734</b></u>

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

**APPENDICES**

**SCHEDULES OF INVESTMENT**

**APPENDIX 1**

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

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**  
**APPENDICES CONT'D**

<b>SCHEDULES OF ADVANCES</b>		
<b>S/N</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
1	Sundry persons	<u><u>891,850</u></u>

<b>SCHEDULES OF DEPOSIT</b>		
<b>APPENDIX 3</b>		
<b>S/N</b>	<b>PARTICULARS</b>	<b>AMOUNT</b>
1	5% C.P.D	4,404,223.04
2	5% VAT	2,993,144.87
3	Pay As You Earn (P.A.Y.E.)	1,315,061.39
4	NULGE Union Dues	44,074.32
5	Mortgage	188,496.69
6	MHWUN Union Dues	2,163.00
7	FIRS – WHT	28,000.00
8	NANM Union Dues	90,963.96
9	Staff welfare scheme	474,604.00
10	Loan to Local Government	11,025,954.88
11	Agric loan	330,774.66
12	Motorcycle loan	1,084,455.88
13	Loan from Shira LGA	26,000.00
14	O.V.C	284,191.58
15	Mosque deduction	5,000.00
16	Staff ID cards	259,200
22	N.H.F.	<u>358,634</u>
		<u><u>22,914,943</u></u>

# **DARAZO LOCAL GOVERNMENT COUNCIL**

**DARAZO LOCAL GOVERNMENT COUNCIL, BAUCHI STATE**

## **CORPORATE INFORMATION**

### **Chairman**

Hon Engr. Mahmud Bello

### **Head of Admin**

Adamu D. Mohammmad

### **Treasurer**

Auwal Magaji Zaleh

### **Auditors**

Tijani Abdulkadir & Co.  
(Chartered Accountants)

### **Bankers:**

First Bank of Nig Plc

Fidelity Bank Plc

## DARAZO LOCAL GOVERNMENT COUNCIL

### STATEMENT OF RESPONSIBILITY ON THE FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Management of Darazo Local Government Council in accordance with the provisions of the Finance (Council and Management) Act 1958 as amended, Financial Memoranda for Local Governments and Bauchi State Public Sector Audit and Other Related Matters Laws, 2021. The Financial Statements comply with Generally Accepted Accounting Practice.

#### Responsibility for Financial Statements

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

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the Finance (Control and Management), Act 1958 as amended, Financial Memoranda and Bauchi State Public Sector Audit and Other Related Matters Laws, 2021.

In our opinion, these financial statements fairly reflect the financial position of the Local Government as at 31<sup>st</sup> December, 2020 and its operations for the year ended on that date.

29/9/2021.  
MAMMODO BELLO MELU

Chairman's Name, Signature & Date

29/9/21  
AUGUST MAGAZI SADAHI

Treasurer's Name, Signature & Date



### **Report of the Auditors on the Financial Statements of Darazo Local Govt Council**

We have audited the Financial Statements of Darazo Local Government Council for the year ended 31 December, 2020 set out on pages 6 - 9, which have been prepared on the basis of significant accounting policies on pages 5 and other explanatory notes on pages 10 -13.

#### **Responsibility of the Management**

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

#### **Auditors' Responsibility**

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

#### **Basis of Opinion**

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

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

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

### **Opinion**

In our opinion, the Financial Statements give a true and fair view of the financial position of the Council as at 31 December 2020 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.



For: Tijani AbdulKadir & Co  
Chartered Accountants  
Bauchi, Nigeria

**Engagement Partner: Abdulkadir Tijani**  
FRC/2014/ICAN/00000010533  
27 September, 2021



## **DARAZO LOCAL GOVERNMENT COUNCIL**

### **STATEMENT OF ACCOUNTING POLICES**

**1. Basis of Preparation**

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

**2. Accounting Period**

The Financial Statements is for the accounting year from 1 January 2020 to 31 December 2020.

**3. Reporting Currency**

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

**4. Cash and Cash Equivalent**

This represents cash balance on hand and those held in bank accounts.

**5. Accounts Receivables**

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

**6. Prepayments**

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

**7. Inventory**

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

**8. Property Plant & Equipment (PPE)**

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

**9. Deposits**

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

**DARAZO LOCAL GOVERNMENT COUNCIL, BAUCHI STATE**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2020**

	Notes	2020 ₦	2020 ₦	2019 ₦	2019 ₦
<b><u>ASSETS</u></b>					
<b>Current Assets</b>					
Cash & Cash Equivalents	1	233,657		9,740,464	
Advances	2	<u>2,712,000</u>		<u>5,378,400</u>	
(A) Total Current Assets			2,945,657		15,118,864
<b>Non-Current Assets</b>					
Investments	3	20,842,248		20,842,248	
Property, Plant & Equipment	4	<u>138,214,773</u>		<u>90,642,622</u>	
(B) Total Non-Current Assets			<u>159,057,021</u>		<u>111,484,870</u>
<b>Total Assets (C) =(A) + (B)</b>			<b><u>162,002,678</u></b>		<b><u>126,603,734</u></b>
<b><u>LIABILITIES</u></b>					
<b>Current Liabilities</b>					
Deposits	5	<u>26,225,566</u>		<u>8,630,675</u>	
(D) Total Current Liabilities			26,225,566		8,630,675
<b>Non-Current Liabilities</b>					
Long Term Borrowings		<u>0</u>		0	
(E) Total Non-Current Liabilities			<u>0</u>		<u>0</u>
<b>(F) Total Liabilities (F)=(D) + (E)</b>			<u>26,225,566</u>		<u>8,630,675</u>
<b>NET ASSETS/FUND</b>					
Capital Grants	6	44,472,316		44,472,316	
Reserves	7	<u>91,304,796</u>		<u>73,500,743</u>	
			<u>135,777,112</u>		<u>117,973,059</u>
<b>Total Net Assets &amp; Liabilities</b>			<b><u>162,002,678</u></b>		<b><u>126,603,734</u></b>

The accounting policies on page 5 and the notes on page 10 - 13 form integral part of these Financial Statements and were approved by the undersigned.

29/9/2021.  
MAHAMMUD BELLO MELU

**Chairman's Name, Signature & Date**

29/9/21  
AUNIS ALAGAH SAGAH

**Treasurer's Name, Signature & Date**

**DARAZO LOCAL GOVERNMENT COUNCIL, BAUCHI STATE**

**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DEC 2020**

<b>2019 ACTUAL</b>		<b>NOTES</b>	<b>ACTUAL 2020</b>	<b>BUDGET 2020</b>	<b>VARIANCE</b>
<b>₦</b>			<b>₦</b>	<b>₦</b>	<b>₦</b>
	<b>REVENUE</b>				
1,860,365,187	Statutory Allocation	8	2,247,485,686	2,656,977,163	(409,491,477)
0	Other Receipt	9	58,088,550	0	58,088,550
	Internally Generated				
<u>6,321,048</u>	Revenue	10	<u>12,246,189</u>	<u>101,209,098</u>	(88,962,909)
<b><u>1,866,686,235</u></b>	<b>Total Recurrent</b>		<b><u>2,317,820,425</u></b>	<b><u>2,758,186,261</u></b>	(440,365,836)
	<b>Expenditure</b>				
	<b>EXPENDITURE</b>				-
1,286,543,853	Personnel Cost	11	1,821,407,762	1,950,012,500	(128,604,708)
<u>543,154,634</u>	Overhead Cost	12	<u>448,606,855</u>	<u>842,876,561</u>	(522,874,444)
<b><u>1,829,698,487</u></b>	<b>Total Recurrent</b>		<b><u>2,270,014,617</u></b>	<b><u>2,792,889,061</u></b>	1,949,002,117
	<b>Expenditure</b>				
36,987,748	Surplus from Ordinary Activities		47,805,808	(34,702,800)	82,508,608
0	Minority Interest Share of Surplus		0	0	-
<b>36,987,748</b>	<b>Net Surplus for the year</b>		<b>47,805,808</b>	<b>(34,702,800)</b>	82,508,608

The accounting policies on page 5 and the notes on page 10 - 13 form integral part of these Financial Statements

**DARAZO LOCAL GOVERNMENT COUNCIL, BAUCHI STATE**

**STATEMENT OF CHANGE IN NET ASSETS/FUND AS AT 31 DECEMBER, 2020**

	<b>Capital Fund ₦</b>	<b>Reserve ₦</b>	<b>TOTAL ₦</b>
Balance as at 31 December 2019	44,472,316	73,500,743	117,973,059
Prior Year Adjustments		(30,001,755)	(30,001,755)
Surplus	0	<u>47,805,808</u>	<u>47,805,808</u>
Balance as at 31 December 2020	<b><u>44,472,316</u></b>	<b><u>91,304,796</u></b>	<b><u>135,777,112</u></b>
Balance as at 31 December 2018	44,472,316	36,512,995	80,985,311
Surplus	0	<u>36,987,748</u>	<u>36,987,748</u>
Balance as at 31 December 2019	<b><u>44,472,316</u></b>	<b><u>73,500,743</u></b>	<b><u>117,973,059</u></b>

**DARAZO LOCAL GOVERNMENT COUNCIL, BAUCHI STATE**

**CASHFLOW STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2020**

<b>Description</b>	<b>Notes</b>	<b>2020 ₦</b>	<b>2019 ₦</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>			
<b>Inflows</b>			
Statutory Allocation	8	2,247,485,686	1,860,365,187
Other Receipts		58,088,550	-
Internally Generated Revenue	9	<u>12,246,189</u>	<u>6,321,048</u>
<b>Total inflow from Operating Activities</b>		2,317,820,425	1,866,686,235
<b>Outflows</b>			
Salaries & Wages	10	(1,821,407,762)	(1,860,365,187)
Overhead Cost	11	<u>(448,606,855)</u>	<u>(6,321,048)</u>
		<u>(2,270,014,617)</u>	<u>(1,866,686,235)</u>
<b>Total outflow from operating Activities</b>		47,805,808	
<b>Prior Year Adjustment</b>		(30,001,755)	
<b>Net Cash Inflow/(Outflow) from Operating Activities</b>		<b>17,804,053</b>	<b>36,987,748</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase/Construction of PPE		<u>(47,572,151)</u>	<u>(37,234,961)</u>
<b>Net Cash from Investing Activities</b>		<b>(47,572,151)</b>	<b>(37,234,961)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Movement in Deposits		17,594,891	(6,545,552)
Movement in Advances		<u>2,666,400</u>	<u>(4,248,400)</u>
<b>Net Cash Flow from Financing Activities</b>		<b><u>20,261,291</u></b>	<b><u>(10,793,952)</u></b>
<b>Net Cash flow from All Activities</b>		<b>(9,506,807)</b>	<b>(11,041,165)</b>
<b>Cash &amp; its Equivalent as at 1/1/ 2020</b>		<b><u>9,740,464</u></b>	<b><u>20,781,629</u></b>
<b>Cash &amp; its Equivalent as at 31/12/2020</b>		<b><u>233,657</u></b>	<b><u>9,740,464</u></b>

# DARAZO LOCAL GOVERNMENT COUNCIL, BAUCHI STATE

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2020

		2020	2019
		N	N
<b>1. Cash and Cash Equivalent</b>			
Cash		189,378	1,067
Bank: First Bank (2008967716) - Revenue		2,936	1,266,523
First Bank (2000714567)- Mass Transit		33,912	74,199
First Bank (2007133383) - Main Account		7,213	7,436
Fidelity Bank (5030050820)		218	8,391,239
		<u>233,657</u>	<u>9,740,464</u>
<b>2. Receivables</b>			
Schedule of Advances	<b>Schedule I</b>	<u>2,712,000</u>	<u>5,378,400</u>
		<u>2,712,000</u>	<u>5,378,400</u>
<b>3. Investments</b>			
Schedule of Investments	<b>Schedule II</b>	<u>20,842,248</u>	<u>20,842,248</u>
		<u>20,842,248</u>	<u>20,842,248</u>
<b>4. Property, Plant &amp; Equipment</b>	<b>As at 31-12-2020</b>	<b>Addition</b>	<b>As at 1-1-2020</b>
Rehabilitation/Repairs of Housing	3,014,243	1,170,000	1,844,243
Motor Vehicle, Truck and Tricycles	8,847,980	1,560,000	7,287,980
Rehabilitation/Repairs of Roads	6,889,600	992,000	5,897,600
Rehabilitation/Repairs of Market / Parks	6,178,616	3,746,736	2,431,880
Construction/ Provision of Primary School	14,857,550	14,625,000	232,550
Land Compensation	2,118,166		2,118,166
Rehabilitation/Repairs of Electricity	18,029,420		18,029,420
Renovation of Building	6,162,411		6,162,411
Joint Project	5,569,511		5,569,511
Construction of Power Generation Plant	1,200,000		1,200,000
Purchase of Office Equipment	3,100,000		3,100,000
Planting of Trees	3,128,000	3,128,000	
Purchase of Office Furniture	4,464,850		4,464,850
Construction of Box Culvert	612,040		612,040
Max Air Contributions	2,850,000		2,850,000
Renovation of Dispensary/ Maternity	6,972,415	5,318,415	1,654,000
Agricultural Equipment and Inputs	22,035,000	15,535,000	6,500,000
Rehabilitation/ Repairs of Water Facilities	15,483,597	1,497,000	13,986,597
Construction/ Provision of Infrastructure	<u>6,701,374</u>	<u>0</u>	<u>6,701,374</u>
	<u>138,214,773</u>	<u>47,572,151</u>	<u>90,642,622</u>
<b>5. Payable</b>			
Schedule of Deposits	<b>Schedule III</b>	<u>26,225,566</u>	<u>8,630,675</u>
		<u>26,225,566</u>	<u>8,630,675</u>



**DARAZO LOCAL GOVERNMENT COUNCIL, BAUCHI STATE****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2020**

	<b>2020</b>	<b>2019</b>
	<b>₦</b>	<b>₦</b>
<b>6. Capital Grant</b>		
Balance B/F	<u>44,472,316</u>	<u>44,472,316</u>
	<u>44,472,316</u>	<u>44,472,316</u>
<b>7. Reserves</b>		
Brought Forward	73,500,743	36,512,995
Adjustment	(30,001,755)	
Surplus/ (Deficit) for the year	<u>47,805,808</u>	<u>36,987,748</u>
	<u>91,304,796</u>	<u>73,500,743</u>
<b>8. Statutory Allocation</b>		
Council and Staff Salaries	<u>2,247,485,686</u>	<u>1,860,365,187</u>
	<u>2,247,485,686</u>	<u>1,860,365,187</u>
<b>9. Other Revenue</b>		
Other Income	<u>58,088,550</u>	
	<u>58,088,550</u>	
<b>10. Internally Generated Revenue</b>		
L.G. Internally Generated Revenue	9,314,189	5,532,267
Share of State Internal Revenue	<u>2,932,000</u>	<u>788,781</u>
	<u>12,246,189</u>	<u>6,321,048</u>
<b>11. Personnel Cost</b>		
Salaries & Wages	865,737,957	680,640,650
LEA Salaries	692,327,976	447,262,277
Pension, Gratuity & PAYE	240,241,829	126,086,797
Emirate Council Allowances	<u>23,100,000</u>	<u>32,554,129</u>
	<u>1,821,407,762</u>	<u>1,286,543,853</u>
<b>12. Overhead Cost</b>		
<b>12.1 Allowances and Social Contribution:</b>		
Security Allowance	43,148,000	41,604,550
Honorarium & Sitting Allowance	7,267,000	4,613,500
Disturbance Allowance	2,438,000	1,858,134
Immunization Supervision Allowance	5,326,163	2,904,162
2019 Hajj	0	18,041,634
Christmas Gift	400,000	0
Sallah Gift	0	5,000,000
Quranic Recitation	1,690,000	1,873,000
Contribution to Gov't Agencies	139,573,640	113,117,018
Hospitality & Entertainment	3,562,000	4,955,100
Grant to Community/ NGO	<u>40,696,215</u>	<u>34,573,636</u>
	<u>244,101,018</u>	<u>228,540,734</u>

**DARAZO LOCAL GOVERNMENT COUNCIL, BAUCHI STATE****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2020**

	<b>2020</b>	<b>2019</b>
	<b>₦</b>	<b>₦</b>
<b>12.2 Travel and Transport:</b>		
Local Travel & Transport: Others	15,751,375	14,974,153
Local Travel & Transport: Training	2,325,000	800,030
International Travel & Transport	<u>826,000</u>	<u>740,000</u>
	<u>18,902,375</u>	<u>16,514,183</u>
<b>12.3 Materials and Supplies:</b>		
Production of Customised Bag	2,100,000	3,900,000
Supplies of Books and Other Teaching/Learning Aids	30,000	488,000
Office Stationeries/ Computer Consumables	5,280,000	282,000
Drug and Medical Supplies	57,501,979	54,628,050
Printing of Non-Security Documents	1,350,000	1,015,000
Uniform and other Clothing	820,000	690,000
Production of Almanac	5,417,500	333,750
Production of Curriculum	<u>0</u>	<u>29,641,250</u>
	<u>72,499,479</u>	<u>90,978,050</u>
<b>12.4 Miscellaneous Expenses:</b>		
Security Vote	10,740,000	12,000,000
Refreshment & Meals	9,856,200	8,267,800
Local Training	5,775,000	3,850,000
Mandatory Payment	44,200,985	151,669,516
Telephone, Postage and Carrier Services	150,000	80,000
Electricity Bills	225,000	129,000
Water Rate	130,000	
Special Days Celebration and Prayer	2,850,000	2,540,000
Bank Charges	37,369	244,737
10% Admin Charges	2,712,539	12,613,982
15% Comm Dividend		13,008
Medical Expenses	190,000	70,000
Welfare Package	<u>26,103,000</u>	<u>811,350</u>
	<u>102,970,093</u>	<u>192,289,393</u>

**DARAZO LOCAL GOVERNMENT COUNCIL, BAUCHI STATE****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2020**

	<b>2020</b>	<b>2019</b>
	<b>₦</b>	<b>₦</b>
<b>12.5 Maintenance Services:</b>		
Maintenance of Generators	280,000	109,200
Maintenance of Office Furniture	2,000,000	1,269,100
Maintenance of Borehole		7,386,914
Maintenance of Minor Road	50,000	
Other Maintenance Service	120,000	0
Other Transport Equipment Fuel cost	412,000	298,400
Motor Vehicles Fuel cost	562,000	77,000
Maintenance of Office Equipment	843,000	571,000
Maintenance of Street Light	154,900	117,000
Maintenance of Motor Vehicles	2,229,990	2,491,010
Maintenance of Building	<u>579,000</u>	<u>416,650</u>
	<u>7,230,890</u>	<u>12,736,274</u>
<b>12.6 Consulting and Professional Services:</b>		
Legal Service	1,560,000	
Audit Fees		988,000
Agricultural Consulting	1,166,000	870,000
Survey Service	177,000	0
Engineering Services	<u>0</u>	<u>238,000</u>
	<u>2,903,000</u>	<u>2,096,000</u>
<b>Total Overheads</b>	<b><u>448,606,855</u></b>	<b><u>543,154,634</u></b>

**DARAZO LOCAL GOVERNMENT COUNCIL, BAUCHI STATE**

**SCHEDULE OF THE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER, 2020**

**Schedule I**

**Schedule of Advances as at Year ended 31 Dec. 2020**

<b>SN</b>	<b>Name</b>	<b>Purpose</b>	<b>Amount</b> <b>₦</b>
1	Sundry Person	Imprest	182,000.00
2	Sundry Person	Imprest	450,000.00
3	Sundry Person	Imprest	280,000.00
4	Sundry Person	Special Adv.	<u>1,800,000.00</u>
			<b><u>2,712,000.00</u></b>

**Schedule II**

**Schedule of Investments**

<b>S/N</b>	<b>Name of Company</b>	<b>Amount</b> <b>₦</b>
1	Afri Bank	72,000.00
2	Union Bank	50,000.00
3	Savannah Bank	50,000.00
4	Int. Mech Bank	50,000.00
5	Kaolin Project	462,023.62
6	Zaranda Hotel	73,260.00
7	Ashaka Cement	60,000.00
8	Inland Bank	1,400,000.00
9	First Bank Plc	67,430.00
10	BPPC	200,000.00
11	Access Bank	950,000.00
12	INL. Bank	12,000,000.00
13	Total	500.00
14	JMID	<u>5,407,033.89</u>
		<b><u>20,842,247.51</u></b>

**DARAZO LOCAL GOVERNMENT COUNCIL, BAUCHI STATE**

**SCHEDULE OF THE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER, 2020**

**Schedule III.**

**Schedule of Deposit**

<b>S/N</b>	<b>Particulars</b>	<b>Dep. No.</b>	<b>Balance</b>
			<b>₦</b>
1	NANNM	D1	24,505.82
2	5% CPD	D2	4,479,661.31
3	10% Retention Money	D3	6,412,677.80
4	5% Value Added Tax (VAT)	D4	3,886,110.66
5	NACHP Dues	D5	397,173.73
6	Intercontinental Bank	D6	1,014,693.07
7	LG Staff Shares	D7	1,738,500.00
8	AH Shitu	D8	708,333.00
9	LEA Darazo Local Gov't	D9	1,050.00
10	Jos Haiti	D10	28,353.45
11	1% Local Gov't Shares	D11	1,164,141.86
12	NULGE FBN Loan	D12	137,643.35
13	NULGE Union Dues	D13	1,197,110.95
14	MHWUN Dues	D14	763,178.24
15	OVC	D15	1,290,906.55
16	National Housing Fund	D16	2,394,992.80
17	Pay As You Earn (PAYE)	D17	586,533.60
			<b><u>26,225,566.19</u></b>

# **DASS LOCAL GOVERNMENT COOUNCIL**

## **CORPORATE INFORMATION**

1. **CHAIRMAN**

Alh. Abubakar Saleh Dumba

2. **HEAD OF ADMINISTRATION**

Abubakar A. Baraya

3. **TREASURER**

Dauda Danladi

4. **BANKERS**

Unity Bank Plc  
Fidelity Bank Plc.

5. **AUDITORS**

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

## **DASS LOCAL GOVERNMENT COUNCIL**

### **STATEMENT OF RESPONSIBILITIES ON THE FINANCIAL STATEMENTS**

These Financial Statements have been prepared by the Management of Dass Local Government Council in accordance with the provisions of the Finance (Council and Management) Act 1958 as amended. The Financial Statements comply with Generally Accepted Accounting Practice.

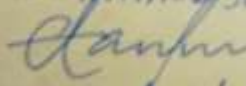
#### **RESPONSIBILITIES FOR FINANCIAL STATEMENTS:**

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

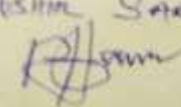
We accept responsibilities for the integrity of these Financial Statements, the information they contain and their compliance with the Finance (Council and Management) Act 1958 as amended.

In our opinion, these financial statements fairly reflect the financial position of the Local Government as at 31<sup>st</sup> December, 2020 and its operations for the year ended on that date.

Chairman's Name, Signature & Date

MUHAMMAD SULMAN  
  
29/09/2021

Treasurer's Name, Signature & Date

ABDUL BASIT SABO HARUNA  
  
29-09-2021  
2



## **REPORT OF THE AUDITORS ON THE ACCOUNTS OF**

### **DASS LOCAL GOVERNMENT COUNCIL**

We have audited the Financial Statements of *Dass Local Government Council* for the year ended 31<sup>st</sup> December, 2020 set out on pages 5 – 13, which have been prepared on the basis of accounting policies on page 4.

#### **RESPECTIVE RESPONSIBILITIES OF THE MANAGEMENT**

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

#### **AUDITORS' RESPONSIBILITY**

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



## **BASIS OF OPINION**

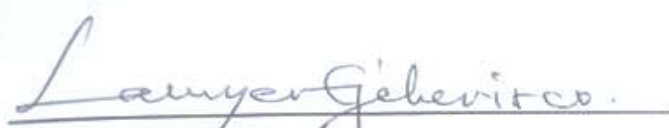
We conducted the audit in accordance with the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda for Local Governments.

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

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

## **Opinion**

In our opinion, the Financial Statements give a true and fair view of the financial position of the Council as at 31<sup>st</sup> December, 2020 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.

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



## **SIGNIFICANT ACCOUNTING POLICIES**

### **1. Basis of Preparation**

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

### **2. ACCOUNTING PERIOD**

The Financial Statements is for the accounting period from 01/01/2020 to 31/12/2020.

### **3. REPORTING CURRENCY**

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

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

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

### **5. ACCOUNTS RECEIVABLES**

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

### **6. PREPAYMENTS**

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

### **7. INVENTORY**

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

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

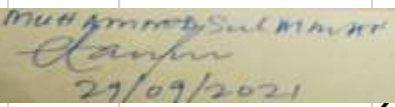
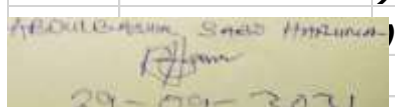
These are assets acquired or constructed and are held for use by the Council from which benefits are derivable beyond a financial year.

### **9. DEPOSITS**

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

# DASS LOCAL GOVERNMENT COUNCIL

## STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2020

		2020		2019	
	NOTES	N	N	N	N
<b>CURRENT ASSETS</b>					
Cash & Cash Equivalent	1	11,986		879,794	
Receivables	2	<u>11,405,000</u>		<u>7,580,000</u>	
<b>Total Current Assets - A</b>			11,416,986		8,459,794
<b>NON-CURRENT ASSETS</b>					
Investments	3	17,743,868		17,743,868	
Property, Plant & Equipment	4	<u>163,009,349</u>		<u>116,807,099</u>	
<b>Total Non-Current Assets - B</b>			<u>180,753,217</u>		<u>134,550,967</u>
<b>Total Assets C = A + B</b>			<u>192,170,203</u>		<u>143,010,761</u>
<b>CURRENT LIABILITIES</b>					
Deposits	5	<u>11,967,609</u>		<u>15,336,395</u>	
<b>Total Current liabilities - D</b>			11,967,609		15,336,395
<b>NON-CURRENT LIABILITIES</b>					
Public Fund		-		-	
Long Term Borrowings		-		-	
<b>Total Non-Current liabilities - E</b>			-		-
<b>Total liabilities F = D + E</b>			<u>11,967,609</u>		<u>15,336,395</u>
<b>Net Assets G = C - F</b>			<u><b>180,202,594</b></u>		<u><b>127,674,366</b></u>
<b>REPRESENTED BY:</b>					
<b>NET ASSETS/EQUITY</b>					
Capital Grants	6	29,599,724		29,599,724	
Reserves	7	<u>150,602,870</u>		<u>98,074,642</u>	
			180,202,594		127,674,366
 CHAIRMAN					
 TREASURER					
<b>Total Net Assets/Equity H = G</b>			<u><b>180,202,594</b></u>		<u><b>127,674,366</b></u>

FINANCIAL STATEMENTS						
YEAR ENDED 31ST DECEMBER, 2020						
STATEMENT OF FINANCIAL PERFORMANCE						
			{ 2020 }			2019
	NOTES		ACTUAL	BUDGE	VARIAN	ACTUAL
			N	N	N	N
REVENUE						
Govt. Share of FAAC	8		1,473,014,441	1,731,786,946	(258,772,505)	951,131,446
Inernally Generated Revenue	9		1,029,815	65,814,164	(64,784,349)	1,294,475
<b>Total Revenue (A)</b>			1,474,044,256	1,797,601,110	(323,556,854)	952,425,921
<b>LESS: EXPENDITURE</b>						
Personnel Cost	10		1,206,759,759	1,020,759,005	(186,000,754)	754,853,139
Overhead Cost	11		214,756,269	709,201,823	494,445,554	200,527,272
<b>Total Expenditure (B)</b>			1,421,516,028	1,729,960,828	308,444,800	955,380,411
<b>Surplus/(Deficit) from</b>						
<b>Operating Activities (A - B)</b>			<b>52,528,228</b>	<b>67,640,282</b>	<b>(15,112,054)</b>	<b>(2,954,490)</b>
The Notes on pages 8 to 11 form an integral part of these Accounts						

# DASS LOCAL GOVERNMENT COUNCIL

## FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2020

## CASH FLOW STATEMENTS

	2020		2019	
	N	N	N	N
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<i>Inflows</i>				
Government Share of FAAC	1,473,014,441		951,131,446	
Internally Generated Revenue	1,029,815		1,294,475	
Transfer from other Govt. Entities	-		-	
<b>Total inflow From Investing Activities (A)</b>	<b>1,474,044,256</b>		<b>952,425,921</b>	
<i>Outflows</i>				
Personnel Cost	1,206,759,759		754,853,139	
Social Benefits	-		-	
Overhead Cost	214,756,269		200,527,279	
Finance Cost	-		-	
<b>Total outflow From Investing Activities (B)</b>	<b>1,421,516,028</b>		<b>955,380,418</b>	
<b>Net Cash in flow/(outflow) from Operating Activities (A - B)</b>		<b>52,528,228</b>		<b>(2,954,490)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase/Construction of PPE	(46,202,250)		(52,285,431)	
Proir Year Adjustment	-			(1,000,000)
Purchase/Construction of Investment Proper	-		-	
Acquisition of Investments	-		-	(52,285,431)
<b>Net Cash Flow from Investing Activities</b>		<b>(46,202,250)</b>		<b>(56,239,921)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Capital Grants Received		-		-
Proceeds from Borrowings		-		-
Repayments of Borrowings		-		-
<b>Net Cash Flow from Financing Activities</b>		<b>-</b>		<b>-</b>
<b>Net Cash Flow from All Activities</b>		<b>(46,202,250)</b>		<b>(112,479,842)</b>
<b>NET MOVEMENT IN CURRENT ASSETS/LIABILITIES</b>				
Net Movement in Receivables		(3,825,000)		15,465,403
Net Movement in Deposits		(3,368,786)		9,150,241
		(7,193,786)		24,615,644
<b>Net Cash Flow from All Activities</b>		<b>(867,808)</b>		<b>(31,624,277)</b>
Cash & Its Equivalent as at - 1/1/2020		879,794		32,504,071
Cash & Its Equivalent as at - 31/12/2020		<b>11,986</b>		<b>879,794</b>
<b>Cash &amp; Its Equivalent as at - 31/12/2020</b>				
Cash Balances		-		-
Bank Balances		11,986		879,794
		<b>11,986</b>		<b>879,794</b>

# DASS LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

NOTES	APPENDIX	2020	2019
1 CASH & CASH EQUIVALENT		N	N
Fidelity Bank - 5030049297		9,364	874,971
Unity Bank - 0040288125		-	4,823
Fidelity Bank - 5030109508		2,622	-
Bank Balance		11,986	879,794
2 RECEIVABLES			
Advances	1	11,405,000	7,580,000
3 INVESTMENTS			
Investments	2	17,743,868	17,743,868
		As at	As at
4 CAPITAL EXPENDITURE		1/1/2020	31/12/2020
<b>Property, Plant &amp; Equipment</b>		N	N
Rehabilitation/Repairs of Roads		2,300,000	2,300,000
Rehabilitation/Repairs of Market/Parks		582,000	582,000
Office Furniture		600,000	600,000
Renovation of Slaughter Slab		625,500	625,500
Renovation of Guest House		9,672,441	9,672,441
Fencing and Drilling of hand pump		683,000	1,276,400
Purchase of Car		1,500,000	9,500,000
Purchase of Motor Cycle		742,000	742,000
Supply of Office Equipment		110,000	110,000
Rehabilitation of Solar Pumps		4,440,000	6,923,000
Construction of Infrastructure		1,000,000	1,000,000
Construction of Culvert		200,000	200,000
Repairs of Borehole		4,346,000	4,692,000
Rehabilitation/Fencing of Directors House		2,643,500	2,643,500
Renovation of Chairman's House		3,962,312	3,962,312
Renovation of Staff Quarters		3,145,777	3,176,027
Renovation of Chairman's Office & Council Chamber		1,933,000	1,933,000
Purchase of Generator		192,000	192,000
Purchase of 500KVA Transformer		3,000,000	3,000,000
Construction/Provision of Cemeteries		75,129,569	75,129,569
Construction Work at Emir's Palace		-	6,749,600
Renovation of Baraza V/H Palace		-	8,000,000
Renovation of Kagadama Church		-	6,000,000
Renovation of Bundot V/H Palace		-	10,000,000
Renovation of Kagadama Mosque		-	4,000,000
<b>Grand Total</b>		<b>116,807,099</b>	<b>163,009,349</b>

# DASS LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

NOTES	APPENDIX	2020 N	2019 N
5 DEPOSITS	3	<u>11,967,609</u>	<u>15,336,395</u>
6 CAPITAL GRANT (PARIS CLUB REFUND)		<u>29,599,724</u>	<u>29,599,724</u>
7 RESERVES			
Brought Forward		98,074,642	101,029,132
Operating Balance for the Year		<u>52,528,228</u>	<u>(2,954,490)</u>
		<u>150,602,870</u>	<u>98,074,642</u>
8 STATUTORY ALLOCATION			
Govt. Share of FAAC		1,473,014,441	951,131,446
Other Grants		-	-
		<u>1,473,014,441</u>	<u>951,131,446</u>
9 OTHER REVENUE			
Internally Generated Revenue		<u>1,029,815</u>	<u>1,294,475</u>
10 PERSONNEL COST			
Salaries and Wages		1,176,841,595	709,940,188
Allowances		<u>29,918,164</u>	<u>44,912,951</u>
		<u>1,206,759,759</u>	<u>754,853,139</u>
11 OVERHEAD COST			
11 ALLOWANCES & SOCIAL CONTRIBUTION			
Security Allowance		31,105,000	32,624,085
Honourarium & Sitting Allowance		2,010,000	425,000
Welfare Package		3,536,000	-
Immunization Supervision Allowance		-	1,066,954
Disturbance Allowance		-	1,060,000
Sallah Gifts		<u>3,835,000</u>	<u>6,000,000</u>
<b>Sub Total</b>		<u>40,486,000</u>	<u>41,176,039</u>
11 TRAVEL & TRANSPORT			
Local Travel & Transport: Others		3,463,000	11,113,400
Local Travel & Transport: Training		-	2,072,500
International Travel & Transport		-	<u>12,456,453</u>
<b>Sub Total</b>		<u>3,463,000</u>	<u>25,642,353</u>

# DASS LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

NOTES		<b><u>2020</u></b>	<b><u>2019</u></b>
		<b>N</b>	<b>N</b>
11.3	<b>MATERIALS AND SUPPLIES</b>		
	Supply of Relief Materials	21,840,000	18,169,000
	Supply of Working Materials	11,379,000	4,427,250
	Printing of Security Document	90,000	-
	Supply of Curtains	6,000	-
	Office Stationeries/Computer Consumables	10,043,000	15,001,000
	Drugs & Medical Supplies	11,200,000	20,822,049
	Printing of Non-Security Document	5,908,000	13,986,500
	Covid-19 Control	2,875,050	-
	Agric. Chemical and Inputs	600,000	1,015,500
	<b>Sub Total</b>	<b><u>63,941,050</u></b>	<b><u>73,421,299</u></b>
11.4	<b>MISCELLANEOUS EXPENSES</b>		
	Security Vote	7,500,000	12,000,000
	Refreshment and Meals	646,700	1,629,500
	Financial Assistance	11,820,000	15,375,000
	Hospitality and Entertainment	10,564,500	12,059,250
	Residential Rent	-	280,000
	Publicity and Advertisement	155,000	685,000
	Sporting Activities	35,000	-
	Logistics Support	5,671,600	6,618,510
	Special Days Celebration and Prayer	610,000	2,970,000
	Cleaning and Sanitation	336,000	-
	Medical Expenses	4,004,950	-
	Bank Charges	31,829	52,493
	Local Training	-	2,274,000
	Clearing of Drainage	260,000	-
	NATA and Fuelling	9,331,000	2,449,500
	Security Expenses	15,495,000	-
	OD Interests Related Charges	35,049,640	-
	<b>Sub Total</b>	<b><u>101,511,219</u></b>	<b><u>56,393,253</u></b>
11.5	<b>MAINTENANCE SERVICES</b>		
	Maintenance of Generator	2,921,000	121,500
	Other Maintenance	35,000	3,500
	Maintenance of Motor Vehicles	2,211,000	2,240,032
	Maintenance of Office Building	-	95,000
	Motor Vehicles Fuel Cost	-	687,424
	Minor Road Maintenance	-	-
	Maintenance of Office Equipment	47,000	-
	<b>Sub Total</b>	<b><u>5,214,000</u></b>	<b><u>3,147,456</u></b>



## DASS LOCAL GOVERNMENT COUNCIL

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

#### NOTES

#### 11.6 CONSULTING AND PROFESSIONAL SERVICES

	<u>2020</u>	<u>2019</u>
	<u>N</u>	<u>N</u>
Legal Services	-	105,000
Stock Broker	141,000	374,467
Accountant	-	<u>267,405</u>
<b>Sub Total</b>	<u>141,000</u>	<u>746,872</u>
<b>Grand Total Overhead</b>	<b><u>214,756,269</u></b>	<b><u>200,527,272</u></b>

#### APPENDIX 1

#### S/N SCHEDULES OF ADVANCES

1	Alh. Ado Danladi Maigizo	-	400,000
2	Alh. Abdulkadir Ibrahim	-	515,000
3	Alh. Shuaibu Abubakar Judu (Hon)	-	145,000
4	Sani Yusuf Kirfi	-	510,000
5	Alh. Isah Waziri	-	590,000
6	Ahmed Danladi	-	200,000
7	Haruna Halidu	-	200,000
8	Alh. Juji Bara	-	200,000
9	Alh. Sale Adamu Abubakar	-	230,000
10	Alh. Sani Shehu Shall	20,000	60,000
11	Samiala Adamu	20,000	140,000
12	Deputy Director of Finance	-	30,000
13	Alh. Zakari Ibrahim	30,000	80,000
14	Alh. Aliyu Shuaibu	30,000	120,000
15	Abdu M. Shehu	-	20,000
16	Garba Dan Azumi	-	35,000
17	Safiyanu Mu'azu	10,000	35,000
18	Manniru Ibrahim	10,000	35,000
19	Mohammed I. Maloka	10,000	30,000
20	Yakubu Bala Baraza	10,000	35,000
21	Garba Jinkiri	10,000	20,000
22	Alh. Garba Rabo	10,000	30,000
23	Sundry Persons	-	3,920,000
24	Yakubu Ahmed	4,000,000	-
25	Idi Abdu Badel	3,010,000	-
26	Bashir Mutari	1,000,000	-
27	Hon. Prince Noah John	100,000	-
28	Hon. Garba Suleiman	135,000	-
29	Hon. Abdulrazak Othman Tafida	135,000	-
30	Hon. Musa Dauda	<u>135,000</u>	<u>-</u>
<b>Balance carried forward</b>		<b><u>8,675,000</u></b>	<b><u>7,580,000</u></b>

## DASS LOCAL GOVERNMENT COUNCIL

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

<b><u>APPENDIX 1    CONT'D</u></b>		<b><u>2020</u></b>	<b><u>2019</u></b>
<b>S/N</b>	<b><u>SCHEDULES OF ADVANCES</u></b>	<b><u>N</u></b>	<b><u>N</u></b>
	<b><i>Balance brought forward</i></b>	<b>8,675,000</b>	<b>7,580,000</b>
31	Hon. Umar Samaila	135,000	-
32	Hon. Hamisu Saleh	135,000	-
33	Hon. Uaman Madaki	135,000	-
34	Hon. Murtala Saleh	135,000	-
35	Hon. Yunusa Ishaku	135,000	-
36	Hon. Nuhu Abubakar	135,000	-
37	Hon. Mohammed Danladi	135,000	-
38	Hon. Danjuma A. Gambo	135,000	-
39	Hon. Ibrahim Nuhu	135,000	-
40	Hon. SALISU Mohammed	135,000	-
41	Mohammed Sulaiman	300,000	-
42	Prince Noah Wadata	150,000	-
43	Mrs. Amaza Dare	100,000	-
44	Abubakar Mohammed Baraya	150,000	-
45	DAGS	50,000	-
46	Dauda Danladi	150,000	-
47	Aminu Ishaku Adamu	30,000	-
48	Sale A. Abubakar	50,000	-
49	Ali Umar	10,000	-
50	Joel T. Gwams	50,000	-
51	Musa Ishaku Barafa	10,000	-
52	Director Agric	50,000	-
53	Ahmed Musa Malam	10,000	-
54	Sani Bello	10,000	-
55	Dangana Bara	10,000	-
56	Juji Abba Bara	50,000	-
57	Ahmed S. Othman	20,000	-
58	Suwaiba Lawan	10,000	-
59	Ibrahim Sale Babos	10,000	-
60	Haruna I. Lakshi	10,000	-
61	Director Works	50,000	-
62	Yusuf Abdu Dass	20,000	-
63	Hashimu A. Waziri	10,000	-
64	Bashir Mutari	10,000	-
65	Ishaku Chidawa	10,000	-
66	Ramatu Ishaku Ningi	50,000	-
	<b><i>Grand-Total</i></b>	<b><u>11,405,000</u></b>	<b><u>7,580,000</u></b>

# **GAMAWA LOCAL GOVERNMENT COUNCILS**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

## **CORPORATE INFORMATION**

### **CHAIRMAN**

**ADAMU MOHAMMED LELE**

### **HEAD OF ADMINISTRATION**

**ALH DAUDA ADAMU MANAKO**

### **TREASURER**

**IBRAHIM UMAR ADAMU**

### **AUDITORS**

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

### **BANKERS**

**FIRST BANK OF NIGERIA LTD  
GAMAWA MICROFINANCE BANK LTD**

# GAMAWA LOCAL GOVERNMENT COUNCIL

## FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020

### STATEMENT OF RESPONSIBILITY ON THE FINANCIAL STATEMENTS

#### STATEMENT OF RESPONSIBILITY RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Management of Gamawa Local Government Council in accordance with the provisions of the Finance (Council and Management) Act 1958 as amended.

#### RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Management of Gamawa Local Government is responsible for establishing and maintaining a system of the internal control designed to provide reasonable assurance that the transactions recorded are within statutory authority and properly record the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system 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 Finance (Control and Management). Act 1958 as amended.

In our opinion, these financial statements fairly reflect the financial position of the Local Government as at 31<sup>st</sup> December, 2020 and its operations for the year ended on that date.

*BABA ZO ATHER KASUMA*  
CHAIRMAN *[Signature]*

DATE *29/9/2021*

*DAUDA DANLADI*  
*[Signature]* *29/09/21*  
TREASURER

DATE

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

We have audited the Financial Statements of Gamawa Local Government Council for the year ended 31st December, 2020 set out on pages 9-13, which have been prepared on the basis of significant accounting policies on page 7-8 and other explanatory notes on pages 14-18.

### RESPONSIBILITY OF THE MANAGEMENT

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

### AUDITORS' RESPONSIBILITY

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





## Chartered Accountants

Suit 110, Ground Floor Bank of Industry Building, Maiduguri Road, Bauchi.  
GSM: 08035846833, 08023445588

E-mail: abdulcadeermahmoudandco@gmail.com

### BASIS OF OPINION

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

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

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

### BASIS OF QUALIFIED OPINION

Monthly bank reconciliation statements were not prepared in the year under review. We observed that there is difference between the cash book balance and the bank statement which should be reconciled

### OPINION

In our opinion, Except for effects of the issues described in the basis of qualified opinion paragraph, the Financial Statements give a true and fair view of the financial position of the Council as at 31 December 2020 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.

SIGNED.....

**YAKUBU MOHAMMED MAHMOUD, FCA**  
**FRC/CAN/2016/00000015663**  
**FOR: ABDULKADEER MAHMOUD & CO.**  
**(CHARTERED ACCOUNTANTS)**



**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

**SIGNIFICANT ACCOUNTING POLICIES**

**1. BASIS OF PREPARATION:**

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

**2. ACCOUNTING PERIOD**

The Financial Statements is for the accounting period from 1 January 2020 to 31 December 2020.

**3. REPORTING CURRENCY**

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

**4. CASH AND CASH EQUIVALENT**

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

**5. ACCOUNTS RECEIVABLES**

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

**6. PREPAYMENTS**

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

**7. INVENTORY**

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

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

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

**9. DEPOSITS**

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

**10.COMPARATIVE FIGURES**

Comparative figures were provided from the previous period for ease of comparison.

## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

### **SIGNIFICANT ACCOUNTING POLICIES Cont'd**

#### **11.BUDGET FIGURES**

Appropriation figures are the ones obtained from the Local Government's Appropriation bill.

#### **12.GOING CONCERN**

The Accounts are prepared with the assumption that the Local Government will continue as a Going Concern.

#### **13.RECEIPTS**

They represent monies received from Federal Account Allocation Committee (FAAC) and internally generated revenue.

#### **14.EXTERNAL ASSISTANCE**

The Council did not receive any External Assistance during the year under review.



**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

**STATEMENT OF FINANCIAL POSITION**

	NOTES	2020 N	2020 N	2019 N	2019 N
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash & Cash Equivalents	5	(4,099,892)		5,115,817	
Prepayments	6	198,685,200		7,127,132	
Inventories		-		-	
Total Current Assets	A		194,585,308		12,242,949
<b>Non-Current Assets</b>					
Investments	7	1,735,511		1,735,511	
Property, Plant & Equipment	8	191,894,338		168,784,338	
Total Non Current Assets	B		193,629,849		170,519,849
Total Assets C=A+B			<u>388,215,157</u>		<u>182,762,798</u>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Deposits	9	-		8,990,816	
Payables		189,590,567		-	
Total Current Liabilities D			189,590,567		8,990,816
<b>Non Current Liabilities</b>					
Long Term Borrowings		-		-	
Total Non Current Liabilities E			-		-
Total Liabilities F=D+E			189,590,567		8,990,816
<b>NET ASSETS/EQUITY</b>					
Capital Grants	10	47,145,867		47,145,867	
Accumulated Surplus/(Deficit)	11	151,478,723	198,624,590	126,626,115	173,771,982
Total Net Assets/Equity H=G			<u>388,215,157</u>		<u>182,762,798</u>

BARSA ZO ATWONG KASUMA  
CHAIRMAN  
DATE 29/9/2021

DAUDA DANLADI  
TREASURER  
29/09/21

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

**STATEMENTS OF FINANCIAL PERFORMANCE**

2019			2020		
ACTUAL		NOTES	ACTUAL	BUDGET	VARIANCE
N			N	N	N
<b>REVENUE</b>					
1,596,267,145	Govt Share of FAAC	1	2,377,156,935	2,544,354,500	(167,197,565)
-	Govt Share of VAT	1	-	-	-
	Other receipts		623,667,821		
-	Tax Revenue	2	-	-	-
-	Non-Tax Revenue	2	-	-	-
-	Investment Income	2	-	-	-
-	Interest Earned	2	-	500,000	(500,000)
-	Aid & Grants	2	-	-	-
6,396,910	Other Revenue	2	8,305,072	28,277,719	(19,972,647)
<b>1,602,664,055</b>	<b>TOTAL REVENUE (a)</b>		<b>3,009,129,828</b>	<b>2,573,132,219</b>	<b>435,997,609</b>
<b>EXPENDITURE</b>					
1,057,357,281	Personnel cost	3	1,747,961,244	1,162,638,676	(585,322,568)
	Social Benefits			-	-
443,035,315	Overhead Cost	4	1,236,315,976	1,472,907,447	236,591,471
-	Grants & Contributions		-	-	-
<b>1,500,392,596</b>	<b>TOTAL EXPENDITURE(b)</b>		<b>2,984,277,220</b>	<b>2,635,546,123</b>	<b>(348,731,097)</b>
102,271,460	Surplus/(Deficit) from operating Activities for the period C=(a-b)		24,852,607	(62,413,904)	(87,266,511)
-	Gain/Loss on Disposal	22	-	-	-
-	Gain/Loss on Foreign Exchange Transaction	23	-	-	-
-	Share of Surplus/(Deficit) In Assoc. & Joint Veni	24	-	-	-
-	<b>Total Non Operating Revenue or (Expenses)(d)</b>		-	-	-
102,271,460	Surplus/(Deficit)from Ordinary Activities e=(c+d)		24,852,607	(62,413,904)	(87,266,511)
-	Minority Interest Share of Surplus/(Deficit) (f)	25	-	-	-
<b>102,271,460</b>	<b>Net Surplus/(Deficit) for the period g=(e-f)</b>		<b>24,852,607</b>	<b>(62,413,904)</b>	<b>(87,266,511)</b>

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

**STATEMENT OF CHANGES IN EQUITY**

	<b>Accumulated Fund =N=</b>	<b>Revaluation Reserve =N=</b>	<b>TOTAL =N=</b>
Balance as at 31 December 2018	24,354,655	-	24,354,655
Surplus /(Deficit) on revaluation	-	-	-
Prior Year Adjustments	-	-	-
Surplus /(Deficit)	<u>102,271,460</u>	<u>-</u>	<u>102,271,460</u>
	<u><b>126,626,115</b></u>	<u><b>-</b></u>	<u><b>126,626,115</b></u>
			-
Balance as at 31 December 2019	<u><b>126,626,115</b></u>	<u><b>-</b></u>	<u><b>126,626,115</b></u>
Balance as at 31 December 2019	126,626,115	-	126,626,115
Surplus /(Deficit) on revaluation	-	-	-
Surplus /(Deficit)	<u>24,852,607</u>	<u>-</u>	<u>24,852,607</u>
	<u><b>151,478,723</b></u>	<u><b>-</b></u>	<u><b>151,478,723</b></u>
			-
Balance as at 31 December 2020	<u><b>151,478,723</b></u>	<u><b>-</b></u>	<u><b>151,478,723</b></u>

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

**STATEMENT OF CASH FLOW**

Description	Notes	2020		2019	
		N	N	N	N
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>					
<i>Inflows</i>		-		-	
Government Share of FAAC		2,377,156,935		1,596,267,145	
Government Share of VAT		-		-	
Other Receipt		623,667,821		-	
Interest Earned		-		-	
Aid & Grants		-		-	
Other Revenue		8,305,072		6,396,910	
<b>Total inflow from Operating Activities (A)</b>			3,009,129,828		1,602,664,055
<i>Outflows</i>					
Salaries & Wages		(1,747,961,244)		(1,057,357,281)	
Social Benefits		-		-	
Overhead Cost		(1,236,315,976)		(443,035,315)	
<b>Total outflow from operating Activities (B)</b>			(2,984,277,220)		(1,500,392,596)
<b>Net Cash Inflow/(Outflow) from Operating Activities C=(A+B)</b>			24,852,607		102,271,460
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
Proceeds from Sale of Investment		-		-	
Dividends Received		-		-	
Purchase/Construction of PPE		(23,110,000)		(112,010,814)	
Purchase/Construction of Investment Proper		-		-	
Acquisition of investments		-		-	
<b>Net Cash from Investing Activities</b>			(23,110,000)		(112,010,814)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>					
Capital Grants Received		-		-	
Proceeds from Borrowings		-		-	
Repayment of Borrowings		-		-	
<b>Net Cash Flow from Financing Activities</b>			-		-
<b>Net Cash flow from all Activities</b>			1,742,607		(9,739,354)
<b>Net Movement in Current Assets / Liabilities</b>					
Net Movement in Inventories					
Net Movement in Receivables			(191,558,067)		13,326,950.00
Net Movement in Payables			180,599,751		7,331,746.95
			(10,958,316)		20,658,697
Net Cash Flow from Operating Activities			(9,215,708)		10,919,343
<b>Cash &amp; Its Equivalent as at 1/1/2020</b>			5,115,817		(5,803,526)
<b>Cash &amp; Its Equivalent as at 31/12/2020</b>			<b>(4,099,892)</b>		<b>5,115,817</b>
<b>Cash &amp; its Equivalent as at 31/12 2020</b>					
Cash Balances			100		100
Bank Balances			(4,099,991)		5,115,717
Overdraft			-		-
			<b>(4,099,892)</b>		<b>5,115,817</b>

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

**CAPITAL DEVELOPMENT FUND**

	<b>2020</b>	<b>2019</b>
	<b>N</b>	<b>N</b>
<b>Balance b/d</b>	168,784,338	56,773,524
Construction/renovation of market stalls	1,750,000	1,000,000
Minor road repairs		4,401,500
Construction / provision of electricity	150,000	-
Renovation of police station	-	800,000
Rehabilitation/repairs – water facilities	15,079,000	7,300,000
Construction of feeder road	-	33,000,000
Renovation of cattle market	-	400,000
Drainage	-	7,105,000
Construction / provision of infrastructure	-	1,995,000
Renovation of palaces	-	13,400,000
Construction of mosque	-	1,800,000
Rehabilitation/repairs of residential building	-	5,391,950
Construction / provision of hospital / health centre	-	29,755,364
Construction / provision of office buildings	665,000	-
Reconstruction of union/ NURTW Office	4,000,000	-
Construction/provision of water facilities	1,466,000	5,662,000
	<b><u>191,894,338</u></b>	<b><u>168,784,338</u></b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

	2020 N	2019 N
<b>NOTE 1 STATUTORY REVENUE</b>		
Statutory allocation –FAAC	2,377,156,935	1,596,267,145
Other receipts	623,667,821	-
	<u><b>3,000,824,756</b></u>	<u><b>1,596,267,145</b></u>
<b>NOTE 2 OTHER REVENUE</b>		
Internally Generated Revenue	7,990,209	6,396,910
Interest Payment and Dividends	314,863	
	<u><b>8,305,072</b></u>	<u><b>6,396,910</b></u>
<b>NOTE 3 PERSONNEL COST</b>		
Salaries & Wages	1,157,745,245	745,316,274
LEA Salaries	357,417,041	191,850,932
Pension & gratuity	215,738,958	114,490,575
Allowances	17,060,000	5,699,500
	<u><b>1,747,961,244</b></u>	<u><b>1,057,357,281</b></u>
<b>NOTE 4 OVERHEAD COST</b>		
<i>ALLOWANCES AND SOCIAL CONTRIBUTION</i>		
Security allowance	43,818,375	45,740,607
Honourarium & sitting allowance	5,302,072	5,726,000
Welfare packages	3,830,000	13,951,000
2019 Hajj	-	19,082,497
Disturbance allowance	-	195,000
Immunization supervision allowance	981,750	1,086,175
Medical expenses–local	95,000	1,889,000
	<u><b>54,027,197</b></u>	<u><b>87,670,279</b></u>
<i>TRAVEL &amp; TRANSPORT</i>		
Local travel & transport: Others	8,609,740	14,335,124
Max air	5,940,000	-
Local travel & transport: Training	-	-
	<u><b>14,549,740</b></u>	<u><b>14,335,124</b></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

	<b>2020</b>	<b>2019</b>
	<b>N</b>	<b>N</b>
<i><b>MATERIALS AND SUPPLIES</b></i>		
Relief materials	-	1,920,000
Agric. chemicals & inputs	925,000	5,360,000
Drugs & medical supplies	2,075,000	12,298,500
Teaching aids / instruction materials	-	4,612,500
Production of curriculum	-	29,250,000
Exercise book	-	3,950,000
Purchase of customised bags	-	4,125,000
Burial Materials	-	17,784,840
Office stationeries/computer comsumables	465,000	550,000
Printing of non-security document	617,000	734,500
	<b><u>4,082,000</u></b>	<b><u>80,585,340</u></b>
<i><b>MISCELLANEOUS EXPENSES</b></i>		
Security vote	6,500,000	10,000,000
Refreshment & Meals	11,656,900	39,516,380
Subscription to professional bodies	-	38,000
Mandatory payment	91,387,177	124,310,598
1% Admin charges	32,041,927	6,717,417
Uniforms & other clothing	-	630,000
Financial Assistance	883,451	1,958,000
Overdraft related expenses	821,375,319	-
Residential rent	-	1,000,000
Postages & courier services	-	60,000
Publicity & advertisement	1,000,000	3,064,000
Local training	-	2,816,150
Sporting activities	-	6,130,000
Electricity bills	600,000	1,350,000
Grant to communities/government agencies	179,919,378	34,297,264
Special days celebration	-	3,702,000
	<b><u>1,145,364,152</u></b>	<b><u>235,589,808</u></b>
<i><b>MAINTENANCE SERVICES</b></i>		
Other maintenance services	11,375,000	17,371,409
Maintenance of office furniture	-	75,000
<b>Balance c/f</b>	<b>11,375,000</b>	<b>17,446,409</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

	2020 N	2019 N
<b><i>MAINTENANCE SERVICES Cont.</i></b>		
Balance b/f	11,375,000	17,446,409
Maintenance of motor vehicles	444,500	1,268,000
Maintenance of office building	90,000	75,000
Maintenance of residential building	-	411,000
Maintenance of plant/generator	160,000	41,500
Minor road repair	13,000	-
Maintenance of markets/public places	4,141,600	
Maintenance of IT/Office equipment	98,000	550,000
Plant & generator fuel cost	-	90,000
Motor vehicle fuel cost	1,645,000	2,128,650
	<u>17,967,100</u>	<u>22,010,559</u>
<b><i>CONSULTING &amp; PROFESSIONAL SERVICES</i></b>		
Information consulting	50,000	-
Audit fees	-	1,045,000
Architectural services	-	20,000
Surveying Services	-	69,500
	<u>50,000</u>	<u>1,134,500</u>
Bank charges	<u>275,787</u>	<u>1,709,705</u>
<b>Total Overheads</b>	<u>1,236,315,976</u>	<u>443,035,315</u>
<b>NOTE 5 CASH &amp; CASH EQUIVALENT</b>		
Bank balance	(4,099,991)	5,115,717
Cash	100	100
	<u>(4,099,892)</u>	<u>5,115,817</u>
<b>NOTE 6 RECEIVABLES &amp; PREPAYMENTS</b>		
Receivables	189,590,567	-
Advances	9,094,632	7,127,132
	<u>198,685,200</u>	<u>7,127,132</u>
<b>NOTE 7 INVESTMENTS</b>	<u>1,735,511</u>	<u>1,735,511</u>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

	<b>2020</b>	<b>2019</b>
	<b>N</b>	<b>N</b>
<b>NOTE 8 CAPITAL EXPENDITURE</b>		
Balance b/d	168,784,338	56,773,524
Construction/renovation of market stalls	1,750,000	1,000,000
Minor road repairs	-	4,401,500
Construction / provision of electricity	150,000	-
Renovation of police station	-	800,000
Rehabilitation/repairs – water facilities	15,079,000	7,300,000
Construction of feeder road	-	33,000,000
Renovation of cattle market	-	400,000
Drainage	-	7,105,000
Construction / provision of infrastructure	-	1,995,000
Renovation of palaces	-	13,400,000
Construction of mosque	-	1,800,000
Rehabilitation/repairs of residential building	-	5,391,950
Construction / provision of hospital / health centres	-	29,755,364
Construction / provision of office buildings	665,000	-
Reconstruction of union/ NURTW Office	4,000,000	-
Construction/provision of water facilities	1,466,000	5,662,000
	<u><b>191,894,338</b></u>	<u><b>168,784,338</b></u>
<b>NOTE 9 DEPOSITS</b>	<u><b>-</b></u>	<u><b>8,990,816</b></u>
<b>NOTE 10 PAYABLES</b>		
Staff salaries & other expenses(Dec.2020)	<u><b>189,590,567</b></u>	<u><b>-</b></u>
<b>NOTE 11 CAPITAL GRANT</b>		
Paris club refund	<u><b>47,145,867</b></u>	<u><b>47,145,867</b></u>
<b>NOTE 12 RESERVES</b>		
Brought Forward	126,626,115	24,354,655
Operating Balance for the Year	<u>24,852,607</u>	<u>102,271,460</u>
	<u><b>151,478,723</b></u>	<u><b>126,626,115</b></u>

**SCHEDULES OF INVESTMENT**

**APPENDIX 1**

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

**APPENDIX 2**

**SCHEDULE OF ADVANCES**

<b>S/N</b>	<b>NAMES</b>	<b>AMOUNT N</b>
1	ALH. IBRAHIM A. INUWA	35,000
2	BABANGIDA I. DOJI	10,000
3	BURA ABDULAH	(848)
4	MOHAMMED WAZIRI	25
5	MOHAMMED SANI	752
6	DAUDA ADAMU	25,000
7	BABAYO ADAMU UDUBO	20,000
8	SHEHU ABUBAKAR	382,500
9	ALH. ADAMU ABDULKADIR	759,853
10	SUNDRY PERSONS	3,637,500
11	GARBA IBRAHIM	41,500
12	YAHAYA HAMMA	150,000
13	MUSA UMAR	4,033,350
		<u><b>9,094,632</b></u>

# **GANJUWA LOCAL GOVERNMENT COUNCIL**

## **CORPORATE INFORMATION**

### **Chairman**

Dayyabu Muhammad Karia

### **Head of Admin**

Abba Isah Salihu

### **Treasurer**

Ibrahim Magaji Jama'are

### **Auditors**

Tijani Abdulkadir & Co.  
(Chartered Accountants)

### **Bankers:**

First Bank of Nig Plc  
Fidelity Bank Plc  
Unity Bank Plc

## STATEMENT OF RESPONSIBILITY ON THE FINANCIAL STATEMENTS

## Responsibility for Financial Statements

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the Finance (Control and Management), Act 1958 as amended, Financial Memoranda for Local Governments and Bauchi State Public Sector Audit and Other Related Matters Laws, 2021.

In our opinion, these financial statements fairly reflect the financial position of the Local Government as at 31<sup>st</sup> December, 2020 and its operations for the year ended on that date.

Chairman's Name, Signature &amp; Date

Treasurer's Name, Signature & Date

### Report of the Auditors on the Financial Statements of Ganjuwa Local Govt Council

We have audited the Financial Statements of Ganjuwa Local Government Council for the year ended 31 December, 2020 set out on pages 6 - 9, which have been prepared on the basis of significant accounting policies on pages 5 and other explanatory notes on pages 10 -13.

### Responsibility of the Management

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

### Auditors' Responsibility

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

### Basis of Opinion

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

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

judgment made by the Management in the preparation of the accounts and of whether the accounting policies appropriate and are consistently applied by the Council.

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

### Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Council as at 31 December 2020 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.



For: Tijani AbdulKadir & Co  
Chartered Accountants  
Bauchi, Nigeria  
Engagement Partner: Abdulkadir Tijani  
FRC/2014/ICAN/00000010533  
27 September, 2021



## **GANJUWA LOCAL GOVERNMENT COUNCIL**

### **STATEMENT OF ACCOUNTING POLICES**

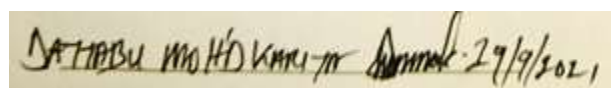
1.     Basis of Preparation  
The Financial Statements have been prepared under the historical cost convention and in accordance with IPSAS and other applicable standards.
2.     Accounting Period  
The Financial Statements is for the accounting year from 1 January 2020 to 31 December 2020.
3.     Reporting Currency  
The Financial Statements is prepared in Nigerian Naira and is rounded up to the nearest naira.
4.     Cash and Cash Equivalent  
This represents cash balance on hand and those held in bank accounts.
5.     Accounts Receivables  
Receivables from exchange transactions consist of staff advances and are recognized as the outstanding balance in the individual advances ledgers.  
Provision for impairment of receivable is not made as it is expected that all outstanding advances will be retired.
6.     Prepayments  
Prepayments are expenses paid in advance for service to be rendered. Prepaid expenses for which the full benefits will be derived in the future accounting periods are classified under current assets in the Statement of Financial Position.
7.     Inventory  
The Local Government does not have any amount to be reported under inventory.
8.     Property Plant & Equipment (PPE)  
These are assets acquired or constructed and are held for use by the council from which benefits are derivable beyond a financial year.
9.     Deposits  
Deposits are various deductions made by the Council but were not remitted to the appropriate Government Agencies.

# GANJUWA LOCAL GOVERNMENT COUNCIL

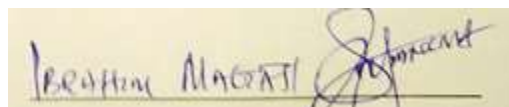
## STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2020

	Notes	2020 N	2020 N	2019 N	2019 N
<b>ASSETS</b>					
Current Assets					
Cash & Cash Equivalents	1	8,998		923,231	
Receivables	2	<u>1,155,000</u>		<u>7,056,000</u>	
(A) Total Current Assets			1,163,998		7,979,231
Non-Current Assets					
Investments	3	20,528,820		20,528,820	
Property, Plant & Equipment	4	<u>91,140,787</u>		<u>43,100,363</u>	
(B) Total Non-Current Assets			<u>111,669,607</u>		<u>63,629,183</u>
Total Assets (C) =(A) + (B)			<u>112,833,605</u>		<u>71,608,414</u>
<b>LIABILITIES</b>					
Current Liabilities					
Deposits	5	8,377,266		4,708,776	
Short Term Loan & Debts		<u>0</u>		<u>0</u>	
(D) Total Current Liabilities			8,377,266		4,708,776
Non-Current Liabilities					
Long Term Borrowings		<u>0</u>		<u>0</u>	
(E) Total Non-Current Liabilities			<u>0</u>		<u>0</u>
(F) Total Liabilities (F)=(D) + (E)			<u>8,377,266</u>		<u>4,708,776</u>
<b>NET ASSETS/FUND</b>					
Capital Grants	6	48,154,548		48,154,548	
Reserves	7	<u>56,301,791</u>		<u>18,745,090</u>	
			<u>104,456,339</u>		<u>66,899,638</u>
Total Net Assets & Liabilities			<u>112,833,605</u>		<u>71,608,414</u>

The accounting policies on page 5 and the notes on page 10 - 13 form integral part of these Financial Statements and were approved by the undersigned...

 29/9/2021

Chairman's Name, Signature & Date



Treasurer's Name, Signature & Date



## GANJUWA LOCAL GOVERNMENT COUNCIL

### STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DEC 2020

2019 ACTUAL N		NOTES	ACTUAL 2020 N	BUDGET 2020 N	VARIANCE N
	REVENUE				
1,318,015,080	Statutory Allocation	8	2,403,724,796	3,164,085,404	(760,360,608)
0	Others Receipt	9	113,157,510	6,227,157,067	(6,113,999,557)
	Internally Generated				
<u>2,324,950</u>	Revenue	10	<u>9,820,288</u>	<u>37,378,231</u>	<u>(27,557,943)</u>
<u>1,320,340,030</u>	Total Recurrent Revenue		<u>2,526,702,594</u>	<u>9,428,620,702</u>	<u>(6,901,918,108)</u>
	EXPENDITURE				
1,057,204,963	Personnel Cost	11	1,751,045,251	1,044,179,654	706,865,597
<u>241,687,553</u>	Overhead Cost	12	<u>727,607,922</u>	<u>1,772,009,466</u>	<u>(1,044,401,544)</u>
<u>1,298,892,516</u>	Total Recurrent Expenditure		<u>2,478,653,173</u>	<u>2,816,189,120</u>	<u>(337,535,947)</u>
21,447,514	Surplus from operating Activities		48,049,422	6,612,431,582	(6,564,382,160)
0	Minority Interest Share of Surplus		<u>0</u>	<u>0</u>	<u>0</u>
21,447,514	Net Surplus for the year		48,049,422	6,612,431,582	(6,564,382,160)

The accounting policies on page 5 and the notes on page 10 - 13 form integral part of these Financial Statements

# GANJUWA LOCAL GOVERNMENT COUNCIL

## STATEMENT OF CHANGE IN NET ASSETS/FUND AS AT 31 DECEMBER, 2020

	Capital Grant N	Reserve N	TOTAL N
Balance as at 31 December 2019	48,154,548	18,745,090	66,899,638
Surplus /(Deficit)	<u>0</u>	<u>48,049,422</u>	<u>48,049,422</u>
Balance as at 31 December 2020	<b><u>48,154,548</u></b>	<b><u>66,794,512</u></b>	<b><u>114,949,060</u></b>
Balance as at 31 December 2018	48,154,548	-2,702,424	45,452,124
Surplus /(Deficit)	<u>0</u>	<u>21,447,514</u>	<u>21,447,514</u>
Balance as at 31 December 2019	<b><u>48,154,548</u></b>	<b><u>18,745,090</u></b>	<b><u>66,899,638</u></b>

## GANJUWA LOCAL GOVERNMENT COUNCIL

### CASHFLOW STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2020

Description	Notes	2020 ₦	2019 ₦
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>			
<b>Inflows</b>			
Government Share of FAAC	8	2,403,724,796	1,318,015,080
Other Receipt	9	113,157,510	
Internally Generated Revenue	10	<u>9,820,288</u>	<u>2,324,950</u>
<b>Total inflow from Operating Activities</b>		2,526,702,594	1,320,340,030
<b>Outflows</b>			
Salaries & Wages	11	(1,751,045,251)	(1,057,204,963)
Overhead Cost	12	<u>(727,607,922)</u>	<u>(241,687,553)</u>
		<u>(2,478,653,173)</u>	<u>(1,298,892,516)</u>
<b>Total outflow from operating Activities</b>		48,049,422	
<b>Prior Year Adjustment</b>		(10,492,721)	
<b>Net Cash Inflow/(Outflow) from Operating Activities</b>		37,556,701	21,447,514
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Investment			(12,000,000)
Purchase/Construction of PPE		<u>(48,040,424)</u>	<u>(25,730,513)</u>
<b>Net Cash from Investing Activities</b>		<b>(48,040,424)</b>	<b>(37,730,513)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Movement in Deposits		3,668,490	9,418,150
Movement in Advances		<u>5,901,000</u>	<u>1,457,068</u>
<b>Net Cash Flow from Financing Activities</b>		<u>9,569,490</u>	<u>10,875,218</u>
<b>Net Cash flow from All Activities</b>		<b>(914,233)</b>	<b>(5,407,781)</b>
<b>Cash &amp; its Equivalent as at 1/1/ 2020</b>		<u>923,231</u>	<u>6,331,012</u>
<b>Cash &amp; its Equivalent as at 31/12/2020</b>		<b><u>8,998</u></b>	<b><u>923,231</u></b>

# GANJUWA LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2020

		2020 N	2019 N
<b>1. Cash and Cash Equivalent</b>			
Cash			0
Bank: Fidelity Bank (Main Accts)		8,192	923,269
Zenith Bank		<u>806</u>	<u>-38</u>
		<u>8,998</u>	<u>923,231</u>
<b>2. Receivables</b>			
Schedule of Advances	<b>Schedule I</b>	<u>1,155,000</u>	<u>7,056,000</u>
		<u>1,155,000</u>	<u>7,056,000</u>
<b>3. Investments</b>			
Schedule of Investments	<b>Schedule II</b>	<u>20,528,820</u>	<u>20,528,820</u>
		<u>20,528,820</u>	<u>20,528,820</u>
<b>4. Property, Plant &amp; Equipment</b>			
	<b>As at 31-12-2020</b>	<b>Addition</b>	<b>As at 1-1-2020</b>
Construction of Hospital/ Health Centre	2,089,090	0	2,089,090
Rehabilitation of Feeder Roads	12,057,168		12,057,168
Construction of Water Facilities	9,889,230		9,889,230
Office Furniture	500,000		500,000
Rehabilitation/ Repair of Electricity	1,797,500		1,797,500
Renovation of Outpost	3,368,592	3,081,000	287,592
Construction of Temporary Shade	299,090		299,090
Rural Electrification	27,458,360	25,358,360	2,100,000
Construction of Public School	17,563,153	15,487,200	2,075,953
Renovation of Chairman's House	2,225,409		2,225,409
Renovation of Culvert	3,630,000	3,255,000	375,000
Construction of VIP Toilet	1,255,924		1,255,924
Renovation of Shops	1,352,842		1,352,842
Construction of Power House	1,079,764	858,864	220,900
Construction of LG Secretariat Walls	2,188,243		2,188,243
Construction of Drainage	<u>4,386,422</u>	<u>0</u>	<u>4,386,422</u>
	<u>91,140,787</u>	<u>48,040,424</u>	<u>43,100,363</u>
<b>5. Payable</b>			
Schedule of Deposits	<b>Schedule III</b>	<u>8,377,266</u>	<u>4,708,776</u>
		<u>8,377,266</u>	<u>4,708,776</u>

## GANJUWA LOCAL GOVERNMENT COUNCIL

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2020

	2020	2019
	₦	₦
<b>6. Capital Grant</b>		
Balance B/F	<u>48,154,548</u>	<u>48,154,548</u>
	<u>48,154,548</u>	<u>48,154,548</u>
<b>7. Reserves</b>		
Brought Forward	18,745,090	(2,702,424)
Adjustment	(10,492,721)	
Surplus/ (Deficit) for the year	<u>48,049,422</u>	<u>21,447,514</u>
	<u>56,301,791</u>	<u>18,745,090</u>
<b>8. Statutory Allocation</b>		
Council and Staff Salaries	2,403,724,796	1,318,015,080
	<u>2,403,724,796</u>	<u>1,318,015,080</u>
<b>9. Other Receipt</b>		
Other Income	<u>113,157,510</u>	
	<u>113,157,510</u>	
<b>10. Internally Generated Revenue</b>		
Other IGR	5,044,538	2,324,950
10% Share of State Internal Revenue	<u>4,775,750</u>	<u>0</u>
	<u>9,820,288</u>	<u>2,324,950</u>
<b>11. Personnel Cost</b>		
Salaries & Wages	1,504,960,525	1,027,756,073
Pension & Gratuity	218,484,726	0
Emirates Allowances	<u>27,600,000</u>	<u>29,448,890</u>
	<u>1,751,045,251</u>	<u>1,057,204,963</u>
<b>12. Overhead Cost</b>		
<b>12.1 Allowances and Social Contribution:</b>		
Security Allowance	84,410,775	62,526,500
Honorarium & Sitting Allowance	15,082,581	3,764,875
Disturbance Allowance	229,500	170,000
Immunization Supervision Allowance	21,565,000	900,000
Skill Acquisition Programme	40,722,279	900,000
Welfare Package	670,500	50,000
Medical Expenses - Local	<u>4,907,070</u>	<u>368,200</u>
	<u>167,587,705</u>	<u>68,679,575</u>

## GANJUWA LOCAL GOVERNMENT COUNCIL

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2020

	<b>2020</b>	<b>2019</b>
	<b>₦</b>	<b>₦</b>
<b>12.2 Travel and Transport:</b>		
Local Travel & Transport: Others	14,872,813	8,498,750
Local Travel & Transport: Training	<u>5,640,000</u>	<u>8,980,725</u>
	<u>20,512,813</u>	<u>17,479,475</u>
<b>12.3 Materials and Supplies:</b>		
Supply of Relief Materials	5,694,500	6,930,000
Supplies of Books and Other Teaching/Learning Aids	5,708,650	1,930,000
Office Stationeries/ Computer Consumables	4,506,750	301,000
Drug and Medical Supplies	74,877,623	7,784,805
Printing of Non-Security Documents	69,850,000	35,545,375
Purchase of Agricultural Products	89,675,000	526,795
Agricultural Chemical and Inputs	5,678,950	3,390,000
Purchase of Working Materials	<u>23,567,800</u>	<u>1,101,000</u>
	<u>279,559,273</u>	<u>57,508,975</u>
<b>12.4 Miscellaneous Expenses:</b>		
Security Vote	38,750,000	10,000,000
Refreshment & Meals	23,629,635	16,296,300
Financial Assistance	2,500,000	13,182,500
Hospitality and Entertainments	69,217,400	19,776,400
Residential Rent	550,000	692,700
Media and Publicity Expenses	24,995,352	375,000
Special Days Celebration and Prayer	6,562,500	3,750,000
NATA and Fuelling	35,386,400	18,172,058
Electricity Bill	330,650	300,000
Christmas Gift	1,500,000	1,054,000
Sallah Gift	<u>6,750,000</u>	<u>6,500,000</u>
	<u>210,171,937</u>	<u>90,098,958</u>

## GANJUWA LOCAL GOVERNMENT COUNCIL

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2020

	<b>2020</b>	<b>2019</b>
	<b>₦</b>	<b>₦</b>
<b>12.5 Maintenance Services:</b>		
Other Maintenance Service	3,863,864	2,520,450
Maintenance of Street Light	25,358,360	50,000
Maintenance of Motor Vehicles	580,000	2,106,000
Maintenance of Building	<u>18,568,200</u>	<u>604,900</u>
	<u>48,370,424</u>	<u>5,281,350</u>
<b>12.6 Consulting and Professional Services:</b>		
Legal Service		989,220
information Technology Consulting		0
Engineering Survey	<u>1,405,770</u>	<u>1,650,000</u>
	<u>1,405,770</u>	<u>2,639,220</u>
<b>Total Overheads</b>	<b><u>727,607,922</u></b>	<b><u>241,687,553</u></b>

**GANJUWA LOCAL GOVERNMENT COUNCIL**  
**NOTES TO THE ACCOUNTS**

**SCHEDULE I**

**Schedule of Advances for Year ended 31 Dec. 2020**

SN	Name	Purpose	Adv. No.	Amount N
1	Nasiru Adamu Warlo	Special Adv.	A/2	95,000
2	Umar Adamu Gangare	Special Adv.	A/3	100,000
3	Shemsiten Ado	Special Adv.	A/4	100,000
4	Isah G. Soro	Special Adv.	A/11	100,000
5	Moh'd Kabir Ishaq	Imprest	A/21	50,000
6	Jibir Moh'd Inua	Imprest	A/22	10,000
7	Abdullahi Dauda	Imprest	A/23	10,000
8	Murtala Adamu	Imprest	A/24	10,000
9	Samaila Ibrahim	Imprest	A/25	10,000
10	Ibrahim Moh'd	Special Adv.	A/27	100,000
11	Abdullahi D. Adamu	Imprest	A/35	50,000
12	Adamu M Mudi	Imprest	A/36	50,000
13	Ibrahim M Inuwa	Imprest	A/37	50,000
14	Abdullahim K Jalaim	Imprest	A/39	50,000
15	Idris Damasabe	Imprest	A/40	50,000
16	Umar M Kariya	Imprest	A/43	30,000
17	Kabiru Dewa	Imprest	A/44	30,000
18	Aminu A Gwoni	Imprest	A/46	10,000
19	Umar M Abdullahi	Imprest	A/47	10,000
20	Lawal I Sulaiman	Imprest	A/48	10,000
21	Yusuf Imam	Imprest	A/49	10,000
22	Babangida Yakubu	Imprest	A/50	10,000
23	Ibrahim Datti	Imprest	A/51	10,000
24	Rabiu Babaji	Imprest	A/52	10,000
25	Idi Danladi Zaradeen	Imprest	A/53	10,000
26	Ado Rabiu Tolu	Imprest	A/54	10,000
27	Alpha Salihu	Imprest	A/55	10,000
28	Murtala Shehu	Imprest	A/56	10,000
29	Danzuma Dalha	Imprest	A/59	10,000
30	Garba Jaluibu Yali	Imprest	A/60	10,000
31	Musa Inuwa	Imprest	A/61	10,000



## GANJUWA LOCAL GOVERNMENT COUNCIL

### NOTES TO THE ACCOUNTS SCHEDULE I

#### Schedule of Advances

32	Aminu Lamidu	Imprest	A/63	10,000
33	Ibrahim Jibo	Imprest	A/64	10,000
34	Aliyu Shuaibu	Imprest	A/65	10,000
35	Muazu Abdu	Imprest	A/69	10,000
36	Hulta Barnabas	Imprest	A/70	10,000
37	Moh'd Tukur Danuda	Imprest	A/71	10,000
38	Aliyu Abdullahi	Imprest	A/72	10,000
39	Moh'd Lawal Shehu	Imprest	A/73	10,000
40	Sani Abdu Soro	Imprest	A/74	10,000
41	Murtala Madaki	Imprest	A/75	10,000
42	Alti Sabo	Imprest	A/76	10,000
43	Idris Musa	Imprest	A/104	10,000
<b>Total</b>				<b><u>1,155,000</u></b>

**GANJUWA LOCAL GOVERNMENT COUNCIL**

**NOTES TO THE ACCOUNTS SCHEDULE II**

**SCHEDULE OF INVESTMENT AS AT 31 DEC. 2020**

S/N	Name of Company	Amount ₦
1	Ashaka Cement	60,000
2	Kaduna Textile	105,000
3	Bauchi Printing Company	100,000
4	Mato Processing Company	10,000
5	Zaranda Hotel	109,920
6	Inland Bank	1,500,000
7	Arewa Ceramic	350,000
8	Yankari Financing Agency	50,000
9	Federal Saving Bank	50,000
10	First Bank Plc	28,000
11	Galambi Cattle Ranch	150,000
12	Urban Dev. Bank	500,000
13	Jaiz International Plc	5,515,900
14	Inter Cellular	<u>12,000,000</u>
		<b><u>20,528,820</u></b>

## GANJUWA LOCAL GOVERNMENT COUNCIL

### NOTES TO THE ACCOUNTS SCHEDULE III

#### SCHEDULE OF DEPOSIT AS AT 31 DEC. 2020

S/N	Particulars	Dep. No.	Balance N
1	5% Contract Payment Deduction (Retention)	D1	1,810,735
2	Pay-As-You-Earn (PAYE)	D2	2,442,642
3	NULGE Dues	D3	594,507
4	Value Added Tax (VAT)	D5	732,289
5	WHT (To State)	D15	265,633
6	WHT (To FIRS)	D35	1,000,000
7	MHWUN Dues	D46	270,883
8	National Housing Fund (NHF)	D58	1,014,992
9	Orphans & Vulnerable Children (OVC)	D61	<u>245,584</u>
	<b>Total</b>		<b><u>8,377,266</u></b>

# **GIADE LOCAL GOVERNMENT COUNCIL, BAUCHI STATE**

**GIADE LOCAL GOVERNMENT COUNCIL, BAUCHI STATE**

## **CORPORATE INFORMATION**

### **Chairman**

Abubakar Adamu Salihu

### **Head of Admin**

Usman Shehu Abubakar

### **Treasurer**

Bala Muhammed Othman

### **Auditors**

Tijani Abdulkadir & Co.  
(Chartered Accountants)

### **Bankers:**

First Bank of Nig Plc  
Fidelity Bank Plc  
Unity Bank Plc

## GIADE LOCAL GOVERNMENT COUNCIL

### STATEMENT OF RESPONSIBILITY ON THE FINANCIAL STATEMENTS

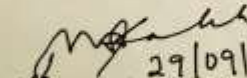
These Financial Statements have been prepared by the Management of Giade Local Government Council in accordance with the provisions of the Finance (Council and Management) Act 1958 as amended, Financial Memoranda for Local Governments and Bauchi State Public Sector Audit and Other Related Matters Laws, 2021. The Financial Statements comply with Generally Accepted Accounting Practice.

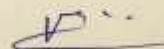
#### Responsibility for Financial Statements

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

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the Finance (Control and Management) Act 1958 as amended, Financial Memoranda for Local Governments and Bauchi State Public Sector Audit and Other Related Matters Laws, 2021.

In our opinion, these financial statements fairly reflect the financial position of the Local Government as at 31<sup>st</sup> December, 2020 and its operations for the year ended on that date.

  
29/09/2021  
USMAN MUHAMMAD SALEH  
Chairman's Name, Signature & Date

  
ALMUSTAPHA A. BAWA  
Treasurer's Name, Signature & Date



**Tijani Abdulkadir & Co**

(Chartered Accountants)

2A Stable Plaza Murtala Muhammad Way, Bauchi.

Tel: 08027375720, 08076354545 [e-mail: tijanilkadir2@yahoo.com](mailto:tijanilkadir2@yahoo.com)

### **Report of the Auditors on the Financial Statements of Giade Local Govt Council**

We have audited the Financial Statements of Giade Local Government Council for the year ended 31 December, 2020 set out on pages 6 - 9, which have been prepared on the basis of significant accounting policies on pages 5 and other explanatory notes on pages 10 -13.

#### **Responsibility of the Management**

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

#### **Auditors' Responsibility**

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

#### **Basis of Opinion**

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

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

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

### **Opinion**

In our opinion, the Financial Statements give a true and fair view of the financial position of the Council as at 31 December 2020 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.



For: Tijani AbdulKadir & Co  
Chartered Accountants  
Bauchi, Nigeria

**Engagement Partner: Abdulkadir Tijani**

FRC/2014/ICAN/00000010533

27 September, 2021



## **GIADE LOCAL GOVERNMENT COUNCIL**

### **STATEMENT OF ACCOUNTING POLICES**

**1. Basis of Preparation**

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

**2. Accounting Period**

The Financial Statements is for the accounting year from 1 January 2020 to 31 December 2020.

**3. Reporting Currency**

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

**4. Cash and Cash Equivalent**

This represents cash balance on hand and those held in bank accounts.

**5. Accounts Receivables**

Receivables from exchange transactions consist of staff advances and are recognized as the outstanding balance in the individual advances ledgers.

Provision for impairment of receivable is not made as it is expected that all outstanding advances will be retired.

**6. Prepayments**

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

**7. Inventory**

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

**8. Property Plant & Equipment (PPE)**

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



## 9. Deposits

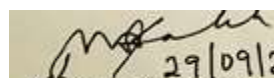
Deposits are various deductions made by the Council but were not remitted to the appropriate Government Agencies.


### GIADE LOCAL GOVERNMENT COUNCIL

#### CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2020

ASSETS	Notes	2020 N	2020 N	2019 N	2019 N
<b>Current Assets</b>					
Cash & Cash Equivalents	1	18,833		834,616	
Advances	2	<u>2,604,892</u>		<u>2,557,513</u>	
(A) Total Current Assets			2,623,725		3,392,129
<b>Non-Current Assets</b>					
Investments	3	20,576,115		20,576,115	
Property, Plant & Equipment	4	<u>75,547,469</u>		<u>69,962,469</u>	
(B) Total Non-Current Assets			96,123,584		90,538,584
<b>Total Assets (C) =(A) + (B)</b>			<b><u>98,747,309</u></b>		<b><u>93,930,713</u></b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Deposits	5	3,040,388		3,827,626	
Short Term Loan & Debts		<u>0</u>		<u>0</u>	
(D) Total Current Liabilities			3,040,388		3,827,626
<b>Non-Current Liabilities</b>					
Long Term Borrowings		<u>0</u>		<u>0</u>	
(E) Total Non-Current Liabilities			0		0
<b>(F) Total Liabilities (F)=(D) + (E)</b>			3,040,388		3,827,626
<b>NET ASSETS/FUND:</b>					
Capital Grants	6	32,870,862		32,870,862	
Reserves	7	<u>62,836,059</u>		<u>57,232,226</u>	
			95,706,921		90,103,088
<b>Total Net Assets &amp; Liabilities</b>			<b><u>98,747,309</u></b>		<b><u>93,930,714</u></b>

The accounting policies on page 5 and the notes on page 10 - 13 form integral part of these Financial Statements and were approved by the undersigned...

  
29/09/2021  
ALIMAN MUHAMMAD SALEH

  
ALMUSTAPHA A. BAWA

Chairman's Name, Signature & Date

Treasurer's Name, Signature & Date

**GIADE LOCAL GOVERNMENT COUNCIL**

**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DEC 2020**

2019 ACTUAL N		NOTES	ACTUAL 2020 N	BUDGET 2020 N	VARIANCE N
<b>REVENUE</b>					
1,335,472,960	Statutory Allocation	8	1,688,884,069	1,767,506,082	(78,622,013)
-	Other Receipt	9	115,800,366		115,800,366
	Internal Generated				
<u>3,720,127</u>	Revenue	10	<u>5,096,700</u>	<u>58,792,436</u>	(53,695,736)
<b><u>1,339,193,087</u></b>	<b>TOTAL REVENUE</b>		<b><u>1,809,781,135</u></b>	<b><u>1,826,298,518</u></b>	(16,517,383)
<b>EXPENDITURE</b>					
					-
875,881,879	Personnel Cost	11	1,423,115,082	862,001,010	561,114,072
<u>434,220,330</u>	Overhead Cost	12	<u>381,062,219</u>	<u>944,100,815</u>	(555,820,396)
<b><u>1,310,102,209</u></b>	<b>Total Recurrent Expenditure</b>		<b><u>1,804,177,302</u></b>	<b><u>1,804,177,302</u></b>	5,293,677
					-
29,090,878	Surplus from Ordinary Activities		5,603,833	20,196,693	(14,592,860)
-	Minority Interest Share of Surplus		-	-	-
<b>29,090,878</b>	<b>Net Surplus for the year</b>		<b>5,603,833</b>	<b>20,196,693</b>	<b>(14,592,860)</b>

The accounting policies on page 5 and the notes on page 10 - 13 form integra part of these Financial Statements

## GIADE LOCAL GOVERNMENT COUNCIL

### STATEMENT OF CHANGE IN NET ASSETS/FUND FOR THE YEAR ENDED 31 DECEMBER, 2020

	Capital Grant N	Reserve N	TOTAL N
Balance as at 31 December 2019	32,870,862	57,232,226	90,103,088
Surplus /(Deficit)	<u>0</u>	<u>5,603,833</u>	<u>5,603,833</u>
Balance as at 31 December 2020	<b><u>32,870,862</u></b>	<b><u>62,836,059</u></b>	<b><u>95,706,921</u></b>
Balance as at 31 December 2018	32,870,862	28,141,349	61,012,211
Surplus /(Deficit)	<u>0</u>	<u>29,090,877</u>	<u>29,090,877</u>
Balance as at 31 December 2019	<b><u>32,870,862</u></b>	<b><u>57,232,226</u></b>	<b><u>90,103,088</u></b>

## **GIADE LOCAL GOVERNMENT COUNCIL**

### **CASHFLOW STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2020**

<b>Description</b>	<b>Notes</b>	<b>2020</b>	<b>2019</b>
		<b>₦</b>	<b>₦</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>			
<b>Inflows</b>			
Government Share of FAAC	8	1,688,884,069	1,335,472,960
Other Receipt		115,800,366	-
Internally Generated Revenue	9	<u>5,096,700</u>	<u>3,720,127</u>
<b>Total inflow from Operating Activities</b>		<u>1,809,781,135</u>	<u>1,339,193,087</u>
<b>Outflows</b>			
Personnel Cost	10	(1,423,115,082)	(875,881,879)
Overhead Cost	11	<u>(381,062,219)</u>	<u>(434,220,330)</u>
		<u>(1,804,177,302)</u>	<u>(1,310,102,209)</u>
<b>Total outflow from operating Activities</b>			
<b>Net Cash flow from Operating Activities</b>		5,603,833	29,090,878
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		-	-
Proceeds from Sale of Investment		-	-
Purchase/Construction of PPE		(5,585,000)	<u>(34,268,145)</u>
<b>Net Cash from Investing Activities</b>		<u>(5,585,000)</u>	<u>(34,268,145)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Movement in Deposits		(787,237)	(893,510)
Movement in Advances		<u>(47,379)</u>	<u>237,000</u>
<b>Net Cash Flow from Financing Activities</b>		(834,616)	(5,833,777)
<b>Change in Advances, Discounts &amp; Fund</b>			-
<b>Net Cash flow from All Activities</b>		<b>(815,783)</b>	<b>(5,833,777)</b>
<b>Cash &amp; its Equivalent as at 1/1/ 2020</b>		<u>834,616</u>	<u>6,668,393</u>
<b>Cash &amp; its Equivalent as at 31/12/2020</b>		<u><b>18,833</b></u>	<u><b>834,616</b></u>

## GIADE LOCAL GOVERNMENT COUNCIL

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2020

		2020 N	2019 N
<b>1 Cash and Cash Equivalent</b>			
Cash		2,563	342,029
Bank: Fidelity Bank (5030039362)		13,014	492,587
Unity Bank (002036532)		2,300	
First Bank (2018519129)		<u>956</u>	<u>0</u>
		<u>18,833</u>	<u>834,616</u>
<b>2 Receivables</b>			
Schedule of Advances	<b>Schedule I</b>	<u>2,604,892</u>	<u>2,557,513</u>
		<u>2,604,892</u>	<u>2,557,513</u>
<b>3 Investments</b>			
Schedule of Investments	<b>Schedule II</b>	<u>20,576,115</u>	<u>20,576,115</u>
		<u>20,576,115</u>	<u>20,576,115</u>
<b>4 Property, Plant &amp; Equipment</b>	<b>As at 31-12-2020</b>	<b>Addition</b>	<b>As at 1-1-2020</b>
Fencing of Cattle Market	8,319,904		8,319,904
Renovation of Council House	2,500,000		2,500,000
Construction of Water Facilities	10,316,300		10,316,300
Office Furniture	1,525,000		1,525,000
Construction of Market Stall	3,707,320	665,000	3,042,320
Joint Project	7,800,000	3,900,000	3,900,000
Bill Board	1,020,000	1,020,000	
Motor Vehicle	937,170		937,170
Rural Electrification	20,925,875		20,925,875
Max Air Contribution	2,850,000		2,850,000
Renovation of Dispensary/ Maternity	300,000		300,000
Renovation of Culvert	257,000		257,000
Rehabilitation of Agric Facilities	7,193,300		7,193,300
Renovation of Shops	6,876,900		6,876,900
Construction of House	121,500		121,500
Purchases/ Acquisition of Land	50,000		50,000
Construction of Drainage	<u>847,200</u>		<u>847,200</u>
	<u>75,547,469</u>	<u>5,585,000</u>	<u>69,962,469</u>
<b>5 Payable</b>			
Schedule of Deposits	<b>Schedule III</b>	<u>3,040,388</u>	<u>3,827,626</u>

3,040,388                      3,827,626

## GIADE LOCAL GOVERNMENT COUNCIL

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2020

	<b>2020</b>	<b>2019</b>
	<b>₦</b>	<b>₦</b>
<b>6 Capital Grant</b>		
Balance B/F	<u>32,870,862</u>	<u>32,870,862</u>
	<u>32,870,862</u>	<u>32,870,862</u>
<b>7 Reserves</b>		
Brought Forward	57,232,226	28,141,349
Surplus/ (Deficit) for the year	<u>5,603,833</u>	<u>29,090,877</u>
	<u>62,836,059</u>	<u>57,232,226</u>
<b>8 Statutory Allocation</b>		
FAAC, VAT and Others	<u>1,688,884,069</u>	<u>1,335,472,960</u>
	<u>1,688,884,069</u>	<u>1,335,472,960</u>
<b>9 Other Receipt</b>		
Other Income	<u>115,800,366</u>	
	<u>115,800,366</u>	
<b>10 Other Revenue</b>		
Internally Generated Revenue	4,862,399	2,506,560
Dividend from Investment	<u>234,301</u>	<u>1,213,567</u>
	<u>5,096,700</u>	<u>3,720,127</u>
<b>11 Personnel Cost</b>		
Salaries & Wages	1,259,696,848	772,302,560
Pension & Gratuity	139,418,234	87,744,819
Emirate Allowances	<u>24,000,000</u>	<u>15,834,500</u>
	<u>1,423,115,082</u>	<u>875,881,879</u>
<b>12 Overhead Cost</b>		
<b>12.1 Allowances and Social Contribution:</b>		
Security Allowance	68,826,500	51,978,170
Honorarium & Sitting Allowance	121,000	9,454,265
Disturbance Allowance	380,000	450,000
Social Investment Supervision programme	200,000	2,028,365
Non-regular Allowance	8,644,750	13,531,225

Medical Expenses - Local	<u>16,000,000</u>	<u>460,830</u>
	<u>94,172,250</u>	<u>77,902,855</u>

## **GIADE LOCAL GOVERNMENT COUNCIL**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2020**

	<b>2020</b>	<b>2019</b>
	<b>₱</b>	<b>₱</b>
<b>12.2 Travel and Transport:</b>		
Local Travel & Transport: Others	6,011,400	18,398,189
Local Travel & Transport: Training	273,000	340,000
International Travel & Transport	<u>0</u>	<u>0</u>
	<u>6,284,400</u>	<u>18,738,189</u>
<b>12.3 Materials and Supplies:</b>		
Supply of Relief Materials	9,450,000	7,000,000
Supplies of Books and Other Teaching/Learning Aids	2,700,000	2,000,000
Office Stationeries/ Computer Consumables	40,500	30,000
Drug and Medical Supplies	26,248,300	24,790,000
Printing of Non-Security Documents	1,067,459	790,710
Burial Materials	10,853,374	8,039,536
Production of Curriculum	19,546,313	14,478,750
Production of Customized Text Book	39,685,680	29,396,800
Production of Customized Bags	<u>3,948,750</u>	<u>2,925,000</u>
	<u>113,540,375</u>	<u>89,450,796</u>
<b>12.4 Miscellaneous Expenses:</b>		
Security Vote	15,500,000	12,000,000
Refreshment & Hospitality	5,461,000	12,803,060
Financial Assistance	2,718,700	2,716,000
Welfare Packages	86,000	494,500
Rent (Residential)	0	3,500,000
Local Training	255,000	1,890,000
10% Admin Changes	7,336,949	9,782,599
Mandatory Payment	123,783,942	136,601,781
Stationaries	276,500	3,772,500
Production of Calendar	0	800,000
Publicity and Advertisement	1,020,000	2,490,000
Special Days Celebration and Prayer	1,900,000	1,610,750

Grants To Community	0	50,603,636
Electricity Bill	275,250	325,000
Bank Charges	<u>12,204</u>	<u>1,672,289</u>
	<u>158,625,545</u>	<u>241,062,115</u>

## **GIADE LOCAL GOVERNMENT COUNCIL**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2020**

	<b>2020</b>	<b>2019</b>
	<b>₦</b>	<b>₦</b>
<b>12.5 Maintenance Services:</b>		
Other Maintenance Service	3,109,650	4,146,200
Motor Vehicle Fuel Cost	750,000	138,875
Minor Road Maintenance	0	380,000
Maintenance of Motor Vehicles	600,000	1,272,300
Maintenance of Building	<u>1,250,000</u>	<u>248,000</u>
	<u>5,709,650</u>	<u>6,185,375</u>
<b>12.6 Consulting and Professional Services:</b>		
Audit Fee		741,000
Legal Fee	2,730,000	140,000
Engineering Survey	<u>0</u>	<u>0</u>
	<u>2,730,000</u>	<u>881,000</u>
<b>Total Overheads</b>	<b><u>381,062,219</u></b>	<b><u>434,220,330</u></b>



## GIADE LOCAL GOVERNMENT COUNCIL

### NOTES TO THE ACCOUNTS

#### SCHEDULE I

##### Schedule of Advances for Year ended 31 Dec. 2020

SN	Name	Purpose	Adv. No.	Amount N
1	Late Shehu Azare	Personal Adv.		(6,667)
2	Sundry Person	Touring Adv.		(68,501)
3	Bala Usman Kurba	Special Adv.		242,000
4	Aminu Abubakar	Special Adv.		412,888
5	Nura Wakili	Personal Adv.		(5,000)
6	Ishiyaku Moh'd Wahu	Special Adv.		221,242
7	Kabiru Sule	Special Adv.		300,000
8	Shehu Usman Abubakar	Imprest		150,000
9	Sani Bello	Imprest		50,000
10	Sabo Aliyu Ahmed	Imprest		50,000
11	Hon. Gambo Usman S.	Imprest		50,000
12	Hon. Ibrahim Ahmed	Imprest		50,000
13	Hon. Auwal Aliyu	Imprest		50,000
14	Hon. Halima Bappah	Imprest		50,000
15	Hon. Damana Moh'd	Imprest		50,000
16	Hon. Ahmed Moh'd Kaila	Imprest		50,000
17	Hon. Moh'd Aliyu Zabi	Imprest		50,000
18	Bala Musa Aliyu	Imprest		50,000
19	Hon. Kabiru Adamu	Imprest		50,000
20	Hon. Adamu Usman	Imprest		50,000
21	Hon. Shuaibu Tela A.	Imprest		50,000
22	Hon. Moh'd Sani	Imprest		50,000
23	Hon. Moh'd Umar Uzum	Imprest		50,000
24	Hon. Umar Moh'd	Imprest		50,000
25	Adamu Sabo Bala	Special Adv.		173,040
26	Adamu Sabo Bala	Special Adv.		107,190
27	Sani Ibrahim	Special Adv.		<u>278,700</u>

**Total**

**2,604,892**

**GIADE LOCAL GOVERNMENT COUNCIL**

**NOTES TO THE ACCOUNTS SCHEDULE II**

**SCHEDULE OF INVESTMENT AS AT 31 DEC. 2020**

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

**SCHEDULE III**

**SCHEDULE OF DEPOSIT AS AT 31 DEC. 2020**

<b>S/N</b>	<b>Particulars</b>	<b>Dep. No.</b>	<b>Balance N</b>
1	5% CPD	D/4	434,606.43
2	5% Value Added Tax (VAT)	D/5	157,854.08
3	10% WithHolding Tax (WHT)	D/6	420,000.00
4	Sundry Persons – Retention	D/3	1,092,745.85
5	Darazo LGA (Repayment Loan)	D/16	84,474.00
6	Misau LGA (Repayment Loan)	D/8	38,201.68
7	Bauchi LGA (Repayment Loan)	D/9	4,248.20
8	Katagum LGA (Repayment Loan)	D/10	25,000.00
9	Sundry Person (Social Welfare)	D/11	600.00
10	Sundry Person (Council Members)	D/12	2,196.30
11	Sundry Person (Retention)	D/13	<u>780,461.52</u>

**3,040,388.06**

# **ITAS/GAUDA LOCAL GOVERNMENT COUNCILS**

## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

## **CORPORATE INFORMATION**

### **CHAIRMAN**

**HON. AHMED ADAMU ITAS**

### **HEAD OF ADMINISTRATION**

**YAKUBU AHMED**

### **TREASURER**

**IBRAHIM MAGAJI**

### **AUDITORS**

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

### **BANKERS**

**FIDELITY BANK PLC  
FCMB PLC**

# ITAS-GADAU LOCAL GOVERNMENT COUNCIL

## FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020

## STATEMENT OF RESPONSIBILITY ON THE FINANCIAL STATEMENTS

### STATEMENT OF RESPONSIBILITY RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Management of Itas-Gadau Local Government Council in accordance with the provisions of the Finance (Council and Management) Act 1958 as amended.

### RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Management of Itas-Gadau Local Government is responsible for establishing and maintaining a system of the internal control designed to provide reasonable assurance that the transactions recorded are within statutory authority and properly record the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system 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 Finance (Control and Management). Act 1958 as amended.

In our opinion, these financial statements fairly reflect the financial position of the Local Government as at 31<sup>st</sup> December, 2020 and its operations for the year ended on that date.

CHAIRMAN

ABDULLAH MUHAMMAD NIGARI  
Abdullah Nigari

DATE

29/12/2021

31/12/2021  
TREASURER

DATE 29/12/2021



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

We have audited the Financial Statements of Itas-Gadau Local Government Council for the year ended 31st December, 2020 set out on pages 9-13, which have been prepared on the basis of significant accounting policies on page 7-8 and other explanatory notes on pages 14-18.

### **RESPONSIBILITY OF THE MANAGEMENT**

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

### **AUDITORS' RESPONSIBILITY**

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



#### BASIS OF OPINION

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

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

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

#### BASIS OF QUALIFIED OPINION

A lot of reconciliation items are not promptly addressed by making the necessary postings in the cash book. Many of the items have remained unaddressed as at the end of the current period.

#### OPINION

In our opinion, Except for effects of the issues described in the basis of qualified opinion paragraph, the Financial Statements give a true and fair view of the financial position of the Council as at 31 December 2020 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.

SIGNED.....

YAKUBU MOHAMMED MAHMOUD, FCA  
FRC/ICAN/2016/00000015663  
FOR: ABDULKADEER MAHMOUD & CO.  
(CHARTERED ACCOUNTANTS)



**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

**SIGNIFICANT ACCOUNTING POLICIES**

**1. BASIS OF PREPARATION:**

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

**2. ACCOUNTING PERIOD**

The Financial Statements is for the accounting period from 1 January 2020 to 31 December 2020.

**3. REPORTING CURRENCY**

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

**4. CASH AND CASH EQUIVALENT**

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

**5. ACCOUNTS RECEIVABLES**

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

**6. PREPAYMENTS**

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

**7. INVENTORY**

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

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

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

**9. DEPOSITS**

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

**10.COMPARATIVE FIGURES**

Comparative figures were provided from the previous period for ease of comparison.

## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

### **SIGNIFICANT ACCOUNTING POLICIES Cont'd**

#### **11.BUDGET FIGURES**

Appropriation figures are the ones obtained from the Local Government's Appropriation bill.

#### **12.GOING CONCERN**

The Accounts are prepared with the assumption that the Local Government will continue as a Going Concern.

#### **13.RECEIPTS**

They represent monies received from Federal Account Allocation Committee (FAAC) and Internally Generated Revenue.

#### **14.EXTERNAL ASSISTANCE**

The Council did not receive any External Assistance during the year under review.



**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

**STATEMENT OF FINANCIAL POSITION**

	NOTES	2020	2019
		N	N
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash & Cash Equivalents	5	55,746,823	8,001,912
Receivables & Prepayments	6	156,919,555	-
Inventories		-	-
<b>Total Current Assets A</b>		<b>212,666,378</b>	<b>8,001,912</b>
<b>Non-Current Assets</b>			
Investments	7	7,532,166	7,532,166
Property, Plant & Equipment	8	99,835,915	99,835,915
Investment Property		-	-
<b>Total Non Current Assets B</b>		<b>107,368,081</b>	<b>107,368,081</b>
<b>Total Assets C=A+B</b>		<b>320,034,459</b>	<b>115,369,993</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Deposits	9	-	18,532,346
Payables		155,119,555	-
<b>Total Current Liabilities D</b>		<b>155,119,555</b>	<b>18,532,346</b>
<b>Non Current Liabilities</b>			
Public Funds		-	-
Long Term Borrowings		-	-
<b>Total Non Current Liabilities E</b>		<b>-</b>	<b>-</b>
<b>Total Liabilities F=D+E</b>		<b>155,119,555</b>	<b>18,532,346</b>
<b>NET ASSETS/EQUITY</b>			
Capital Grants	10	38,791,730	38,791,730
Reserves	11	126,123,174	58,045,918
<b>Total Net Assets/Equity H=G</b>		<b>320,034,459</b>	<b>115,369,993</b>

ABDULLAH MUHAMMAD MARIYAH  
 H. H. H.

S. M. S. YUSUF K. M. A.  
 H. H. H.

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

**STATEMENTS OF FINANCIAL PERFORMANCE**

2019			2020		
ACTUAL		NOTES	ACTUAL	BUDGET	VARIANCE
N			N	N	N
<b>REVENUE</b>					
1,524,312,651	Govt Share of FAAC	1	1,947,901,814	2,122,484,411	(174,582,597)
-	Govt Share of VAT	1	-	-	-
	Other receipts	1	584,610,492		
-	Tax Revenue	2	-	-	-
-	Non-Tax Revenue	2	-	-	-
-	Investment Income	2	-	920,500	(920,500)
-	Interest Earned	2	-	-	-
-	Aid & Grants		-	32,000,000	(32,000,000)
	Capital receipts			29,260,000	
1,498,567	Other Revenue	2	1,821,340	9,836,010	(8,014,670)
<b>1,525,811,218</b>	<b>TOTAL REVENUE (a)</b>		<b>2,534,333,646</b>	<b>2,194,500,921</b>	<b>339,832,725</b>
<b>EXPENDITURE</b>					
1,163,180,666	Salaries	3	1,751,304,096	1,409,842,813	(341,461,283)
	Social Benefits			-	-
291,518,004	Overhead Cost	4	714,952,293	755,734,261	40,781,968
-	Grants & Contributions		-	-	-
<b>1,454,698,669</b>	<b>TOTAL EXPENDITURE(b)</b>		<b>2,466,256,390</b>	<b>2,165,577,074</b>	<b>(300,679,316)</b>
<b>Surplus/(Deficit) from operating Activities for the period C=(a-b)</b>					
<b>71,112,548</b>			<b>68,077,256</b>	<b>28,923,847</b>	<b>(39,153,409)</b>
-	Gain/Loss on Disposal		-	-	-
-	Gain/Loss on Foreign Exchange Transaction		-	-	-
-	<b>Total Non Operating Revenue or (Expenses)(f)</b>		<b>-</b>	<b>-</b>	<b>-</b>
71,112,548	Surplus/(Deficit)from Ordinary Activities e=(c+d)		68,077,256	28,923,847	(39,153,409)
<b>71,112,548</b>	<b>Net Surplus/(Deficit) for the period g=(e-f)</b>		<b>68,077,256</b>	<b>28,923,847</b>	<b>28,923,847</b>

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

**STATEMENT OF CHANGES IN EQUITY**

	Accumulated Fund =N=	Revaluation Reserve =N=	TOTAL =N=
Balance as at 31 December 2018	(13,066,631)	-	(13,066,631)
Surplus /(Deficit) on revaluation	-	-	-
Prior Year Adjustments	-	-	-
Surplus /(Deficit)	<u>71,112,548</u>	<u>-</u>	<u>71,112,548</u>
	<u><b>58,045,918</b></u>	<u><b>-</b></u>	<u><b>58,045,918</b></u>
			-
Balance as at 31 December 2019	<u><b>58,045,918</b></u>	<u><b>-</b></u>	<u><b>58,045,918</b></u>
			-
Balance as at 31 December 2019	58,045,918	-	58,045,918
Surplus /(Deficit) on revaluation	-	-	-
Surplus /(Deficit)	<u>68,077,256</u>	<u>-</u>	<u>68,077,256</u>
	<u><b>126,123,174</b></u>	<u><b>-</b></u>	<u><b>126,123,174</b></u>
			-
Balance as at 31 December 2020	<u><b>126,123,174</b></u>	<u><b>-</b></u>	<u><b>126,123,174</b></u>

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

**STATEMENT OF CASH FLOW**

Description	Notes	2020	2019
		N	N
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>			
<i>Inflows</i>			
Government Share of FAAC		1,947,901,814	1,524,312,651
Government Share of VAT		-	-
Other receipts		584,610,492	
Interest Earned		-	-
Aid & Grants		-	-
Other Revenue		<u>1,821,340</u>	<u>1,498,567</u>
<b>Total inflow from Operating Activities (A)</b>		<b>2,534,333,646</b>	<b>1,525,811,218</b>
<i>Outflows</i>			
Salaries & Wages		(1,751,304,096)	(1,163,180,666)
Overhead Cost		<u>(714,952,293)</u>	<u>(291,518,004)</u>
<b>Total outflow from operating Activities (B)</b>		<b>(2,466,256,390)</b>	<b>(1,454,698,669)</b>
<b>Net Cash Inflow/(Outflow) from Operating Activities C=(A+B)</b>		<b>68,077,256</b>	<b>71,112,548</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Investment		-	-
Dividends Received		-	-
Purchase/Construction of PPE		-	(67,755,009)
Purchase/Construction of Investment Prop		-	-
Acquisition of investments		<u>-</u>	<u>-</u>
<b>Net Cash from Investing Activities</b>		<b>-</b>	<b>(67,755,009)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Capital Grants Received		-	-
Proceeds from Borrowings		-	-
Repayment of Borrowings		-	-
<b>Net Cash Flow from Financing Activities</b>		<b>-</b>	<b>-</b>
<b>Net Cash flow from all Activities</b>		<b>68,077,256</b>	<b>3,357,539</b>
<b>Net Movement in Current Assets / Liabilities</b>			
Net Movement in Inventories			
Net Movement in Receivables		(156,919,555)	100,000
Net Movement in Payables		<u>136,587,209</u>	<u>4,176,962</u>
		<u>(20,332,346)</u>	<u>4,276,962</u>
Net Cash Flow from Operating Activities		<b>47,744,911</b>	<b>7,634,501</b>
<b>Cash &amp; Its Equivalent as at 1/1/2020</b>		<u>8,001,912</u>	<u>367,411</u>
<b>Cash &amp; Its Equivalent as at 31/12/2020</b>		<b><u>55,746,823</u></b>	<b><u>8,001,912</u></b>
<b>Cash &amp; its Equivalent as at 31/12 2020</b>			
Cash Balances		820	820
Fidelity		57,280,857	6,109,068
FCMB		(1,016,234)	1,204,275
First Bank		<u>(518,620)</u>	<u>687,750</u>
		<b>55,746,823</b>	<b>8,001,912</b>

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

**CAPITAL DEVELOPMENT FUND**

	<b>2020</b>	<b>2019</b>
	<b>N</b>	<b>N</b>
<b>CAPITAL EXPENDITURE</b>		
<b>Balance B/d</b>	99,835,915	32,080,906
Motor vehicle	-	2,272,170
Purchase of canoes	-	1,149,400
Construction/provision of residential buildings	-	10,000,000
Construction/provision of electricity	-	10,000,000
Construction/provision of cemeteries	-	6,968,696
Construction/provision of housing(mosque)	-	5,020,496
Rehabilitation/repairs-Market/parks	-	510,000
Construction/provision of infrastructure	-	21,371,758
Drainage	-	4,438,090
Water pollution prevention & control	-	215,000
Furniture	-	286,000
Hand pump/well	-	4,411,200
Land compensation	-	162,200.00
Rehabilitation of water facility	-	950,000
	<u><b>99,835,915</b></u>	<u><b>99,835,915</b></u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

	2020 N	2019 N
<b>NOTE 1 STATUTORY ALLOCATION</b>		
Share of FAAC	1,947,901,814	1,524,312,651
Other receipts	584,610,492	-
	<u><b>2,532,512,306</b></u>	<u><b>1,524,312,651</b></u>
<b>NOTE 2 OTHER REVENUE</b>		
Internally Generated Revenue	1,811,340	134,460
10% Share of State Internal Revenue	10,000	1,364,107
Sale of shares	-	-
	<u><b>1,821,340</b></u>	<u><b>1,498,567</b></u>
<b>NOTE 3 PERSONNEL COST</b>		
Salaries & Wages	1,231,396,616	815,795,671
LEA Salaries	328,047,788	214,322,008
Pension & gratuity	177,013,693	115,974,986
Allowances	14,846,000	17,088,000
	<u><b>1,751,304,096</b></u>	<u><b>1,163,180,666</b></u>
<b>NOTE 4 OVERHEAD COST</b>		
<i>ALLOWANCES AND SOCIAL CONTRIBUTION</i>		
Security allowance	13,685,000	21,788,850
Honourarium & sitting allowance	416,050	801,250
Staff training	-	1,162,500
Workshop	500,000	1,800,000
Hajj	-	15,612,952
Immunisation allowances	981,750	2,684,495
Medical expenses-local	97,700	200,000
Welfare packages	8,783,216	6,038,650
	<u><b>24,463,716</b></u>	<u><b>50,088,698</b></u>
<i>TRAVEL &amp; TRANSPORT</i>		
Local travel & transport: Others	19,716,046	17,611,982
Local travel & transport: Training	-	-
	<u><b>19,716,046</b></u>	<u><b>17,611,982</b></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

	<b>2020</b>	<b>2019</b>
	<b>N</b>	<b>N</b>
<i><b>MATERIALS AND SUPPLIES</b></i>		
Purchase of agro-chemicals & seedling	1,500,000	6,042,137
Relief materials	1,000,000	2,614,000
Production of calander	-	800,000
Supply of exercise books	-	2,000,000
Production of curriculum	-	29,250,000
Purchase of customised bags	-	3,375,000
Uniforms & other clothing	-	90,000
Office stationeries/computer comsuma	70,000	429,100
Printing of non-security document	156,300	6,476,000
	<b><u>2,726,300</u></b>	<b><u>51,076,237</u></b>
<i><b>MISCELLANEOUS EXPENSES</b></i>		
Security vote	7,000,000	11,000,000
Refreshment & Meals	4,579,100	11,445,747
Financial Assistance	463,834	5,075,895
Publicity & advertisement	140,000	500,000
sporting activities	77,650	-
Magazine & periodicals	-	450,000
Cleaning & fumigation services	-	272,405
Electricity bills	65,000	395,000
Subscription to professional bodies	431,034	495,500
Budget activities	-	355,000
Contribution to other organisations	466,725	6,138,849
Mandatory payment	141,628,731	32,421,782
OD related expenses	425,411,910	-
Joint project	4,500,000	9,319,769
Grant to communities	56,322,400	51,218,585
1% Admin charges	16,707,173	14,693,705
Max air	4,860,000	6,000,000
Special days celebration	400,000	8,012,000
	<b><u>663,053,557</u></b>	<b><u>157,794,238</u></b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020  
NOTES TO THE ACCOUNTS**

	<b>2020 N</b>	<b>2019 N</b>
<b><i>MAINTENANCE SERVICES</i></b>		
Maintenance of generator	-	240,000
Generator fuel cost	-	200,000
Maintenance of office equipment	-	17,000
Maintenance of motor vehicles	178,200	3,438,713
Minor road maintenance	-	68,000
Other maintenance services	2,260,000	2,825,300
Maintenance of office building	1,160,000	4,158,891
Motor vehicle fuel cost	10,300	933,979
	<u><b>3,608,500</b></u>	<u><b>11,881,883</b></u>
<b><i>CONSULTING &amp; PROFESSIONAL SERVICES</i></b>		
Legal services	<u>1,350,000</u>	<u>-</u>
	<u><b>1,350,000</b></u>	<u><b>-</b></u>
Bank charges	<u><b>34,174</b></u>	<u><b>3,064,966</b></u>
Total Overhead	<u><b>714,952,293</b></u>	<u><b>291,518,004</b></u>
<b>NOTE 5 CASH &amp; CASH EQUIVALENT</b>		
Fidelity	57,280,857	6,109,068
FCMB	(1,016,234)	1,204,275
First Bank	(518,620)	687,750
Cash	820	820
	<u><b>55,746,823</b></u>	<u><b>8,001,912</b></u>
<b>NOTE 6 RECEIVABLES &amp; PREPAYMENTS</b>		
Receivables	155,119,555	-
Advances	<u>1,800,000</u>	<u>-</u>
	<u><b>156,919,555</b></u>	<u><b>-</b></u>
<b>NOTE 7 INVESTMENTS</b>	<u><b>7,532,166</b></u>	<u><b>7,532,166</b></u>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

	<b>2020</b>	<b>2019</b>
	<b>N</b>	<b>N</b>
<b>NOTE 8 CAPITAL EXPENDITURE</b>		
Balance B/d	99,835,915	32,080,906
Motor vehicle	-	2,272,170
Purchase of canoes	-	1,149,400
Construction/provision of residential h	-	10,000,000
Construction/provision of electricity	-	10,000,000
Construction/provision of cemeteries	-	6,968,696
Construction/provision of housing(mo	-	5,020,496
Rehabilitation/repairs-Market/parks	-	510,000
Construction/provision of infrastru	-	21,371,758
Drainage	-	4,438,090
Water pollution prevention & control	-	215,000
Furniture	-	286,000
Hand pump/well	-	4,411,200
Land compensation	-	162,200.00
Rehabilitation of water facility	-	950,000
	<u><b>99,835,915</b></u>	<u><b>99,835,915</b></u>
 <b>NOTE 9 DEPOSITS</b>	 <u><b>-</b></u>	 <u><b>18,532,346</b></u>
 <b>PAYABLES</b>		
Staff salaries-Dec. 2020	<u><b>155,119,555</b></u>	<u><b>-</b></u>
 <b>NOTE 10 CAPITAL GRANT</b>		
Paris club refund	<u><b>38,791,730</b></u>	<u><b>38,791,730</b></u>
 <b>NOTE 11 RESERVES</b>		
Brought Forward	58,045,918	(13,066,631)
Operating Balance for the Year	<u><b>68,077,256</b></u>	<u><b>71,112,548</b></u>
	<u><b>126,123,174</b></u>	<u><b>58,045,918</b></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

**APPENDICES**

**SCHEDULES OF INVESTMENT**

**APPENDIX 1**

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

**APPENDIX 2**

**SCHEDULE OF ADVANCES**

<b>S/N</b>	<b>NAMES</b>	<b>AMOUNT N</b>
1	Sundry persons	<u><b>1,800,000</b></u>

# **JAMA'ARE LOCAL GOVERNMENT COUNCILS**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

## **CORPORATE INFORMATION**

### **CHAIRMAN**

ALH SAMA'ILA YUSUF JARMA

### **HEAD OF ADMINISTRATION**

KABIRU MARAFA

### **TREASURER**

AL-MUSTAPHA A. BAWA

### **AUDITORS**

Abdulkadeer Mahmoud & Co.  
(Chartered Accountants)

### **BANKERS**

First Bank of Nig Ltd  
Fidelity Bank Plc.

# JAMA'ARE LOCAL GOVERNMENT COUNCIL

## FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020

## STATEMENT OF RESPONSIBILITY ON THE FINANCIAL STATEMENTS

### STATEMENT OF RESPONSIBILITY RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Management of Jama'are Local Government Council in accordance with the provisions of the Finance (Council and Management) Act 1958 as amended.

### RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Management of Jama'are Local Government is responsible for establishing and maintaining a system of the internal control designed to provide reasonable assurance that the transactions recorded are within statutory authority and properly record the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system 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 Finance (Control and Management). Act 1958 as amended.

In our opinion, these financial statements fairly reflect the financial position of the Local Government as at 31<sup>st</sup> December, 2020 and its operations for the year ended on that date.

CHAIRMAN

*[Signature]*

DATE

29/09/2021

SABILA YUSUF JARMA

IBRAHIM ALI YUSUF SHAMIR

TREASURER

29/09/2021

DATE

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

We have audited the Financial Statements of Jama'are Local Government Council for the year ended 31st December, 2020 set out on pages 9-13, which have been prepared on the basis of significant accounting policies on page 7-8 and other explanatory notes on pages 14-18.

### RESPONSIBILITY OF THE MANAGEMENT

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

### AUDITORS' RESPONSIBILITY

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





Abdulkadeer Mahmoud & Co

## Chartered Accountants

Suit 110, Ground Floor Bank of Industry Building, Maiduguri Road, Bauchi.

GSM: 08035846833, 08023445588

E-mail: abdulcadeermahmoudandco@gmail.com

### BASIS OF OPINION

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

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

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

### BASIS OF QUALIFIED OPINION

Monthly bank reconciliation statements were not prepared in the year under review. We observed that there is difference between the cash book balance and the bank statement which should be reconciled

### OPINION

In our opinion, Except for effects of the issues described in the basis of qualified opinion paragraph, the Financial Statements give a true and fair view of the financial position of the Council as at 31 December 2020 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.

SIGNED.....

**YAKUBU MOHAMMED MAHMOUD, FCA**  
**FRC/ICAN/2016/00000015663**  
**FOR: ABDULKADEER MAHMOUD & CO.**  
**(CHARTERED ACCOUNTANTS)**



**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

**SIGNIFICANT ACCOUNTING POLICIES**

**1. BASIS OF PREPARATION:**

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

**2. ACCOUNTING PERIOD**

The Financial Statements is for the accounting period from 1 January 2020 to 31 December 2020.

**3. REPORTING CURRENCY**

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

**4. CASH AND CASH EQUIVALENT**

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

**5. ACCOUNTS RECEIVABLES**

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

**6. PREPAYMENTS**

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

**7. INVENTORY**

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

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

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

**9. DEPOSITS**

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

**10.COMPARATIVE FIGURES**

Comparative figures were provided from the previous period for ease of comparison.

## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

### **SIGNIFICANT ACCOUNTING POLICIES Cont'd**

#### **11.BUDGET FIGURES**

Appropriation figures are the ones obtained from the Local Government's Appropriation bill.

#### **12.GOING CONCERN**

The Accounts are prepared with the assumption that the Local Government will continue as a Going Concern.

#### **13.RECEIPTS**

They represent monies received from Federal Account Allocation Committee (FAAC) and Internally Generated Revenue.

#### **14.EXTERNAL ASSISTANCE**

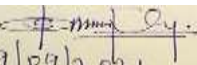
The Council did not receive any External Assistance during the year under review.



**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

**STATEMENT OF FINANCIAL POSITION**

	NOTES	2020	2019
		N	N
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash & Cash Equivalents	5	(690,468)	3,256,590
Prepayments	6	136,995,903	12,189,679
Inventories		-	-
<b>Total Current Assets A</b>		<b>136,305,435</b>	<b>15,446,269</b>
<b>Non-Current Assets</b>			
Investments	7	14,154,624	14,154,624
Property, Plant & Equipment	8	98,167,926	96,167,926
<b>Total Non Current Assets B</b>		<b>112,322,550</b>	<b>110,322,550</b>
<b>Total Assets C=A+B</b>		<b>248,627,985</b>	<b>125,768,819</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Deposits	9	21,138,405	21,138,405
Payables	10	123,406,224	-
<b>Total Current Liabilities D</b>		<b>144,544,629</b>	<b>21,138,405</b>
<b>Non Current Liabilities</b>			
Long Term Borrowings		-	-
<b>Total Non Current Liabilities E</b>		<b>-</b>	<b>-</b>
<b>Total Liabilities F=D+E</b>		<b>144,544,629</b>	<b>21,138,405</b>
<b>NET ASSETS/EQUITY</b>			
Capital Grants	11	31,469,321	31,469,321
Accumulated Surplus/(Deficit)	12	72,614,035	73,161,092
<b>Total Net Assets/Equity H=G</b>		<b>248,627,985</b>	<b>125,768,819</b>

CHAIRMAN   
DATE 29/09/2021  
SAAD BILAL AL-FARAJI

IBRAHIM ALI Y. SHAMMA  
TREASURER  
29/09/2021

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

**STATEMENTS OF FINANCIAL PERFORMANCE**

2019			2020		
ACTUAL		NOTES	ACTUAL	BUDGET	VARIANCE
N			N	N	N
<b>REVENUE</b>					
950,743,360	Govt Share of FAAC	1	1,546,678,384	2,080,484,411	(533,806,027)
-	Govt Share of VAT	1	-	-	-
	Other receipts		20,614,581		
-	Tax Revenue	2	-	-	-
-	Non-Tax Revenue	2	-	-	-
-	Investment Income	2	-		-
-	Interest Earned	2	-	623,860	(623,860)
-	Aid & Grants	2	-	23,540,000	(23,540,000)
<u>2,623,892</u>	Other Revenue	2	<u>4,034,039</u>	<u>9,369,000</u>	<u>(5,334,961)</u>
<b>953,367,251</b>	<b>TOTAL REVENUE (a)</b>		<b>1,571,327,004</b>	<b>2,114,017,271</b>	<b>(542,690,267)</b>
<b>EXPENDITURE</b>					
366,004,804	Personnel cost	3	1,234,635,206	565,113,748	(669,521,458)
	Social Benefits			-	-
511,374,501	Overhead Cost	4	337,238,856	1,086,312,466	749,073,610
-	Grants & Contributions		-	-	-
<u>877,379,305</u>	<b>TOTAL EXPENDITURE(b)</b>		<u>1,571,874,062</u>	<u>1,651,426,214</u>	<u>79,552,152</u>
Surplus/(Deficit) from operating Activities for					
75,987,946	the period C=(a-b)		(547,057)	462,591,057	463,138,114
-	Gain/Loss on Disposal	22	-	-	-
-	Gain/Loss on Foreign Exchange Transaction	23	-	-	-
-	Share of Surplus/(Deficit) In Assoc. & Joint Veni	24	-	-	-
-	<b>Total Non Operating Revenue or (Expenses)(d)</b>		-	-	-
75,987,946	Surplus/(Deficit)from Ordinary Activities e=(c+d)		(547,057)	462,591,057	463,138,114
-	Minority Interest Share of Surplus/(Deficit) (f)	25	-	-	-

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

**STATEMENT OF CHANGES IN EQUITY**

	Accumulated Fund =N=	Revaluation Reserve =N=	TOTAL =N=
Balance as at 31 December 2018	(2,826,854)	-	(2,826,854)
Surplus /(Deficit) on revaluation	-	-	-
Prior Year Adjustments	-	-	-
Surplus /(Deficit)	<u>75,987,946</u>	<u>-</u>	<u>75,987,946</u>
	<u><b>73,161,092</b></u>	<u><b>-</b></u>	<u><b>73,161,092</b></u>
			-
Balance as at 31 December 2019	<u><b>73,161,092</b></u>	<u><b>-</b></u>	<u><b>73,161,092</b></u>
			-
Balance as at 31 December 2019	73,161,092	-	73,161,092
Surplus /(Deficit) on revaluation	-	-	-
Prior Year Adjustments	-	-	-
Surplus /(Deficit)	<u>(547,057)</u>	<u>-</u>	<u>(547,057)</u>
	<u><b>72,614,035</b></u>	<u><b>-</b></u>	<u><b>72,614,035</b></u>
			-
Balance as at 31 December 2020	<u><b>72,614,035</b></u>	<u><b>-</b></u>	<u><b>72,614,035</b></u>

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

**STATEMENT OF CASH FLOW**

Description	2020		2019	
	N	N	N	N
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>				
<i>Inflows</i>				
Government Share of FAAC	1,546,678,384		950,743,360	
Government Share of VAT	-		-	
Other receipts	20,614,581		-	
Interest Earned	-		-	
Aid & Grants	-		-	
Other Revenue	4,034,039		2,623,892	
<b>Total inflow from Operating Activities (A)</b>		1,571,327,004		953,367,251
<i>Outflows</i>				
Salaries & Wages	(1,234,635,206)		(366,004,804)	
Social Benefits	-		-	
Overhead Cost	(337,238,856)		(511,374,501)	
<b>Total outflow from operating Activities (B)</b>		(1,571,874,062)		(877,379,305)
<b>Net Cash Inflow/(Outflow) from Operating Activities C=(A+B)</b>		(547,057)		75,987,946
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Proceeds from Sale of Investment	-		-	
Dividends Received	-		-	
Purchase/Construction of PPE	(2,000,000)		(72,253,095)	
Purchase/Construction of Investment Prop	-		-	
Acquisition of investments	-		-	
<b>Net Cash from Investing Activities</b>		(2,000,000)		(72,253,095)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Capital Grants Received	-		-	
Proceeds from Borrowings	-		-	
Repayment of Borrowings	-		-	
<b>Net Cash Flow from Financing Activities</b>		-		-
<b>Net Cash flow from all Activities</b>		(2,547,057)		3,734,851
<b>Net Movement in Current Assets / Liabilities</b>				
Net Movement in Inventories				
Net Movement in Receivables		(124,806,224)		(1,580,000)
Net Movement in Payables		123,406,224		658,532
		(1,400,000)		(921,468)
Net Cash Flow from Operating Activities		(3,947,057)		2,813,384
<b>Cash &amp; Its Equivalent as at 1/1/2020</b>		3,256,590		443,206
<b>Cash &amp; Its Equivalent as at 31/12/2020</b>		<u>(690,468)</u>		<u>3,256,590</u>
<b>Cash &amp; its Equivalent as at 31/12 2020</b>				
Cash Balances		1,983		863
Bank Balances		(692,450)		3,255,727
Overdraft		-		-
		<u>(690,468)</u>		<u>3,256,590</u>

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

**CAPITAL DEVELOPMENT FUND**

	<b>2020</b>	<b>2019</b>
	<b>N</b>	<b>N</b>
<b>CAPITAL EXPENDITURE</b>		
Balance B/f	96,167,926	23,914,831
Land compensation	-	930,000
Motor vehicle	-	2,437,170
Construction/provision of infrastructure-mosque	-	59,462,031
Rehabilitation/repairs -water facilities	-	2,174,000
Rehabilitation/repairs -electricity	2,000,000	1,868,000
Rehabilitation of road	-	-
Rehabilitation/repairs-Market/parks	-	1,547,500
Joint project	-	3,834,394
	<u><b>98,167,926</b></u>	<u><b>96,167,926</b></u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

	<b>2020</b>	<b>2019</b>
	<b>N</b>	<b>N</b>
<b>NOTE 1 STATUTORY ALLOCATION</b>		
Share of FAAC	1,546,678,384	950,743,360
Others Receipts	20,614,581	–
	<u><b>1,567,292,965</b></u>	<u><b>950,743,360</b></u>
<b>NOTE 9 OTHER REVENUE</b>		
Internally Generated Revenue	1,434,500	1,106,450
Interest Payment and Dividend	809,539	723,215
Rent on Local Government Property	120,000	–
10% Share of State Internal Revenue	1,670,000	794,226
	<u><b>4,034,039</b></u>	<u><b>2,623,892</b></u>
<b>NOTE 11 PERSONNEL COST</b>		
Salaries & Wages	638,316,160	293,216,136
Pension & gratuity	142,000,449	12,112,071
NHF	34,010,000	–
LEA Salaries	408,021,597	52,091,597
Allowances	12,287,000	8,585,000
	<u><b>1,234,635,206</b></u>	<u><b>366,004,804</b></u>
<b>NOTE 13 OVERHEAD COST</b>		
<i>ALLOWANCES AND SOCIAL CONTRIBUTION</i>		
Honourarium & sitting allowance	1,515,000	1,413,000
Security allowances	27,100,100	6,310,000
Welfare packages	12,282,500	12,758,800
Disturbance allowance	–	603,000
Immunization supervision allowance	1,550,500	1,966,333
Training	–	3,462,500
Hajj	–	12,420,971
Contribution to other organisations	–	1,966,000
Medical expenses–local	120,000	295,000
	<u><b>42,568,100</b></u>	<u><b>41,195,604</b></u>
<i>TRAVEL &amp; TRANSPORT</i>		
Local travel & transport: Others	11,337,750	29,128,575
Local travel & transport: Training	–	495,000
	<u><b>11,337,750</b></u>	<u><b>29,623,575</b></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

	<b>2020</b>	<b>2019</b>
	<b>N</b>	<b>N</b>
<i><b>MATERIALS AND SUPPLIES</b></i>		
Relief materials	–	870,000
Purchase of agric products	–	6,750,000
Drugs & medical supplies	1,390,000	7,710,000
Supply of exercise books	–	2,000,000
Production of curriculum	–	27,495,000
Purchase of customised bags	–	2,685,000
Production of calander	–	333,750
Burial Materials	–	23,464,492
Office stationeries/computer consum	1,215,000	–
Printing of security document	–	130,000
Printing of non–security document	85,000	279,500
	<b><u>2,690,000</u></b>	<b><u>71,717,742</u></b>
<i><b>MISCELLANEOUS EXPENSES</b></i>		
Security vote	7,000,000	8,000,000
Refreshment & Meals	7,729,500	14,574,000
Financial Assistance	867,000	2,703,000
Postages & courier services	–	50,000
Residential rent	500,000	1,620,000
Budget activities	–	396,000
Magazine & priodicals	250,000	–
Publicity & advertisement	1,270,000	225,000
Electricity bills	600,000	310,000
Max Air	2,577,600	2,850,000
1% Admin charges	6,346,891	1,721,761
15% Comm dividend	169,400	379,468
Mandatory payment	147,527,833	299,325,579
Bank charges	29,132	37,504
Grants to communities/NGOs	102,978,401	20,597,500
Special days celebration	100,000	5,550,000
	<b><u>277,945,756</u></b>	<b><u>358,339,811</u></b>
<i><b>MAINTENANCE SERVICES</b></i>		
Maintenance of plant/generators	–	165,000
Maintenance of hand pump/well	–	685,600
Minor road repair	–	847,000
Other transport equipment fuel cost	202,000	15,000
Plant/generator fuel cost	240,000	125,569
Other maintenance services	666,000	152,950
Balance c/f	<b><u>1,108,000</u></b>	<b><u>1,991,119</u></b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

	2020 N	2019 N
<b><i>MAINTENANCE SERVICES Cont.</i></b>		
Balance b/f	1,108,000	1,991,119
Maintenance of motor vehicles	132,000	1,745,000
Maintenance of of office building	340,000	-
Renovation of Emir's Palace	-	4,500,000
Maintenance of IT/Office equipment	40,000	76,200
Motor vehicle fuel cost	1,077,250	1,323,250
	<u>2,697,250</u>	<u>9,635,569</u>
<b><i>CONSULTING &amp; PROFESSIONAL SERVICES</i></b>		
Agricultural consulting	-	30,000
Audit fees	-	680,200
Legal fees	-	100,000
Surveying	-	52,000
	<u>-</u>	<u>862,200</u>
<b>Total Overheads</b>	<u>337,238,856</u>	<u>511,374,501</u>
<b>NOTE 5 CASH &amp; CASH EQUIVALENT</b>		
Bank balance	(692,450)	3,255,727
Cash	1,983	863
	<u>(690,468)</u>	<u>3,256,590</u>
<b>NOTE 6 RECEIVABLES &amp; PREPAYMENTS</b>		
Receivables	123,406,224	-
Advances	13,589,679	12,189,679
	<u>136,995,903</u>	<u>12,189,679</u>
<b>NOTE 7 INVESTMENTS</b>	<u>14,154,624</u>	<u>14,154,624</u>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

	<b>2020</b>	<b>2019</b>
	<b>N</b>	<b>N</b>
<b>NOTE 8 CAPITAL EXPENDITURE</b>		
Balance B/f	96,167,926	23,914,831
Land compensation	-	930,000
Motor vehicle	-	2,437,170
Construction/provision of infrastru	-	59,462,031
Rehabilitation/repairs -water facilitie	-	2,174,000
Rehabilitation/repairs -electricity		1,868,000
Rehabilitation of road	2,000,000	-
Rehabilitation/repairs-Market/parks	-	1,547,500
Joint project	-	3,834,394
	<u><b>98,167,926</b></u>	<u><b>96,167,926</b></u>
<b>NOTE 9 DEPOSITS</b>	<u><b>21,138,405</b></u>	<u><b>21,138,405</b></u>
<b>NOTE 10 PAYABLE</b>		
Staff salaries & other expenses(Dec. 2	<u><b>123,406,224</b></u>	<u><b>-</b></u>
<b>NOTE 11 CAPITAL GRANT</b>		
Paris club refund	<u><b>31,469,321</b></u>	<u><b>31,469,321</b></u>
<b>NOTE 12 RESERVES</b>		
Brought Forward	73,161,092	(2,826,854)
Operating Balance for the Year	<u>(547,057)</u>	<u>75,987,946</u>
	<u><b>72,614,035</b></u>	<u><b>73,161,092</b></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

**APPENDICES**

**SCHEDULES OF INVESTMENT**

**APPENDIX 1**

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

**SCHEDULES OF ADVANCES**

**APPENDIX 2**

<b>S/N</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
A/1	Sundry persons	<b><u>13,589,679</u></b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020  
APPENDICES CONT'D.**

**SCHEDULES OF DEPOSIT**

**APPENDIX 3**

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

# **KATAGUM LOCAL GOVERNMENT COUNCILS**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

## **CORPORATE INFORMATION**

**CHAIRMAN**  
MOHAMMED HASSAN

**HEAD OF ADMINISTRATION**  
MOHAMMED BELLO MAGAMA

**TREASURER**  
MOHAMMED ABDULLAHI

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

**BANKERS**  
FIDELITY BANK PLC  
FCMB PLC

# KATAGUM LOCAL GOVERNMENT COUNCIL

## FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020

### STATEMENT OF RESPONSIBILITY ON THE FINANCIAL STATEMENTS

#### STATEMENT OF RESPONSIBILITY RESPONSIBILITY FOR FINANCIAL STATEMENTS


These Financial Statements have been prepared by the Management of Katagum Local Government Council in accordance with the provisions of the Finance (Council and Management) Act 1958 as amended.

#### RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Management of Katagum Local Government is responsible for establishing and maintaining a system of the internal control designed to provide reasonable assurance that the transactions recorded are within statutory authority and properly record the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system 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 Finance (Control and Management). Act 1958 as amended.

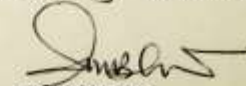
In our opinion, these financial statements fairly reflect the financial position of the Local Government as at 31<sup>st</sup> December, 2020 and its operations for the year ended on that date.

  
CHAIRMAN

DATE

29/9/21

SANUSI MAGIJI BASHAR

  
TREASURER

DATE 29/09/2021

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

We have audited the Financial Statements of Katagum Local Government Council for the year ended 31st December, 2020 set out on pages 9-13, which have been prepared on the basis of significant accounting policies on page 7-8 and other explanatory notes on pages 14-18.

### **RESPONSIBILITY OF THE MANAGEMENT**

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

### **AUDITORS' RESPONSIBILITY**

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



#### **BASIS OF OPINION**

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

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

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

#### **BASIS OF QUALIFIED OPINION**

Monthly bank reconciliation statements were not prepared in the year under review. There are differences between the balances of the cash book and the bank statements also monthly Loan/Overdraft transactions recorded in the cash book of the Council without the necessary details of the Loan/overdraft facilities, such as the interest and principal repayments and the total facility utilized by the Council in the year

#### **OPINION**

In our opinion, Except for effects of the issues described in the basis of qualified opinion paragraph, the Financial Statements give a true and fair view of the financial position of the Council as at 31 December 2020 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.

SIGNED.....

**YAKUBU MOHAMMED MAHMOUD, FCA**  
FRC/ICAN/2016/00000015663  
FOR: ABDULKADEER MAHMOUD & CO.  
(CHARTERED ACCOUNTANTS)



**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

**SIGNIFICANT ACCOUNTING POLICIES**

**1. BASIS OF PREPARATION:**

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

**2. ACCOUNTING PERIOD**

The Financial Statements is for the accounting period from 1 January 2020 to 31 December 2020.

**3. REPORTING CURRENCY**

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

**4. CASH AND CASH EQUIVALENT**

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

**5. ACCOUNTS RECEIVABLES**

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

**6. PREPAYMENTS**

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

**7. INVENTORY**

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

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

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

**9. DEPOSITS**

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

**10.COMPARATIVE FIGURES**

Comparative figures were provided from the previous period for ease of comparison.



## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

### **SIGNIFICANT ACCOUNTING POLICIES Cont'd**

#### **11.BUDGET FIGURES**

Appropriation figures are the ones obtained from the Local Government's Appropriation bill.

#### **12.GOING CONCERN**

The Accounts are prepared with the assumption that the Local Government will continue as a Going Concern.

#### **13.RECEIPTS**

They represent monies received from Federal Account Allocation Committee (FAAC) and Internally Generated Revenue.

#### **14.EXTERNAL ASSISTANCE**

The Council did not receive any External Assistance during the year under review.

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

**STATEMENT OF FINANCIAL POSITION**

	NOTES	2020 N	2020 N	2019 N	2019 N
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash & Cash Equivalents	5	10,993,235		16,165,666	
Receivables & Prepayments	6	190,397,655		5,946,000	
Inventories		<u>-</u>		<u>-</u>	
Total Current Assets A			201,390,890		22,111,666
<b>Non-Current Assets</b>					
Investments	7	24,061,452		24,061,452	
Property, Plant & Equipment	8	134,016,151		66,044,951	
Investment Property		<u>-</u>		<u>-</u>	
Total Non Current Assets B			<u>158,077,603</u>		<u>90,106,403</u>
Total Assets C=A+B			<u><b>359,468,493</b></u>		<u><b>112,218,070</b></u>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Deposits	9	-		3,247,200	
Payables	10	<u>182,351,655</u>		<u>-</u>	
Total Current Liabilities D			182,351,655		3,247,200
<b>Non Current Liabilities</b>					
Public Funds		-		-	
Long Term Borrowings		<u>-</u>		<u>-</u>	
Total Non Current Liabilities E			<u>-</u>		<u>-</u>
Total Liabilities F=D+E			182,351,655		3,247,200
<b>NET ASSETS/EQUITY</b>					
Capital Grants	11	48,050,468		48,050,468	
Reserves	12	<u>129,066,371</u>	<u>177,116,839</u>	<u>60,920,402</u>	<u>108,970,870</u>
Total Net Assets/Equity H=G			<u><b>359,468,493</b></u>		<u><b>112,218,070</b></u>

ABDU KUNA  
CHAIRMAN

SAMUEL MAGAZI BASHAR  
TREASURER

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

**STATEMENTS OF FINANCIAL PERFORMANCE**

2019			2020		
ACTUAL		NOTES	ACTUAL	BUDGET	VARIANCE
N			N	N	N
REVENUE					
2,210,369,076	Govt Share of FAAC	1	2,290,727,228	3,511,746,959	(1,221,019,731)
-	Govt Share of VAT	1	-	-	-
	Other receipts	1	809,797,116		
-	Tax Revenue	2	-	-	-
-	Non-Tax Revenue	2	-	-	-
-	Investment Income	2	-	-	-
-	Interest Earned	2	395,198	-	395,198
-	Aid & Grants		-	23,210,000	(23,210,000)
<u>6,483,750</u>	Other Revenue	3	<u>17,576,300</u>	<u>93,968,215</u>	<u>(76,391,915)</u>
<b>2,216,852,826</b>	<b>TOTAL REVENUE (a)</b>		<b>3,118,495,842</b>	<b>3,628,925,174</b>	<b>(510,429,332)</b>
EXPENDITURE					
1,594,336,995	Salaries	11	2,526,706,537	1,128,213,538	(1,398,492,999)
	Social Benefits	12		-	-
574,692,070	Overhead Cost	13	523,643,336	2,059,372,538	1,535,729,202
<u>-</u>	Grants & Contributions	14	<u>-</u>	<u>-</u>	<u>-</u>
<b>2,169,029,065</b>	<b>TOTAL EXPENDITURE(b)</b>		<b>3,050,349,873</b>	<b>3,187,586,076</b>	<b>137,236,203</b>
	Surplus/(Deficit) from operating Activities for the period C=(a-b)				
47,823,761			68,145,969	441,339,098	373,193,129
-	Gain/Loss on Disposal	22	-	-	-
-	Gain/Loss on Foreign Exchange Transaction	23	-	-	-
-	Share of Surplus/(Deficit) In Assoc. & Joint Venture	24	-	-	-
-	<b>Total Non Operating Revenue or (Expenses)(d)</b>		<b>-</b>	<b>-</b>	<b>-</b>
47,823,761	Surplus/(Deficit)from Ordinary Activities e=(c+d)		68,145,969	441,339,098	373,193,129
-	Minority Interest Share of Surplus/(Deficit) (f)	25	-	-	-
<b>47,823,761</b>	<b>Net Surplus/(Deficit) for the period g=(e-f)</b>		<b>68,145,969</b>	<b>441,339,098</b>	<b>373,193,129</b>

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

**STATEMENT OF CHANGES IN EQUITY**

	<b>Accumulated Fund =N=</b>	<b>Revaluation Reserve =N=</b>	<b>TOTAL =N=</b>
Balance as at 31 December 2018	13,096,641	-	13,096,641
Surplus /(Deficit)	<u>47,823,761</u>	<u>-</u>	<u>47,823,761</u>
	<u><b>60,920,402</b></u>	<u><b>-</b></u>	<u><b>60,920,402</b></u>
			-
<b>Balance as at 31 December 2019</b>	<u><b>60,920,402</b></u>	<u><b>-</b></u>	<u><b>60,920,402</b></u>
Balance as at 31 December 2019	60,920,402	-	60,920,402
Surplus /(Deficit)	<u>68,145,969</u>	<u>-</u>	<u>68,145,969</u>
	<u><b>129,066,371</b></u>	<u><b>-</b></u>	<u><b>129,066,371</b></u>
			-
<b>Balance as at 31 December 2020</b>	<u><b>129,066,371</b></u>	<u><b>-</b></u>	<u><b>129,066,371</b></u>

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

**STATEMENT OF CASH FLOW**

Description	Notes	2020		2019	
		N	N	N	N
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>					
<i>Inflows</i>					
Government Share of FAAC	1	2,290,727,228		2,210,369,076	
Government Share of VAT		–		–	
Other receipts	1	809,797,116			
Interest Earned		–		–	
Aid & Grants		–		–	
Other Revenue	2	17,576,300		6,483,750	
<b>Total inflow from Operating Activities (A)</b>			3,118,100,644		2,216,852,826
<i>Outflows</i>					
Salaries & Wages	3	(2,526,706,537)		(1,594,336,995)	
Social Benefits		–		–	
Overhead Cost	4	(523,643,336)		(574,692,070)	
<b>Total outflow from operating Activities (B)</b>			(3,050,349,873)		(2,169,029,065)
<b>Net Cash Inflow/(Outflow) from Operating Activities C=(A+B)</b>			67,750,771		47,823,761
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
Proceeds from Sale of Investment		–		–	
Dividends Received		395,198		–	
Purchase/Construction of PPE		(67,971,200)		(34,915,709)	
Purchase/Construction of Investment Property		–		–	
Acquisition of investments		–		–	
<b>Net Cash from Investing Activities</b>			(67,576,002)		(34,915,709)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>					
Capital Grants Received		–		–	
Proceeds from Borrowings		–		–	
Repayment of Borrowings		–	–	–	–
<b>Net Cash Flow from Financing Activities</b>			–		–
<b>Net Cash flow from all Activities</b>			174,769		12,908,052
<b>Net Movement in Current Assets / Liabilities</b>					
Net Movement in Inventories					
Net Movement in Receivables			(184,451,655)		13,641,468
Net Movement in Payables			179,104,455		(12,281,014)
			(5,347,200)		1,360,453
Net Cash Flow from Operating Activities			(5,172,431)		14,268,505
<b>Cash &amp; Its Equivalent as at 1/1/2020</b>			16,165,666		1,897,161
<b>Cash &amp; Its Equivalent as at 31/12/2020</b>			<b>10,993,235</b>		<b>16,165,666</b>
<b>Cash &amp; its Equivalent as at 31/12 2020</b>					
Cash Balances			150		150
Bank Balances			10,993,085		16,165,516
			<b>10,993,235</b>		<b>16,165,666</b>

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

**CAPITAL DEVELOPMENT FUND**

<b>Balance b/d</b>	66,044,951	31,129,242
Purchase of office furniture and fitting	-	256,300
Construction/provision of infrastructure	-	2,561,866
Renovation of health centre	-	4,286,826
Rehabilitation/repairs -water facilities	-	6,878,500
Electrification	-	8,971,000
Culvert	-	4,023,140
Renovation of market stalls	600,500	-
Renovation of Emirate Council	60,000,000	-
Flood/Erosion control	2,844,000	-
Motor vehicle	-	2,272,170
Joint project	4,526,700	5,665,907
	<u><b>134,016,151</b></u>	<u><b>66,044,951</b></u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

	<b>2020</b>	<b>2019</b>
	<b>₦</b>	<b>₦</b>
<b>NOTE 1 STATUTORY REVENUE</b>		
Statutory allocation	2,290,727,228	2,210,369,076
Other receipts	809,797,116	-
	<u><b>3,100,524,344</b></u>	<u><b>2,210,369,076</b></u>
<b>NOTE 2 OTHER REVENUE</b>		
Internally Generated Revenue	17,576,300	6,483,750
Interest Payment and Dividends	395,198	-
	<u><b>17,971,498</b></u>	<u><b>6,483,750</b></u>
<b>NOTE 3 PERSONNEL COST</b>		
Salaries & Wages	2,187,298,386	676,636,275
LEA Salaries	103,065,419	760,075,670
Pension & gratuity	207,501,592	130,606,300
Allowances	28,841,140	27,018,750
	<u><b>2,526,706,537</b></u>	<u><b>1,594,336,995</b></u>
<b>NOTE 4 OVERHEAD COST</b>		
<i>ALLOWANCES AND SOCIAL CONTRIBUTION</i>		
Security allowance	26,702,200	44,422,000
Honourarium & sitting allowance	2,232,400	650,000
Immunization supervision	-	2,932,404
Medical expenses-local	60,000	6,066,274
Welfare packages	3,008,000	750,500
Disturbance allowance	150,000	901,117
	<u><b>32,152,600</b></u>	<u><b>55,722,295</b></u>
<i>TRAVEL &amp; TRANSPORT</i>		
Local travel & transport: Others	10,916,030	13,026,220
International travel & transport	-	3,150,000
	<u><b>10,916,030</b></u>	<u><b>16,176,220</b></u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**  
**NOTES TO THE ACCOUNTS**

	<b>2020</b>	<b>2019</b>
	<b>N</b>	<b>N</b>
<i><b>MATERIALS AND SUPPLIES</b></i>		
Teaching Aid/ instructional materials	-	32,036,520
Drugs & medical supplies	25,088,000	49,102,000
Office stationeries/computer consumable	1,410,000	3,048,500
Purchase of agro-chemicals and inputs	4,060,000	30,780,000
Purchase of customised bags	-	3,967,500
Purchase of fertilizers	-	15,200,000
Production of Almanac	-	333,750
Burial materials	-	8,192,089
Max Air	4,958,800	2,850,000
Printing of non-security document	10,686,500	2,916,900
	<b><u>46,203,300</u></b>	<b><u>148,427,259</u></b>
<i><b>MISCELLANEOUS EXPENSES</b></i>		
Security vote	6,800,000	10,000,000
Refreshment & Meals	25,652,350	28,065,774
Financial Assistance	8,500,000	18,256,000
Publicity & advertisement	1,922,000	342,000
Local training and workshop	3,004,000	6,678,500
Mandatory payment	216,778,366	111,277,294
1% Admin charges	18,952,911	15,099,641
MAGAZINES & PERIODICALS	-	371,000
Cleaning & fumigation	10,400,000	2,005,000
Electricity bills	450,000	260,000
Grant to communities	96,844,155	111,066,269
Bank charges	65,263	260,903
Special days celebration	2,300,000	1,391,250
	<b><u>391,669,045</u></b>	<b><u>305,073,631</u></b>
<i><b>MAINTENANCE SERVICES</b></i>		
Maintenance of generator	104,000	166,050
Other maintenance	9,325,000	5,380,000
Evacuation of drainage	22,000,000	29,410,000
Maintenance of handpump/well	-	3,846,200
Minor road maintenance	-	2,254,000
Plant/generator fuel cost	109,600	24,500
Maintenance of motor vehicles	542,400	1,984,200
Maintenance of of office building	90,000	893,000
Motor vehicle fuel cost	5,630,200	1,673,615
	<b><u>37,801,200</u></b>	<b><u>45,631,565</u></b>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

	2020 N	2019 N
<b><i>CONSULTING &amp; PROFESSIONAL SERVICES</i></b>		
Information technology consulting		
Legal services	-	1,206,000
Agricultural services	-	650,000
Audit	284,161	1,005,100
Consultancy fees	4,617,000	800,000
	<u>4,901,161</u>	<u>3,661,100</u>
 Total Overhead	 <u>523,643,336</u>	 <u>574,692,070</u>
 <b>NOTE 5 CASH &amp; CASH EQUIVALENT</b>		
Bank balance	10,993,085	16,165,516
Cash	150	150
	<u>10,993,235</u>	<u>16,165,666</u>
 <b>NOTE 6 RECEIVABLES &amp; PREPAYMENTS</b>		
Receivables	182,351,655	-
Advances	8,046,000	5,946,000
	<u>190,397,655</u>	<u>5,946,000</u>
 <b>NOTE 7 INVESTMENTS</b>	 <u>24,061,452</u>	 <u>24,061,452</u>
 <b>NOTE 8 CAPITAL EXPENDITURE</b>		
<b>Balance b/d</b>	66,044,951	31,129,242
Purchase of office furniture and fitting	-	256,300
Construction/provision of infrastructure	-	2,561,866
Renovation of health centre	-	4,286,826
Rehabilitation/repairs -water facilities	-	6,878,500
Electrification	-	8,971,000
Culvert	-	4,023,140
Renovation of market stalls	600,500	-
Renovation of Emirate Council	60,000,000	-
Flood/Erosion control	2,844,000	-
Motor vehicle	-	2,272,170
Joint project	4,526,700	5,665,907
	<u>134,016,151</u>	<u>66,044,951</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

	2020 N	2019 N
<b>NOTE 9 DEPOSIT</b>	<u><u>-</u></u>	<u><u>3,247,200</u></u>
<b>NOTE 10 PAYABLES</b>		
Staff salaries & other expenses (Dec.20:	<u><u>182,351,655</u></u>	<u><u>-</u></u>
<b>NOTE 11 CAPITAL GRANT</b>		
Paris club refund	<u><u>48,050,468</u></u>	<u><u>48,050,468</u></u>
<b>NOTE 12 RESERVES</b>		
Brought Forward	60,920,402	13,096,641
Operating Balance for the Year	<u><u>68,145,969</u></u>	<u><u>47,823,761</u></u>
	<u><u>129,066,371</u></u>	<u><u>60,920,402</u></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

**APPENDICES**

**SCHEDULE OF INVESTMENT**

**APPENDIX 1**

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

**SCHEDULES OF ADVANCES**

**APPENDIX 2**

<b>S/N</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
1	Hon. Shehu Garba & others	2,100,000
2	Mohammed Garba Akali	1,090,467
3	Adamu Ibrahim	2,135,754
4	Mohammed Buhari	1,610,000
5	Bala Azarema	395,000
6	Adamu Ibrahim Neyeyu	24,779
7	Adamu carpenta	345,000
8	Sagir Haruna Madach	345,000
		<b><u>8,046,000</u></b>

## **KIRFI LOCAL GOVERNMENT COUNCIL**

### **CORPORATE INFORMATION**

1. **CHAIRMAN**

Alh. Garba Musa

2. **HEAD OF ADMINISTRATION**

Abubakar Liman

3. **TREASURER**

Adamu Nuhu

4. **BANKERS**

Unity Bank Plc  
Fidelity Bank Plc.

5. **AUDITORS**

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

## **KIRFI LOCAL GOVERNMENT COUNCIL**

### **STATEMENT OF RESPOONSIBILITIES ON THE FIANACIAL STATEMENTS**

These Financial Statements have been prepared by the Management of Kirfi Local Government Council in accordance with the provisions of the Finance (Council and Management) Act 1958 as amended. The Financial Statements comply with Generally Accepted Accounting Practice.

#### **RESPONSIBILITIES FOR FINANCIAL STATEMNETS:**

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

We accept responsibilities for the integrity of these Financial Statements, the information they contain and their compliance with the Finance (Council and Management) Act 1958 as amended.

In our opinion, these financial statements fairly reflect the financial position of the Local Government as at 31<sup>st</sup> December, 2020 and its operations for the year ended on that date.

Girish Mura 29/12/2021  
Chairman's Name, Signature & Date

Arjun Dutt 29/12/21  
Treasurer' Name, Signature & Date



## **REPORT OF THE AUDITORS ON THE ACCOUNTS OF**

### **KIRFI LOCAL GOVERNMENT COUNCIL**

We have audited the Financial Statements of *Kirfi Local Government Council* for the year ended 31<sup>st</sup> December, 2020 set out on pages 5 – 13, which have been prepared on the basis of accounting policies on page 4.

#### **RESPECTIVE RESPONSIBILITIES OF THE MANAGEMENT**

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

#### **AUDITORS' RESPONSIBILITY**

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

## **BASIS OF OPINION**

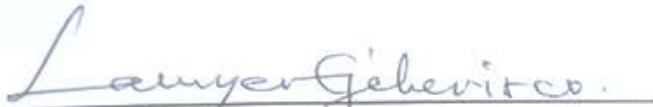
We conducted the audit in accordance with the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda for Local Governments.

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

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

## **Opinion**

In our opinion, the Financial Statements give a true and fair view of the financial position of the Council as at 31<sup>st</sup> December, 2020 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.

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



## **SIGNIFICANT ACCOUNTING POLICIES**

1. **Basis of Preparation**

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

2. **ACCOUNTING PERIOD**

The Financial Statements is for the accounting period from 01/01/2020 to 31/12/2020.

3. **REPORTING CURRENCY**

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

4. **CASH AND CASH EQUIVALENT**

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

5. **ACCOUNTS RECEIVABLES**

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

6. **PREPAYMENTS**

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

7. **INVENTORY**

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

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

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


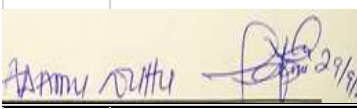
9. **DEPOSITS**

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



# KIRFI LOCAL GOVERNMENT COUNCIL

## STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2020

			2020		2019	
	NOTES		N	N	N	N
<u>CURRENT ASSETS</u>						
Cash & Cash Equivalent	1		436		4,220,210	
Receivables	2		<u>1,400,000</u>		<u>11,436,167</u>	
<b>Total Current Assets - A</b>				#####		15,656,377
<u>NON-CURRENT ASSETS</u>						
Investments	3		20,289,607		20,289,607	
Property, Plant & Equipment	4		<u>75,386,574</u>		<u>60,897,734</u>	
<b>Total Non-Current Assets - B</b>				<u>95,676,181</u>		<u>81,187,341</u>
<b>Total Assets C = A + B</b>				<u>97,076,617</u>		<u>96,843,718</u>
<u>CURRENT LIABILITIES</u>						
Deposits	5		<u>37,572,575</u>		<u>37,572,575</u>	
<b>Total Current liabilities - D</b>				37,572,575		37,572,575
<u>NON-CURRENT LIABILITIES</u>						
Public Fund			(16,288,861)		(16,288,861)	
Long Term Borrowings			-		-	
<b>Total Non-Current liabilities - E</b>				<u>(16,288,861)</u>		<u>(16,288,861)</u>
<b>Total liabilities F = D + E</b>				<u>21,283,714</u>		<u>21,283,714</u>
<b>Net Assets G = C - F</b>				<u><b>75,792,903</b></u>		<u><b>75,560,004</b></u>
<b><u>REPRESENTED BY:</u></b>						
<u>NET ASSETS/EQUITY</u>						
Capital Grants			43,275,810		43,275,810	
Reserves	6		<u>32,517,093</u>		<u>32,284,194</u>	
				<u>75,792,903</u>		<u>75,560,004</u>
						
		) CHAIRMAN				
						
		) TREASURER				
<b>Total Net Assets/Equity H = G</b>						
			<b>75.792.903</b>		<b>75.560.004</b>	

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

# KIRFI LOCAL GOVERNMENT COUNCIL

## FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER, 2020

### STATEMENT OF FINANCIAL PERFORMANCE

				{ <u>2 0 2 0</u> }			<u>2019</u>
		NOTES	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE</u>	<u>ACTUAL</u>	
<u>REVENUE</u>			<u>N</u>	<u>N</u>	<u>N</u>	<u>N</u>	
Govt. Share of FAAC	7		1,833,169,140	2,369,304,493	(536,135,353)	856,785,269	
Internally Generated Income	8		<u>1,793,759</u>	<u>12,326,148</u>	<u>(10,532,389)</u>	<u>8,494,300</u>	
<b><i>Total Revenue (A)</i></b>			<u>1,834,962,899</u>	<u>2,381,630,641</u>	<u>(546,667,742)</u>	<u>865,279,569</u>	
<u>LESS: EXPENDITURE</u>							
Personnel Cost	9		1,007,709,075	687,319,035	(320,390,040)	651,659,348	
Overhead Cost	10		827,020,925	1,026,363,498	199,342,573	191,730,517	
<b><i>Total Expenditure (B)</i></b>			<u>1,834,730,000</u>	<u>1,713,682,533</u>	<u>(121,047,467)</u>	<u>843,389,865</u>	
<b><i>Surplus from</i></b>							
<b><i>Operating Activities (A - B)</i></b>			<b><i>232,899</i></b>	<b><i>667,948,108</i></b>	<b><i>(667,715,209)</i></b>	<b><i>21,889,704</i></b>	

## KIRFI LOCAL GOVERNMENT COUNCIL

### FINANCIAL STATEMENTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

### STATEMENT OF CHANGES IN EQUITY

				Accumulated fund	Revaluation Reserve	Total		
				₦	₦	₦		
<b>Balance as at 31st December, 2018</b>				10,394,490	-	10,394,490		
Surplus/(Deficit) on Revaluation				-	-	-		
Prior Year Adjustment				-	-	-		
Surplus/(Deficit)				<u>21,889,704</u>	<u>-</u>	<u>21,889,704</u>		
				<u>32,284,194</u>	<u>-</u>	<u>32,284,194</u>		
<b>Balance as at 31st December, 2019</b>				<u>32,284,194</u>	<u>-</u>	<u>32,284,194</u>		
<b>Balance as at 31st December, 2019</b>				32,284,194	-	32,284,194		
Surplus/(Deficit) on Revaluation				-	-	-		
Prior Year Adjustment				-	-	-		
Surplus/(Deficit)				<u>232,899</u>	<u>-</u>	<u>232,899</u>		
				<u>32,517,093</u>	<u>-</u>	<u>32,517,093</u>		
<b>Balance as at 31st December, 2020</b>				<u>32,517,093</u>	<u>-</u>	<u>32,517,093</u>		

# KIRFI LOCAL GOVERNMENT COUNCIL

## FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2020

## CASH FLOW STATEMENTS

	2020		2019	
	N	N	N	N
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<i>Inflows</i>				
Government Share of FAAC	1,833,169,140		856,785,269	
Internally Generated Revenue	1,793,759		8,494,300	
Transfer from other Govt. Entities	-		-	
<b>Total inflow From Investing Activities (A)</b>	<b>1,834,962,899</b>		<b>865,279,569</b>	
<i>Outflows</i>				
Personnel Cost	1,007,709,075		651,659,348	
Social Benefits	-		-	
Overhead Cost	827020925		191730517	
Finance Cost	-		-	
<b>Total outflow From Investing Activities (B)</b>	<b>1,834,730,000</b>		<b>843,389,865</b>	
<b>Net Cash in flow/(outflow) from Operating Activities (A - B)</b>		<b>232,899</b>		<b>21,889,704</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase/Construction of PPE	(14,488,840)		(17,859,144)	
Purchase/Construction of Investment Property	-		-	
Acquisition of Investments	-		(12,380,952)	
<b>Net Cash Flow from Investing Activities</b>		<b>(14,488,840)</b>		<b>(30,240,096)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Capital Grants Received		-		-
Proceeds from Borrowings		-		-
Repayments of Borrowings		-		-
<b>Net Cash Flow from Financing Activities</b>		<b>-</b>		<b>-</b>
<b>Net Cash Flow from All Activities</b>		<b>(14,255,941)</b>		<b>(8,350,392)</b>
<b>NET MOVEMENT IN CURRENT ASSETS/LIABILITIES</b>				
Net Movement in Receivables		10,036,167		(2,601,455)
Net Movement in Deposits		-		5,849,555
		10,036,167		3,248,100
<b>Net Cash Flow from All Activities</b>		<b>(4,219,774)</b>		<b>(5,102,292)</b>
Cash & Its Equivalent as at - 1/1/2020		4,220,210		9,322,502
Cash & Its Equivalent as at - 31/12/2020		<b>436</b>		<b>4,220,210</b>
<b>Cash &amp; Its Equivalent as at - 31/12/2020</b>				
Cash Balances		-		-
Bank Balances		436		4,220,210
		<b>436</b>		<b>4,220,210</b>

# KIRFI LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

NOTES	APPENDIX	2020	2019
1	<u>CASH &amp; CASH EQUIVALENT</u>	<u>N</u>	<u>N</u>
	Fidelity Bank - 5030026096	436	3,880,462
	Unity Bank - 0026209296	-	24,289
	Unity Bank - 0015012198	-	315,459
		<u>436</u>	<u>4,220,210</u>
2	<u>RECEIVABLES</u>		
	Advances	<u>1,400,000</u>	<u>11,436,167</u>
3	<u>INVESTMENTS</u>		
	Investments	<u>20,289,607</u>	<u>20,289,607</u>
		As at	As at
4	<u>CAPITAL EXPENDITURE</u>	<u>1/1/2020</u>	<u>Additions</u>
	Capital Infrastructure	12,331,297	-
	Renovation of Mosque	7,247,124	-
	Construction of PHC	5,678,599	-
	Re-activation Ofs/Pump	1,869,900	250,000
	Construction of D/Heads office	4,190,000	-
	Land Compensation	2,301,440	-
	Renovation of Toilet	250,000	-
	Lab Furniture	500,000	-
	Office Furniture	476,090	-
	Construction/Provision of Water-ways	210,000	-
	Rehabilitation/Repairs-Roads	2,385,000	999,000
	Construction of Stalls	6,066,430	-
	Construction of Dispensary	6,034,100	-
	Purchase of Laptop	145,554	-
	Renovation of Market	1,040,000	-
	Construction/Provisions of Housing	8,405,400	-
	Rehabilitation/Repairs-Electricity	1,420,000	2,739,840
	Purchase of Motor Cycles	346,800	-
	Construction of fence at K/K Hamlet House	-	2,000,000
	Construction of Bridge	-	8,500,000
		<u>60,897,734</u>	<u>14,488,840</u>
		<u>2020</u>	<u>2019</u>
		<u>N</u>	<u>N</u>
5	<u>DEPOSITS</u>	<u>37,572,575</u>	<u>37,572,575</u>

# KIRFI LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

NOTES		2020 N	2019 N
6	<b>RESERVES</b>		
	Brought Forward	32,284,194	10,394,490
	Operating Balance for the Year	<u>232,899</u>	<u>21,889,704</u>
		<u>32,517,093</u>	<u>32,284,194</u>
7	<b>STATUTORY ALLOCATION</b>		
	Govt. Share of FAAC	<u>1,833,169,140</u>	<u>856,785,269</u>
8	<b>OTHER REVENUE</b>		
	Internally Generated Revenue	<u>1,793,759</u>	<u>8,494,300</u>
9	<b>PERSONNEL COST</b>		
	Salaries and Wages	982,510,375	645,768,372
	Allowances	<u>25,198,700</u>	<u>5,890,976</u>
		<u>1,007,709,075</u>	<u>651,659,348</u>
10	<b>OVERHEAD COST</b>		
10	<b>ALLOWANCES &amp; SOCIAL CONTRIBUTION</b>		
	Security Allowance	-	20,409,250
	Honourarium & Sitting Allowance	1,157,500	6,530,000
	Welfare Package	1,535,793	800,000
	Disturbance Allowance	-	<u>647,000</u>
	<b>Sub Total</b>	<u>2,693,293</u>	<u>28,386,250</u>
10	<b>TRAVEL &amp; TRANSPORT</b>		
	Local Travel & Transport: Others	9,999,500	20,203,305
	Local Travel & Transport: Training	-	3,452,500
	International Travel & Transport	-	<u>1,190,000</u>
	<b>Sub Total</b>	<u>9,999,500</u>	<u>24,845,805</u>
10	<b>MATERIALS AND SUPPLIES</b>		
	Supply of Relief Materials	1,000,000	5,106,000
	Supply of Working Materials	-	14,506,250
	Purchase of Agro-Chemical & Seedling	-	3,917,900
	Office Stationeries/Computer Consumables	120,000	702,000
	Drugs & Medical Supplies	6,326,152	19,000,000
	Agric Chemicals and Inputs	500,000	
	Covid - 19 Control	10,904,700	
	Printing of Non-Security Document	<u>255,000</u>	<u>4,216,725</u>
	<b>Sub Total</b>	<u>19,105,852</u>	<u>47,448,875</u>

## KIRFI LOCAL GOVERNMENT COUNCIL

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

<b>NOTES</b>	<b><u>2020</u></b>	<b><u>2019</u></b>
	<b><u>N</u></b>	<b><u>N</u></b>
<b>10.4 MISCELLANEOUS EXPENSES</b>		
Security Vote	6,000,000	37,000,000
Refreshment and Meals	1,557,000	5,687,500
Financial Assistance	5,662,340	4,591,489
Hospitality and Entertainment	13,836,381	13,816,367
Sporting Activities	-	940,000
Enlightenment	-	380,000
NATA and Fuelling	6,484,675	-
Tree Planting	-	1,901,750
Christmas Gifts	250,000	-
Logistics Support	15,510,872	11,209,000
Special Days Celebration and Prayer	6,760,008	3,450,000
Rent	-	486,000
Cleaning and Sanitation	-	375,000
Electricity Bills	50,000	100,000
Security Expenses	13,150,000	-
Bank Charges	23,799	37,489
Medical Expenses	30,000	-
Sallah Gifts	1,900,000	-
Publicity and Advertisement	50,160	-
OD Interests and other Related Charges	<u>722,923,239</u>	<u>-</u>
<b><i>Sub Total</i></b>	<b><u>794,188,474</u></b>	<b><u>79,974,595</u></b>
<b>10.5 MAINTENANCE SERVICES</b>		
Maintenance of Generator	50,000	5,000
Maintenance of Office Equipment	-	916,500
Other Maintenance	-	203,400
Maintenance of Motor Vehicles	465,000	3,605,877
Minor Road Repairs	200,000	-
Maintenance of Office Building	250,000	-
Motor Vehicles Fuel Cost	<u>-</u>	<u>5,660,273</u>
<b><i>Sub Total</i></b>	<b><u>965,000</u></b>	<b><u>10,391,050</u></b>
<b>10.6 CONSULTING AND PROFESSIONAL SERVICES</b>		
Legal Services	-	60,000
Stock Broker	<u>68,806</u>	<u>623,942</u>
<b><i>Sub Total</i></b>	<b><u>68,806</u></b>	<b><u>683,942</u></b>
<b><i>Grand Total Overhead</i></b>	<b><u>827,020,925</u></b>	<b><u>191,730,517</u></b>

# KIRFI LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

<b><u>APPENDIX 1</u></b>				<b><u>2020</u></b>	<b><u>2019</u></b>
S/N	<b><u>SCHEDULES OF ADVANCES</u></b>			<b><u>N</u></b>	<b><u>N</u></b>
	<b><u>STAFF NAME</u></b>				
1	Sundry Persons			-	11,436,167
2	Abubakar Ibrahim			100,000	-
3	Bashir Shuaibu			100,000	-
4	Ahmed Saleh			100,000	-
5	Suliman Umar			100,000	-
6	Ibrahim Mohammed			100,000	-
7	Samaila A. A. Gambo			100,000	-
8	Abubakar Musa Tubule			100,000	-
9	Umar Shamilu			100,000	-
10	Ibrahim Inuwa Jagalira			100,000	-
11	Sulaiman Adamu			100,000	-
12	Abubakar Muhammed Manzo			100,000	-
13	Yahaya Saidu			100,000	-
14	Abdullahi Yunusa			100,000	-
15	Auwal Haladu Sulaiman			100,000	-
	<b><i>Total</i></b>			<b><u>1,400,000</u></b>	<b><u>11,436,167</u></b>



# KIRFI LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

### **APPENDIX 2**

#### **SCHEDULES OF INVESTMENT**

S/N	NAME OF COMPANY	<b><u>2020</u></b> <b><u>N</u></b>	<b><u>2019</u></b> <b><u>N</u></b>
1	Access Bank Plc	1,317,714	1,317,714
2	Fin Bank Plc	1,500,000	1,500,000
3	Jaiz Plc	3,821,200	3,821,200
4	Intercellular	2,380,952	2,380,952
5	NAL Bank	10,000,000	10,000,000
6	Yankari Savings and Loans	<u>1,269,741</u>	<u>1,269,741</u>
		<b><u>20,289,607</u></b>	<b><u>20,289,607</u></b>

### **APPENDIX 3**

#### **SCHEDULES OF DEPOSITS**

S/N	PARTICULARS	<b><u>2020</u></b> <b><u>N</u></b>	<b><u>2019</u></b> <b><u>N</u></b>
1	Local Government Pension Board	63,694	63,694
2	Bauchi State Government 5%	(664,538)	(664,538)
3	Federal Inalnd Revenue 5%	8,097,537	8,097,537
4	Bauchi State Government (PAYE)	1,000,095	1,000,095
5	Bauchi State Government (WHT)	42,600	42,600
6	NULGE Kirfi Branch	2,847,118	2,847,118
7	Medical and Health-Check Off Dues	6,583,710	6,583,710
8	F.M.B.N. -NHF Deduction	14,089,072	14,089,072
9	F.M.B.N.N.M-Check Off Dues	52,353	52,353
10	Kirfi Local Government - Loan to Alh. Danl	720,180	720,180
11	Mohammed S. Dembori 10% Retention	117,940	117,940
12	Ubayo Lomi-10% Retention	46,800	46,800
13	Alh. Sale Umar 10% Retention	46,700	46,700
14	Retention	117,940	117,940
15	Staff Co-Operative	19,759	19,759
16	Alh. Bako Abdu	49,800	49,800
17	Alh. Sabo Kafin Iya	3,924	3,924
18	Alh. Ibrahim Wanka	48,400	48,400
19	Adamu Hamidu	24,365	24,365
20	Chindo Sharfuri	46,000	46,000
21	Alh. Ibrahim Kafinta	132,924	132,924
22	Alh. Sale Tubule	251,000	251,000
23	Alh. Mustapha Bara	32,105	32,105
24	Abdu Ajiya	74,514	74,514
25	Alh. Manzo Basa	45,050	45,050
26	Mohammed Dankasa	10,000	10,000
27	M. Hashimu Dewu	186,913	186,913
28	Nasiru I. Wanka	48,800	48,800
29	Ibrahim Dewu	38,913	38,913
30	Alh. Ibrahim Wanka	38,126	38,126
31	Abdullahi M. Lomi	<u>15,000</u>	<u>15,000</u>
	<b><i>Balance Carried Forward</i></b>	<b><u>34,226,794</u></b>	<b><u>34,226,794</u></b>

# KIRFI LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

<b><i>APPENDIX 3: CONT'D</i></b>			
<b><i>SCHEDULES OF DEPOSITS</i></b>			
<b><i>PARTICULARS</i></b>		<b><u>2020</u></b>	<b><u>2019</u></b>
		<b>N</b>	<b>N</b>
S/N	<b><i>Balance Brought Forward</i></b>	<b><i>34,226,794</i></b>	<b><i>34,226,794</i></b>
32	Alh. Garba Kafinta	45,275	45,275
33	Alh. Gambo Wanka	31,400	31,400
34	Alh. Majidadi Dewu	27,926	27,926
35	Sahara Photos	6,750	6,750
36	Alh. Danladi Bara	32,969	32,969
37	Alh. Idi Musa	124,711	124,711
38	Alh. Ibrahim Yusuf	227,950	227,950
39	Nasiru M. Wanka	45,000	45,000
40	Alh. Abdllahi Danladi	227,942	227,942
41	Alh. Danladi Bara	479,393	479,393
42	Alh. Danladi Bara	585,625	585,625
43	Alh. Sani Umar	227,942	227,942
44	Deputy for Local Government	128,000	128,000
45	Works and Housing Kirfi	112,500	112,500
46	Suleiman Aminu	125,000	125,000
47	Baba Chinnaka	125,000	125,000
48	Musa Lomi	181,487	181,487
49	Musa Umar	225,000	225,000
50	NUT Kirfi Branch	25,000	25,000
51	NUT Kirfi Branch	5,000	5,000
52	Ahlan Wasahalan Nigeria	70,000	70,000
53	Ahlan Wasahalan Nigeria	70,800	70,800
54	Alkaleri Local Government	15,111	15,111
55	Ahlan Wasahalan N. S.	<u>200,000</u>	<u>200,000</u>
	<b><i>Grand Total</i></b>	<b><u>37,572,575</u></b>	<b><u>37,572,575</u></b>

# **MISAU LOCAL GOVERNMENT COUNCIL**

**MISAU LOCAL GOVERNMENT COUNCIL, BAUCHI STATE**

## **CORPORATE INFORMATION**

### **Chairman**

Alh. Mohammed Yaro Tanko Gwaram

### **Head of Admin**

Alh Garba Kafin Romi

### **Treasurer**

Idris Bala Othman

### **Auditors**

Tijani Abdulkadir & Co.  
(Chartered Accountants)

### **Bankers:**

First Bank of Nig Plc  
Fidelity Bank Plc

## MISAU LOCAL GOVERNMENT COUNCIL

### STATEMENT OF RESPONSIBILITY ON THE FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Management of Misau Local Government Council in accordance with the provisions of the Finance (Council and Management) Act 1958 as amended, Financial Memoranda for Local Governments and Bauchi State Public Sector Audit and Other Related Matters Laws, 2021. The Financial Statements comply with Generally Accepted Accounting Practice.

#### Responsibility for Financial Statements

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

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the Finance (Control and Management) Act 1958 as amended, Financial Memoranda for Local Governments and Bauchi State Public Sector Audit and Other Related Matters Laws, 2021.

In our opinion, these financial statements fairly reflect the financial position of the Local Government as at 31<sup>st</sup> December, 2020 and its operations for the year ended on that date.

Abubakar Ahmad Aminu

*[Signature]*  
29-09-2021

Chairman Signature & Date

ABBAS IBRAHIM BURAH

*[Signature]*  
29/09/2021

Treasurer Signature & Date

### **Report of the Auditors on the Financial Statements of Misau Local Govt Council**

We have audited the Financial Statements of Misau Local Government Council for the year ended 31 December, 2020 set out on pages 6 - 9, which have been prepared on the basis of significant accounting policies on pages 5 and other explanatory notes on pages 10 -13.

#### **Responsibility of the Management**

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

#### **Auditors' Responsibility**

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

#### **Basis of Opinion**

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

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

judgment made by the Management in the preparation of the accounts and of whether the accounting policies appropriate and are consistently applied by the Council.

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

### **Opinion**

In our opinion, the Financial Statements give a true and fair view of the financial position of the Council as at 31 December 2020 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.



For: Tijani Abdulkadir & Co  
Chartered Accountants  
Bauchi, Nigeria

**Engagement Partner: Abdulkadir Tijani**

FRC/2014/ICAN/00000010533

27 September, 2021



## **MISAU LOCAL GOVERNMENT COUNCIL**

### **STATEMENT OF ACCOUNTING POLICES**

**1. Basis of Preparation**

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

**2. Accounting Period**

The Financial Statements is for the accounting year from 1 January 2020 to 31 December 2020.

**3. Reporting Currency**

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

**4. Cash and Cash Equivalent**

This represents cash balance on hand and those held in bank accounts.

**5. Accounts Receivables**

Receivables from exchange transactions consist of staff advances and are recognized as the outstanding balance in the individual advances' ledgers.

Provision for impairment of receivable is not made as it is expected that all outstanding advances will be retired.

**6. Prepayments**

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

**7. Inventory**

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

**8. Property Plant & Equipment (PPE)**

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

**9. Deposits**

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

# MISAU LOCAL GOVERNMENT COUNCIL

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2020

<b><u>ASSETS</u></b>	<b>Notes</b>	<b>2020 N</b>	<b>2020 N</b>	<b>2019 N</b>	<b>2019 N</b>
<b>Current Assets</b>					
Cash & Cash Equivalents	1	54,384			
Advances	2	<u>18,587,099</u>		<u>0</u>	
(A) Total Current Assets			18,641,483		0
<b>Non-Current Assets</b>					
Investments	3	11,055,678		10,260,201	
Property, Plant & Equipment	4	<u>99,532,657</u>		<u>97,289,657</u>	
(B) Total Non-Current Assets			<u>110,588,335</u>		<u>107,549,858</u>
<b>Total Assets (C) =(A) + (B)</b>			<b><u>129,229,818</u></b>		<b><u>107,549,858</u></b>
<b><u>LIABILITIES</u></b>					
<b>Current Liabilities</b>					
Overdraft	1			909,704	
Deposits	5	<u>12,251,008</u>		<u>7,833,828</u>	
(D) Total Current Liabilities			<u>12,251,008</u>		<u>8,743,532</u>
<b>Non-Current Liabilities</b>					
Long Term Borrowings		0		0	
(E) Total Non-Current Liabilities			<u>0</u>		<u>0</u>
<b>(F) Total Liabilities (F)=(D) + (E)</b>			<u>12,251,008</u>		<u>8,743,532</u>
<b>NET ASSETS/FUND</b>					
Capital Grants	6	41,107,430		41,107,430	
Reserves	7	<u>75,871,380</u>		<u>57,698,896</u>	
			<u>116,978,810</u>		<u>98,806,326</u>
<b>Total Net Assets /Fund &amp; Liabilities</b>			<b><u>129,229,818</u></b>		<b><u>107,549,858</u></b>

The accounting policies on page 5 and the notes on page 10 - 13 form integra part of these Financial Statements and were approved by the undersigned...

Abubakar Ahmad Kamsi  
29-09-2021

Chairman's Name, Signature & Date

ABBAS ILIYAH BURA  
29/09/2021

Treasurer's Name, Signature & Date



# MISAU LOCAL GOVERNMENT COUNCIL

## STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DEC 2020

2019 ACTUAL N		NOTES	ACTUAL 2020 N	BUDGET 2020 N	VARIANCE N
	<b>REVENUE</b>				
1,655,540,949	Statutory Allocation	8	2,127,929,437	3,906,347,408	(1,778,417,971)
	Other Receipt	9	448,067,610		
<u>2,899,429</u>	Internally Generated Revenue	10	<u>11,738,541</u>	<u>70,319,902</u>	<u>(58,581,361)</u>
<b>1,658,440,378</b>	<b>TOTAL REVENUE</b>		<b>2,587,735,588</b>	<b>3,976,667,310</b>	<b>(1,388,931,722)</b>
	<b>EXPENDITURE</b>				
1,180,715,150	Personnel Cost	11	2,058,703,247	1,935,304,271	123,398,976
<u>420,329,023</u>	Overhead Cost	12	<u>526,734,957</u>	<u>825,660,473</u>	<u>(298,925,516)</u>
<b>1,601,044,173</b>	<b>TOTAL EXPENDITURE</b>		<b>2,585,438,204</b>	<b>2,760,964,744</b>	<b>(175,526,540)</b>
					-
57,396,205	Surplus from Ordinary Activities		2,297,384	1,215,702,566	(1,213,405,182)
=	Minority Interest Share of Surplus		=	=	=
<u><b>57,396,205</b></u>	<b>Net Surplus for the year</b>		<u><b>2,297,384</b></u>	<u><b>1,215,702,566</b></u>	<u><b>(1,213,405,182)</b></u>

The accounting policies on page 5 and the notes on page 10 - 13 form integra part of these Financial Statements

## MISAU LOCAL GOVERNMENT COUNCIL

### STATEMENT OF CHANGE IN NET ASSETS/FUND AS AT 31 DECEMBER, 2020

	Capital Grant N	Reserve N	TOTAL N
Balance as at 31 December 2019	41,107,430	57,698,897	98,806,327
Prior Year Adjustments		15,875,099	15,875,099
Surplus	<u>0</u>	<u>2,297,384</u>	<u>2,297,384</u>
Balance as at 31 December 2020	<b><u>41,107,430</u></b>	<b><u>75,871,380</u></b>	<b><u>116,978,810</u></b>
Balance as at 31 December 2018	41,107,430	302,692	41,410,122
Prior Year Adjustments		0	0
Surplus	<u>0</u>	<u>57,396,205</u>	<u>57,396,205</u>
Balance as at 31 December 2019	<b><u>41,107,430</u></b>	<b><u>57,698,897</u></b>	<b><u>98,806,327</u></b>

# MISAU LOCAL GOVERNMENT COUNCIL

## CASHFLOW STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2020

Description	Notes	2020 N	2019 N
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>			
<b>Inflows</b>			
Statutory Allocation	8	2,127,929,437	1,655,540,949
Aids and Grants		448,067,610	
Other Revenue	9	<u>11,738,541</u>	<u>2,899,429</u>
<b>Total inflow from Operating Activities</b>		2,587,735,588	1,658,440,378
<b>Outflows</b>			
Salaries & Wages	10	(2,058,703,247)	(1,180,715,150)
Overhead Cost	11	<u>(526,734,957)</u>	<u>(420,329,023)</u>
		<u>(2,585,438,204)</u>	<u>(1,601,044,173)</u>
<b>Total outflow from operating Activities</b>		2,297,384	
<b>Prior Adjustment</b>		15,875,099	
<b>Net Cash Inflow/(Outflow) from Operating Activities</b>		18,172,483	57,396,205
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase/Proceeds from Sale of Investment		(795,477)	
Purchase/Construction of PPE		<u>(2,243,000)</u>	<u>(66,423,113)</u>
<b>Net Cash from Investing Activities</b>		(3,038,477)	(66,423,113)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Movement in Receivables		(18,587,099)	5,091,785
Movement in Payables		<u>4,417,180</u>	<u>(1,000,000)</u>
<b>Net Cash Flow from Financing Activities</b>		<u>(14,169,919)</u>	<u>4,091,785</u>
<b>Net Cash flow from All Activities</b>		964,087	(4,935,123)
<b>Cash &amp; its Equivalent as at 1/1/ 2020</b>		<u>(909,703)</u>	<u>4,025,420</u>
<b>Cash &amp; its Equivalent as at 31/12/2020</b>		<b><u>54,384</u></b>	<b><u>(909,703)</u></b>

# MISAU LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2020

		2020 N	2019 N
<b>1. Cash and Cash Equivalent</b>			
Cash			2,073
Bank: First Bank (2021736157)		37,548	
Fidelity Bank (5030054646)		<u>16,836</u>	<u>(911,777)</u>
		<u>54,384</u>	<u>(909,704)</u>
<b>2. Receivables</b>			
Schedule of Advances	<b>Schedule I</b>	<u>18,587,099</u>	<u>0</u>
		<u>18,587,099</u>	<u>0</u>
<b>3. Investments</b>			
Schedule of Investments	<b>Schedule II</b>	<u>11,055,678</u>	<u>10,260,201</u>
		<u>11,055,678</u>	<u>10,260,201</u>
<b>4. Property, Plant &amp; Equipment</b>	<b>As at 31-12-2020</b>	<b>Addition</b>	<b>As at 1-1-2020</b>
Construction/Renovation of Building	30,866,544		30,866,544
Construction of Culvert	1,500,000		1,500,000
Construction / Provision of Agricultural Equip	23,000,000		23,000,000
Construction /Renovation of Hospital Facility	25,561,000	561,000	25,000,000
Rehabilitation/Repairs of Electricity	4,953,750		4,953,750
Purchase/ Acquisition of Land			
Compensation	250,000		250,000
Purchase of Computer Printers	1,000,000	500,000	500,000
Purchase of Security Equipment	129,000		129,000
Purchase of Power Generating Set	90,000		90,000
Motor Vehicle	2,272,170		2,272,170
Max Air	2,850,000		2,850,000
Purchase of Canoes	500,000		500,000
Joint Project	6,430,193	1,182,000	5,248,193
Furniture	<u>130,000</u>	<u>0</u>	<u>130,000</u>
	<u>99,532,657</u>	<u>2,243,000</u>	<u>97,289,657</u>
<b>5. Payables</b>			
Schedule of Deposits	<b>Schedule III</b>	<u>12,251,008</u>	<u>7,833,828</u>
		<u>12,251,008</u>	<u>7,833,828</u>

## MISAU LOCAL GOVERNMENT COUNCIL

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2020

	2020	2019
	N	N
<b>6. Capital Grant</b>		
Balance B/F	<u>41,107,430</u>	<u>41,107,430</u>
	<u>41,107,430</u>	<u>41,107,430</u>
<b>7. Reserves</b>		
Brought Forward	57,698,897	302,692
Adjustment	15,875,099	
Operating Bal for the year	<u>2,297,384</u>	<u>57,396,205</u>
	<u>75,871,380</u>	<u>57,698,897</u>
<b>8. Statutory Allocation</b>		
Council and Staff Salaries	<u>2,127,929,437</u>	<u>1,655,540,949</u>
	<u>2,127,929,437</u>	<u>1,655,540,949</u>
<b>9. Other Receipt</b>		
Other Income	<u>448,067,610</u>	<u>0</u>
	<u>448,067,610</u>	<u>0</u>
<b>10. Other Revenue</b>		
Interest and Dividend	2,430,352	681,461
L. G. Internally Generated Revenue	8,166,889	2,217,968
Share of State Internal Revenue	<u>1,141,300</u>	<u>0</u>
	<u>11,738,541</u>	<u>2,899,429</u>
<b>11. Personnel Cost</b>		
Salaries & Wages	1,814,859,448	1,031,594,140
Pension & Gratuity	192,243,799	121,431,810
Emirate Council Allowances	<u>51,600,000</u>	<u>27,689,200</u>
	<u>2,058,703,247</u>	<u>1,180,715,150</u>
<b>12. Overhead Cost</b>		
<b>12.1 Allowances and Social Contribution:</b>		
Honorarium & Sitting Allowance	21,005,099	21,683,500
Disturbance Allowance	0	630,000
Immunization Supervision Allowance	0	1,811,350
Sallah Gift	1,840,000	5,955,000
Welfare Packages	<u>2,195,500</u>	<u>6,034,750</u>
	<u>25,040,599</u>	<u>36,114,600</u>

## MISAU LOCAL GOVERNMENT COUNCIL

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2020

	2020 N	2019 N
<b>12.2 Travel and Transport:</b>		
Local Travel & Transport: Others	14,413,762	17,611,632
Local Travel & Transport: Training	<u>2,754,000</u>	<u>2,424,600</u>
	<u>17,167,762</u>	<u>20,036,232</u>
<b>12.3 Materials and Supplies:</b>		
Production of Customised Bag	15,130,000	3,251,625
Supplies of Books and Other Teaching/Learning Aids	13,450,000	1,805,000
Office Stationeries/ Computer Consumables	2,346,700	4,824,800
Drug and Medical Supplies	75,670,000	9,616,000
Printing of Non-Security Documents	370,000	738,750
Relief Materials		503,920
Purchase of Agro Chemicals	69,503,326	48,000,000
General Materials	40,000	7,588,136
Production of Almanac	0	333,750
Production of Curriculum	<u>5,690,000</u>	<u>27,495,000</u>
	<u>182,200,026</u>	<u>104,156,981</u>
<b>12.4 Miscellaneous Expenses:</b>		
Security Vote	14,978,493	11,750,000
Refreshment & Meals	874,955	8,267,800
Local Training	5,582,500	3,850,000
Mandatory Payment	217,677,798	151,669,516
Telephone, Postage and Carrier Services	116,000	80,000
Electricity Bills	187,050	129,000
Special Days Celebration and Prayer	3,683,000	2,540,000
Bank Charges	378,830	244,737
10% Admin Charges	18,290,274	12,613,982
15% Comm Dividend	18,862	13,008
Medical Expenses	277,500	70,000
Welfare Package	<u>0</u>	<u>811,350</u>
	<u>262,065,262</u>	<u>192,039,393</u>

## MISAU LOCAL GOVERNMENT COUNCIL

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2020

	2020 N	2019 N
<b>12.5 Maintenance Services:</b>		
Maintenance of Generators	279,552	109,200
Maintenance of Office Furniture	3,248,896	1,269,100
Maintenance of Borehole	20,051,800	7,386,914
Other Transport Equipment Fuel cost	763,904	298,400
Motor Vehicles Fuel cost	197,120	77,000
Maintenance of Office Equipment	1,461,760	571,000
Maintenance of Street Light	299,520	117,000
Maintenance of Motor Vehicles	6,268,217	2,491,010
Maintenance of Building	<u>3,353,000</u>	<u>416,650</u>
	<u>35,923,769</u>	<u>12,736,274</u>
<b>12.6 Consulting and Professional Services:</b>		
Audit Fees	2,350,000	988,000
Information Technology	500,000	
Agricultural Consulting	1,237,539	870,000
Engineering Services	<u>250,000</u>	<u>238,000</u>
	<u>4,337,539</u>	<u>2,096,000</u>
<b>Total Overheads</b>	<b><u>526,734,957</u></b>	<b><u>367,179,480</u></b>

## MISAU LOCAL GOVERNMENT COUNCIL

### NOTES TO THE ACCOUNTS

#### Schedule I

#### Schedule of Advances as at Year ended 31 Dec. 2020

SN	Name	Purpose	Adv. No.	Amount N
1	Alh. Buba Bala J.	Imprest	2203/04	200,000.00
2	Isah Waziri Rumba	Imprest	2203/09	50,000.00
3	Bappah Ahmed	Imprest	2203/17	160,000.00
4	I M Abubakar	Imprest	2203/18	80,000.00
5	Ahmed M Manga	Imprest	2203/19	30,000.00
6	Alh. Bappayo Manga	Imprest	2203/20	30,000.00
7	Alh. Turaki M Manga	Imprest	2203/21	30,000.00
8	Alh. Baffah M Manga	Imprest	2203/22	30,000.00
9	Alh. Abdullahi M G	Imprest	2203/23	30,000.00
10	Alh. Iliyasu M. Akuyam	Imprest	2203/24	30,000.00
11	Alh. Yusuf Atiku	Imprest	2203/25	30,000.00
12	Yahaya Dahiru	Imprest	2203/26	50,000.00
13	Sani Mohammed	Imprest	2203/27	100,000.00
14	Zakar Abdu	Imprest	2203/28	30,000.00
15	Usman Yerima Imam	Imprest	2203/30	30,000.00
16	Alh. Mohammed Fema	Imprest	2203/31	20,000.00
17	Lamara Waziri	Imprest	2203/32	30,000.00
18	Musa Ibrahim Jabewo	Imprest	2203/33	10,000.00
19	Maikudi Shehu	Imprest	2203/34	10,000.00
20	Garba Baba	Imprest	2203/35	10,000.00
21	Maji Umaru Mohammed	Imprest	2203/36	10,000.00
22	Bala Saidu	Imprest	2203/37	5,000.00
23	Ibrahim Dandija	Imprest	2203/46	10,000.00
24	Abdulhamid Yahaya	Special Adv	2203/68	297,500.00
25	Ajiya Duba Gari	Imprest	2203/72	20,000.00
26	Hassan Musa Engeneer	Special Adv	2203/78	2,750,000.00
27	Sulaiman Waziri	Special Adv	2203/81	675,000.00
28	Ahmed Mai Shamaki	Special Adv	2203/82	1,084,485.00
29	Ubale Karoni	Special Adv	2203/92	1,000,000.00
30	Inuwa A. Bobo	Imprest	2203/94	5,000.00
31	Mohammed Hammayo	Imprest	2203/95	1,483.55
	Balance C/F			<b><u>6,848,468.55</u></b>



## MISAU LOCAL GOVERNMENT COUNCIL

### NOTES TO THE ACCOUNTS

#### Schedule I Cont'd

#### Schedule of Advances as at Year ended 31 Dec. 2020

SN	Name	Purpose	Adv. No.	Amount N
	<b>Balance B/F</b>			<b>6,848,469</b>
32	Musa A Ladan	Imprest	2203/96	1,280,000
33	Mohammed Magaji Tofu	Imprest	2203/97	70,000
34	Ahmed S. Modibbo	Imprest	2203/98	90,000
35	Ladan Yerima	Imprest	2203/99	50,000
36	Waziri Bello	Imprest	2203/100	10,000
37	Musa Ciko	Farming Loan	2203/101	140,500
38	Sani Usman	Farming Loan	2203/102	140,500
39	Adamu Barde	Farming Loan	2203/103	140,500
40	Umar Mohammed	Farming Loan	2203/104	140,500
41	Hardo Bulama	Farming Loan	2203/105	140,500
42	Uba Alhaji	Farming Loan	2203/106	140,500
43	Jauro Bano Wuro Bundu	Farming Loan	2203/107	140,500
44	Abdullahi S. Garba	Special Adv	2203/108	155,000
45	Ahmed Yahaya	Imprest	2203/109	10,000
46	Ibrahim Waziri Zadawa	Imprest	2203/110	300,000
47	Alh. Yerima Lamido	Imprest	2203/111	200,000
48	Hon. Usman Abdu	Imprest	2203/112	100,000
49	Hon. Adamu Sanda Aftaka	Imprest	2203/113	100,000
50	Hon. Adamu Yahaya AK	Imprest	2203/114	50,000
51	Mu'azu S. Tike	Special Adv	2203/118	404,000
52	Moh'd Bappah Babayo	Special Adv	2203/119	3,000,000
53	Ahmed S. Turaki	Special Adv	2203/120	1,167,800
54	Moh'd Baba Abubakar	Special Adv	2203/122	<u>3,768,331</u>
	<b>Total</b>			<b><u>18,587,099</u></b>

## MISAU LOCAL GOVERNMENT COUNCIL

### NOTES TO THE ACCOUNTS

#### Schedule II

#### Schedule of Investment as at Year ended 31 Dec. 2020

S/N	Name of Company	Amount ₦
1.	Arewa Ceramics Ltd	500,000.00
2.	Urban Development Bank	500,000.00
3.	Yankari Savings & Loan	1,343,990.61
4.	Ashaka Cement	99,375.00
5.	Jaiz International Bank	4,402,400.00
6.	Access Bank	1,068,571.00
7.	Style Nigeria Company	795,302.90
8.	Bauchi Printing and Publishing Comp	200,000.00
9.	Zaranda Hotel Bauchi	62,000.00
10.	Kaduna Textiles	245,000.00
11.	Daar Communication Plc	400,000.00
12.	Misau Basic Tenarry	560,000.00
13.	Yankari Spring Water	141,617.00
14.	BIC, Bauchi	93,250.00
15.	Manto Processing Company Ltd	57,609.00
16.	Galambi Ranching Co Ltd	79,500.00
17.	UBA	231,750.00
18.	First Bank Plc	164,062.00
19.	Union Bank	100,000.00
20.	Zenith Bank	<u>11,250.00</u>
	<b>Total</b>	<b><u>11,055,677.51</u></b>

## MISAU LOCAL GOVERNMENT COUNCIL

### NOTES TO THE ACCOUNTS

#### Schedule III

#### Schedule of Deposits as at Year ended 31 Dec. 2020

S/N	Particulars	Dep. No.	Balance N
1	Pay-As-You-Earn (PAYE) (BIRS)	4101/01	478,354.79
2	Contract Payment Deduction (BIRS)	4101/03	2,621,103.84
3	Development Levy (BIRS)	4101/04	128,920.00
4	Withholding Tax (FIRS)	4101/08	537,011.43
5	10% Retention	4101/18	476,727.83
6	5% Value Added Tax (FIRS)	4101/23	560,687.96
7	Welfare Scheme Contribution	4101/24	1,375,378.11
8	Farming Loan (Union Bank)	4101/37	1,127,463.53
9	Contribution to ANPP Secretariat	4101/	32,178.01
10	NHWUN Loan To Staff (First Bank)	4101/47	18,748.97
11	5% Value Added Tax (BIRS)		1,672,908.00
12	National Housing Fund (NHF)	4101/54	3,221,525.82
	Total		<u><b>12,251,008.29</b></u>

# **NINGI LOCAL GOVERNMENT COUNCIL**

**NINGI LOCAL GOVERNMENT COUNCIL, BAUCHI STATE**

## **CORPORATE INFORMATION**

### **Chairman**

Alh. Gara'u Adamu

### **Head of Administration**

Ibrahim Mohammed

### **Treasurer**

Ibrahim Magaji

### **Auditors**

Tijani Abdulkadir & Co.  
(Chartered Accountants)

### **Bankers:**

First Bank of Nig Plc  
Fidelity Bank Plc  
Unity Bank Plc

**NINGI LOCAL GOVERNMENT COUNCIL, BAUCHI STATE**

**STATEMENT OF RESPONSIBILITY ON THE FINANCIAL STATEMENTS**

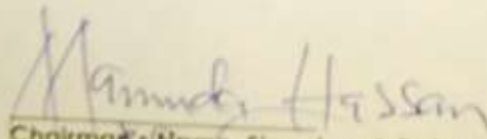
These Financial Statements have been prepared by the Management of Ningi Local Government Council in accordance with the provisions of the Finance (Council and Management) Act 1958 as amended, Financial Memoranda for Local Governments and Bauchi State Public Sector Audit and Other Related Matters Laws, 2021. The Financial Statements comply with Generally Accepted Accounting Practice.

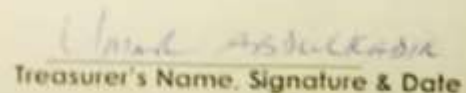
**Responsibility for Financial Statements**

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

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the Finance (Control and Management) Act 1958 as amended, Financial Memoranda for Local Governments and Bauchi State Public Sector Audit and Other Related Matters Laws, 2021.

In our opinion, these financial statements fairly reflect the financial position of the Local Government as at 31<sup>st</sup> December, 2020 and its operations for the year ended on that date.

  
Chairman's Name, Signature & Date

  
Treasurer's Name, Signature & Date

NINGI LOCAL GOVERNMENT FINANCIAL STATEMENTS

(31<sup>st</sup> DECEMBER, 2020)

Page 2

### **Report of the Auditors on the Financial Statements of Ningi Local Govt Council**

We have audited the Financial Statements of Ningi Local Government Council for the year ended 31 December, 2020 set out on pages 6 - 9, which have been prepared on the basis of significant accounting policies on pages 5 and other explanatory notes on pages 10 -13.

#### **Responsibility of the Management**

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

#### **Auditors' Responsibility**

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

#### **Basis of Opinion**

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

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

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

### **Opinion**

In our opinion, the Financial Statements give a true and fair view of the financial position of the Council as at 31 December 2020 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.



For: Tijani AbdulKadir & Co  
Chartered Accountants  
Bauchi, Nigeria

**Engagement Partner: Abdulkadir Tijani**

FRC/2014/ICAN/00000010533

27 September, 2021



## **NINGI LOCAL GOVERNMENT COUNCIL**

### **STATEMENT OF ACCOUNTING POLICES**

**1. Basis of Preparation**

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

**2. Accounting Period**

The Financial Statements is for the accounting year from 1 January 2020 to 31 December 2020.

**3. Reporting Currency**

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

**4. Cash and Cash Equivalent**

This represents cash balance on hand and those held in bank accounts.

**5. Accounts Receivables**

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

**6. Prepayments**

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

**7. Inventory**

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

**8. Property Plant & Equipment (PPE)**

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

**9. Deposits**

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



# NINGI LOCAL GOVERNMENT COUNCIL, BAUCHI STATE

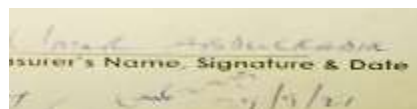
## STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2020

	Notes	2020 N	2020 N	2019 N	2019 N
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash & Cash Equivalents	1	13,303		10,896,777	
Advances	2	<u>22,804,693</u>		<u>30,934,693</u>	
(A) Total Current Assets			22,817,996		41,831,470
<b>Non-Current Assets</b>					
Investments	3	45,158,900		45,158,900	
Property, Plant & Equipment	4	<u>172,217,425</u>		<u>65,709,775</u>	
(B) Total Non-Current Assets			<u>217,376,325</u>		<u>110,868,675</u>
<b>Total Assets (C) =(A) + (B)</b>			<b><u>240,194,321</u></b>		<b><u>152,700,145</u></b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Payables	5	<u>20,797,325</u>		<u>26,047,979</u>	
(D) Total Current Liabilities			20,797,325		26,047,979
<b>Non-Current Liabilities</b>					
Long Term Borrowings		<u>0</u>		<u>0</u>	
(E) Total Non-Current Liabilities			<u>0</u>		<u>0</u>
<b>(F) Total Liabilities (F)=(D) + (E)</b>			<u>20,797,325</u>		<u>26,047,979</u>
<b>NET ASSETS/FUND</b>					
Capital Grants	6	60,333,058		60,333,058	
Reserves	7	<u>159,063,938</u>		<u>66,319,108</u>	
			<u>219,396,996</u>		<u>126,652,166</u>
<b>Total Net Assets &amp; Liabilities</b>			<b><u>240,194,321</u></b>		<b><u>152,700,145</u></b>

The accounting policies on page 5 and the notes on page 10 - 13 form integral part of these Financial Statements and were approved by the undersigned...

  
Chairman's Name, Signature & Date

Chairman's Name, Signature & Date

  
Treasurer's Name, Signature & Date

Treasurer's Name, Signature & Date

# NINGI LOCAL GOVERNMENT COUNCIL, BAUCHI STATE

## STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DEC 2020

2019 ACTUAL N		NOTES	ACTUAL 2020 N	BUDGET 2020 N	VARIANCE N
<b>REVENUE</b>					
1,467,411,208	Statutory Allocation	8	2,863,066,167	3,519,797,360	(656,731,193)
0	Other Receipt	9	113,506,253	94,601,570	18,904,683
<u>125,558,579</u>	Internally Generated Revenue	10	<u>11,152,910</u>	<u>22,947,518</u>	(11,794,608)
<b><u>1,592,969,787</u></b>	<b>Total Recurrent Expenditure</b>		<b><u>2,987,725,330</u></b>	<b><u>3,637,346,448</u></b>	(649,621,118)
<b>EXPENDITURE</b>					
1,272,526,322	Personnel Cost	11	1,871,459,073	1,465,419,308	406,039,765
<u>283,073,557</u>	Overhead Cost	12	<u>1,023,521,427</u>	<u>1,630,045,787</u>	(620,300,483)
<b><u>1,555,599,879</u></b>	<b>Total Recurrent Expenditure</b>		<b><u>2,894,980,500</u></b>	<b><u>3,095,465,095</u></b>	(214,260,718)
37,369,908	Surplus from Ordinary Activities		92,744,830	541,881,353	(435,360,400)
0	Minority Interest Share of Surplus		0	0	-
<b>37,369,908</b>	<b>Net Surplus for the year</b>		<b>92,744,830</b>	<b>541,881,353</b>	<b>(435,360,400)</b>

The accounting policies on page 5 and the notes on page 10 - 13 form integral part of these Financial Statements

# NINGI LOCAL GOVERNMENT COUNCIL, BAUCHI STATE

## STATEMENT OF CHANGE IN NET ASSETS/FUND FOR THE YEAR ENDED 31 DECEMBER, 2020

	Capital Grant ₦	Reserve ₦	TOTAL ₦
Balance as at 31 December 2019	60,333,058	66,319,108	126,652,166
Surplus /(Deficit)		<u>92,744,830</u>	<u>92,744,830</u>
Balance as at 31 December 2020	<b><u>60,333,058</u></b>	<b><u>159,063,938</u></b>	<b><u>219,396,996</u></b>
Balance as at 31 December 2018	60,333,058	28,949,200	89,282,258
Surplus /(Deficit)		<u>37,369,908</u>	<u>37,369,908</u>
Balance as at 31 December 2019	<b><u>60,333,058</u></b>	<b><u>66,319,108</u></b>	<b><u>126,652,166</u></b>

**NINGI LOCAL GOVERNMENT COUNCIL, BAUCHI STATE**

**CASHFLOW STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2020**

<b>Description</b>	<b>Notes</b>	<b>2020 ₦</b>	<b>2019 ₦</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>			
<b>Inflows</b>			
Statutory Allocation	8	2,863,066,167	1,467,411,208
Other Receipt		113,506,253	-
Internally Generated Revenue	9	<u>11,152,910</u>	<u>125,558,579</u>
<b>Total inflow from Operating Activities</b>		<u>2,987,725,330</u>	<u>1,592,969,787</u>
<b>Outflows</b>			
Salaries & Wages	10	(1,871,459,073)	(1,272,526,322)
Overhead Cost	11	<u>(1,023,521,427)</u>	<u>(283,073,557)</u>
		<u>(2,894,980,500)</u>	<u>(1,555,599,879)</u>
<b>Total outflow from operating Activities</b>		92,744,830	
<b>Net Cash Inflow/(Outflow) from Operating Activities</b>		92,744,830	37,369,908
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Acquisition of Investment			(41,528,259)
Purchase/Construction of PPE		<u>(106,507,650)</u>	<u>(10,346,339)</u>
<b>Net Cash from Investing Activities</b>		<b>(106,507,650)</b>	<b>(51,874,598)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Movement in Deposits		(5,250,654)	15,795,497
Movement in Advances		8,130,000	<u>(7,420,761)</u>
<b>Change in Advances, Discounts &amp; Fund</b>		<u><b>2,879,346</b></u>	<u><b>8,374,736</b></u>
<b>Net Cash flow from All Activities</b>		<b>(10,883,474)</b>	<b>(6,129,954)</b>
<b>Cash &amp; its Equivalent as at 1/1/ 2020</b>		<u>10,896,777</u>	<u>17,026,731</u>
<b>Cash &amp; its Equivalent as at 31/12/2020</b>		<u><b>13,303</b></u>	<u><b>10,896,777</b></u>

# NINGI LOCAL GOVERNMENT COUNCIL, BAUCHI STATE

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2020

		2020 N	2019 N
<b>1 Cash and Cash Equivalent</b>			
Cash		1,432	0
Bank: First Bank (2021151127)		2,701	510,577
United Bank for Africa (1000064681)		7,213	443,622
Fidelity Bank (5030054725)		<u>1,957</u>	<u>9,942,578</u>
		<u>13,303</u>	<u>10,896,777</u>
<b>2 Receivables</b>			
Schedule of Advances	<b>Schedule I</b>	<u>22,804,693</u>	<u>30,934,693</u>
		<u>22,804,693</u>	<u>30,934,693</u>
<b>3 Investments</b>			
Schedule of Investments	<b>Schedule II</b>	<u>45,158,900</u>	<u>45,158,900</u>
		<u>45,158,900</u>	<u>45,158,900</u>
<b>4 Property, Plant &amp; Equipment</b>	<b>As at 31-12-2020</b>	<b>Addition</b>	<b>As at 1-1-2020</b>
Rehabilitation/Repairs of Housing	4,345,282	3,900,000	445,282
Construction/ Provision of Health Centre	4,144,250		4,144,250
Rehabilitation/Repairs of Roads	4,765,000	3,824,000	941,000
Rehabilitation/Repairs of Market / Parks	29,888,513	19,000,000	10,888,513
Construction/ Provision of Public School	7,892,988		7,892,988
Land Compensation	1,900,000		1,900,000
Rehabilitation/Repairs of Electricity	9,562,480		9,562,480
Rehabilitation/Repairs of Water way	3,169,915		3,169,915
Construction of Drainage	1,880,600		1,880,600
Purchase of Office Equipment	350,000		350,000
Purchase of Office Furniture	1,245,000		1,245,000
Construction of Box Culvert	900,000		900,000
Construction/ Provision of Cemeteries	8,286,808		8,286,808
Rehabilitation/ Repairs of Water Facilities	30,477,350	19,710,000	10,767,350
Construction/ Provision of Infrastructure	<u>63,409,239</u>	<u>60,073,650</u>	<u>3,335,589</u>
	<u>172,217,425</u>	<u>106,507,650</u>	<u>65,709,775</u>
<b>5 Payable</b>			
Schedule of Deposits	<b>Schedule III</b>	<u>20,797,325</u>	<u>26,047,979</u>
		<u>20,797,325</u>	<u>26,047,979</u>

# NINGI LOCAL GOVERNMENT COUNCIL, BAUCHI STATE

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2020

	2020	2019
	N	N
<b>6 Capital Grant</b>		
Balance B/F	<u>60,333,058</u>	<u>60,333,058</u>
	<u>60,333,058</u>	<u>60,333,058</u>
<b>7 Reserves</b>		
Brought Forward	66,319,108	28,949,200
Surplus/ (Deficit) for the year	<u>92,744,830</u>	<u>37,369,908</u>
	<u>159,063,938</u>	<u>66,319,108</u>
<b>8 Statutory Allocation</b>		
Council and Staff Salaries	<u>2,863,066,167</u>	<u>1,467,411,208</u>
	<u>2,863,066,167</u>	<u>1,467,411,208</u>
<b>9 Other Receipt</b>		
Other Income	<u>113,506,253</u>	
	<u>113,506,253</u>	
<b>10 Internally Generated Revenue</b>		
L. G. Internally Generated Revenue	5,169,860	125,558,579
Share of State Internal Revenue	<u>5,983,050</u>	<u>0</u>
	<u>11,152,910</u>	<u>125,558,579</u>
<b>11 Personnel Cost</b>		
Salaries & Wages	1,045,431,691	1,239,088,622
LEA Salaries	809,199,214	0
PAYE, Pension & Gratuity	5,272,168	0
Allowances	<u>11,556,000</u>	<u>33,437,700</u>
	<u>1,871,459,073</u>	<u>1,272,526,322</u>
<b>12 Overhead Cost</b>		
<b>12.1 Allowances and Social Contribution:</b>		
Security Allowance	3,135,000	0
Honorarium & Sitting Allowance	543,000	290,000
Disturbance Allowance	378,000	300,000
Immunization Supervision Allowance	10,600,000	0
Welfare Package	7,297,000	5,934,050
Mandatory Payment	606,334,023	0
Hospitality & Entertainment	<u>1,360,000</u>	<u>0</u>
	<u>629,647,023</u>	<u>6,524,050</u>

# NINGI LOCAL GOVERNMENT COUNCIL, BAUCHI STATE

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2020

	2020 N	2019 N
<b>12.2 Travel and Transport:</b>		
Local Travel & Transport: Others	35,842,000	36,606,000
Local Travel & Transport: Training	30,000	3,150,500
International Travel & Transport	<u>10,479,200</u>	<u>680,000</u>
	<u>46,351,200</u>	<u>40,436,500</u>
<b>12.3 Materials and Supplies:</b>		
Purchase of Seedlings	15,700,000	13,100,000
Supplies of Books and Bags	34,876,123	31,150,000
Office Stationeries/ Computer Consumables	2,505,000	0
Drug and Medical Supplies	62,780,000	68,899,200
Sporting Facilities	1,920,000	
Printing of Non-Security Documents	4,790,000	2,126,000
Agricultural Chemical and Inputs	1,500,000	1,712,000
Supplies of Relief Materials	<u>69,047,286</u>	<u>32,662,000</u>
	<u>193,118,409</u>	<u>149,649,200</u>
<b>12.4 Miscellaneous Expenses:</b>		
Security Vote	54,663,050	9,000,000
Refreshment & Meals	15,250,000	20,233,500
Financial Assistance	8,418,000	6,661,500
Publicity and Advertisement	450,000	560,000
Security Service	15,077,000	12,565,000
Electricity Bills	50,000	
NATA and Fuelling	10,375,000	9,897,250
Uniform and Other Clothing		2,360,000
Bank Charges	22,019	9,099
Cleaning and Fumigation	917,000	500,000
ALGON and Others	750,000	
Sallah Gift	10,070,000	8,730,000
Medical Expenses	2,712,000	198,000
Stationery and Office Consumables	<u>0</u>	<u>150,000</u>
	<u>118,754,069</u>	<u>70,864,349</u>

**NINGI LOCAL GOVERNMENT COUNCIL, BAUCHI STATE**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2020**

	<b>2020</b>	<b>2019</b>
	<b>₦</b>	<b>₦</b>
<b>12.5 Maintenance Services:</b>		
Maintenance of Generators		50,000
Maintenance of Office Furniture	20,774,726	150,000
Other Maintenance	10,996,000	11,869,980
Minor Road Maintenance	2,700,000	1,873,000
Maintenance of Motor Vehicles	1,180,000	1,050,000
Maintenance of Building	<u>0</u>	<u>0</u>
	<u>35,650,726</u>	<u>14,992,980</u>
<b>12.6 Consulting and Professional Services:</b>		
Legal		
Service		200,000
Stock Broker		406,478
Information Technology Consulting		<u>0</u>
	<u>0</u>	<u>606,478</u>
<b>Total Overheads</b>	<b><u>1,023,521,427</u></b>	<b><u>283,073,557</u></b>



**NINGI LOCAL GOVERNMENT COUNCIL, BAUCHI STATE**  
**NOTES TO THE ACCOUNTS SCHEDULE 1**

**Schedule of Advances**

<b>SN</b>	<b>Name</b>	<b>Purpose</b>	<b>Adv. No.</b>	<b>Amount N</b>
1	Abubakar Aliyu	Special Adv	A1	58,145.50
2	Bala Amadu Gwada	Special Adv	A2	620,900.00
3	Bala Amadu Gwada	Special Adv	A3	993,000.00
4	Bala Amadu Gwada	Special Adv	A4	633,600.00
5	Khadija Musa	Special Adv	A5	91,267.50
6	Bala Amadu Gwada	Special Adv	A6	1,988,800.00
7	Bala Amadu Gwada	Special Adv	A7	855,880.00
8	Bala Amadu Gwada	Special Adv	A8	18,300.00
9	Bala Amadu Gwada	Special Adv	A9	138,400.00
10	Abubakar Aliyu	Special Adv	A10	30,400.00
11	Bala Amadu Gwada	Special Adv	A11	344,100.00
12	Bala Amadu Gwada	Special Adv	A12	374,000.00
13	Bala Amadu Gwada	Special Adv	A13	1,312,700.00
14	Usman Suleh	Special Adv	A14	4,800,000.00
15	Abubakar Aliyu	Special Adv	A15	5,000,000.00
16	Sunday Person	Imprest Adv	A16	1,120,000.00
17	Ali Saleh	Special Adv	A17	614,700.00
18	Ali Saleh	Special Adv	A18	500.00
19	Musa A. Ladan	Special Adv	A19	435,000.00
20	Musa A. Ladan	Special Adv	A20	435,000.00
21	Musa A. Ladan	Special Adv	A21	430,000.00
22	Ali Saleh	Special Adv	A22	300,000.00
23		Special Adv	A23	400,000.00
24	Sa'idu Anas and Others	Imprest Adv	A24	30,000.00
25	Usman Suleh and Others	Imprest Adv	A25	30,000.00
26	Abba Ibrahim and Others	Imprest Adv	A27	30,000.00
27	Abdullahi Sabo Ali and Others	Imprest Adv	A28	50,000.00
28	A A Abubakar and Others	Imprest Adv	A29	50,000.00
29	Suleh Nuhu and Others	Imprest Adv	A30	40,000.00
30	Aminu Zakarai and Others	Imprest Adv	A31	30,000.00
31	Salisu Shu'aibu and Others	Imprest Adv	A32	30,000.00
32	Hon Sale Abdu Nasaru	Imprest Adv	A33	30,000.00
33	First Lady	Imprest Adv	A34	200,000.00
34	Babayo Umar	Imprest Adv	A35	150,000.00
35	Abdulmutallab A Moh'd	Imprest Adv	A36	150,000.00
36	Hon Nura Yuwa	Imprest Adv	A37	100,000.00
37	Sama'ila Abdu Guda	Imprest Adv	A38	50,000.00
	<b>Balance C/F</b>			<b>21,964,693</b>

NINGI LOCAL GOVERNMENT COUNCIL, BAUCHI STATE  
NOTES TO THE ACCOUNTS **SCHEDULE 1**

**Schedule of Advances**

<b>SN</b>	<b>Name</b>	<b>Purpose</b>	<b>Adv. No.</b>	<b>Amount N</b>
	<b>Balance B/F</b>			<b>21,964,693</b>
38	Abdullahi Sabo Ali	Imprest Adv	A39	50,000.00
39	Aminu Zakarai	Imprest Adv	A40	50,000.00
40	Salisu Moh'd Ku	Imprest Adv	A41	50,000.00
41	Yusuf A. Moh'd	Imprest Adv	A42	50,000.00
42	Musa A. Ladan	Imprest Adv	A43	50,000.00
43	Shehu Dauda	Imprest Adv	A44	50,000.00
44	Musa Adebo	Imprest Adv	A45	50,000.00
45	Hon Bako Isyaku	Imprest Adv	A47	50,000.00
46	Hon Idris Shu'aibu	Imprest Adv	A48	50,000.00
47	Hon Kabiru Babaji	Imprest Adv	A49	20,000.00
48	Hon Abdulrazak Yusuf	Imprest Adv	A50	50,000.00
49	Biniya Moh'd	Imprest Adv	A51	20,000.00
50	Hon Abdullahi S Pawa	Imprest Adv	A52	20,000.00
51	Hon Auwalu Zazika	Imprest Adv	A53	20,000.00
52	Hon Rilwanu	Imprest Adv	A54	20,000.00
53	Hon Alh Ayuba Jinu	Imprest Adv	A55	20,000.00
54	Abdulumuni Abdulhamid	Imprest Adv	A56	20,000.00
55	Hon Garba Abdulhamid	Imprest Adv	A57	20,000.00
56	Hon Sani Maianguwa	Imprest Adv	A58	20,000.00
57	Hon Isa Moh'd Sama	Imprest Adv	A59	20,000.00
58	Hon Hamza Umar Gada	Imprest Adv	A60	20,000.00
59	Salisu B Moh'd	Imprest Adv	A61	30,000.00
60	Jibrin Isah Bello	Imprest Adv	A62	30,000.00
61	Nasiru Abdulrahman	Imprest Adv	A63	30,000.00
62	Sa'idu Adamu Ahmed	Imprest Adv	A64	30,000.00
				<b><u>22,804,693.00</u></b>

NINGI LOCAL GOVERNMENT COUNCIL, BAUCHI STATE

NOTES TO THE ACCOUNTS **SCHEDULE II**

**SCHEDULE OF INVESTMENT AS AT 31 DEC. 2020**

<b>S/N</b>	<b>Name of Company</b>	<b>Amount N</b>
1	Ashaka Cement Nig Ltd	50,000.00
2	Inland Bank Nig. Plc	21,860,000.00
3	Bauchi Publishing and Printing Co. Ltd	200,000.00
4	Urban Development Bank Plc	500,000.00
5	Yankari Savings and Loans	1,186,045.00
6	F. S. B. IntBank Plc	266,736.00
7	InterCellular Nigeria Plc	11,999,996.00
8	Access Bank Nig Plc	1,885,714.00
9	Fidelity Bank Plc	163,687.00
10	Jaiz international Plc	6,329,900.00
11	Niger Delta Power Holding Co. Limited	716,822.00
		<b>45,158,900.00</b>

**SCHEDULE III**

**SCHEDULE OF DEPOSIT AS AT 31 DEC. 2020**

<b>S/N</b>	<b>Particulars</b>	<b>Dep. No.</b>	<b>Balance N</b>
1	NANNM	D1	24,505.82
2	5% CPD	D2	4,479,661.31
3	10% Retention Money	D3	6,412,677.80
4	5% Value Added Tax (VAT)	D4	3,886,110.66
5	NACHP Dues	D5	397,173.73
6	Intercontinental Bank	D6	1,014,693.07
7	LG Staff Shares	D7	1,738,500.00
8	AH Shitu	D8	708,333.00
9	LEA Darazo Local Gov't	D9	1,050.00
10	Jos Haiti	D10	28,353.45
11	1% Local Gov't Shares	D11	1,164,141.86
12	NULGE FBN Loan	D12	137,643.35
13	NULGE Union Dues	D13	1,197,110.95
14	MHWUN Dues	D14	763,178.24
15	OVC	D15	1,290,906.55
16	National Housing Fund	D16	2,394,992.80
17	Pay As You Earn (PAYE)	D17	586,533.60
			<b>26,225,566.19</b>

# **SHIRA LOCAL GOVERNMENT COUNCIL**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

## **CORPORATE INFORMATION**

### **CHAIRMAN**

ALH MAHMOUD ABBA

### **HEAD OF ADMINISTRATION**

ALH ABBA KAFI ROMI

### **TREASURER**

IBRAHIM ADAMU UMAR

### **AUDITORS**

ABDULKADEER MAHMOUD & CO.  
(CHARTERED ACCOUNTANTS)

### **BANKERS**

FCMB PLC  
FIRST BANK LTD  
FUDELITY BANK PLC

# SHIRA LOCAL GOVERNMENT COUNCIL

## FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020

### STATEMENT OF RESPONSIBILITY ON THE FINANCIAL STATEMENTS

#### STATEMENT OF RESPONSIBILITY RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Management of Shira Local Government Council in accordance with the provisions of the Finance (Council and Management) Act 1958 as amended.

#### RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Management of Shira Local Government is responsible for establishing and maintaining a system of the internal control designed to provide reasonable assurance that the transactions recorded are within statutory authority and properly record the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system 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 Finance (Control and Management). Act 1958 as amended.

In our opinion, these financial statements fairly reflect the financial position of the Local Government as at 31<sup>st</sup> December, 2020 and its operations for the year ended on that date.

MATTHOU ABOBA  
*Matthou Abooba*  
CHAIRMAN SHIRA

DATE 29-09-2021

*Horshin Adamu Umar*  
*Horshin*  
TREASURER

DATE 29/09/21

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

We have audited the Financial Statements of Shira Local Government Council for the year ended 31st December, 2020 set out on pages 9–13, which have been prepared on the basis of significant accounting policies on page 7–8 and other explanatory notes on pages 14–18.

### RESPONSIBILITY OF THE MANAGEMENT

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

### AUDITORS' RESPONSIBILITY

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



#### BASIS OF OPINION

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

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

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

#### BASIS OF QUALIFIED OPINION

Monthly bank reconciliation statements were not prepared in the year under review. We observed that there is difference between the cash book balance and the bank statement which should be reconciled also the monthly Loan/Overdraft transactions recorded in the cash book of the Council without the necessary details of the Loan/overdraft facilities, such as the interest and principal repayments and the total facility utilized by the Council in the year.

#### OPINION

In our opinion, Except for effects of the issues described in the basis of qualified opinion paragraph, the Financial Statements give a true and fair view of the financial position of the Council as at 31 December 2020 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.

SIGNED.....

YAKUBU MOHAMMED MAHMOUD, FCA  
FRC/ICAN/2016/00000015663  
FOR: ABDULKADEER MAHMOUD & CO.  
(CHARTERED ACCOUNTANTS)



## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

### **SIGNIFICANT ACCOUNTING POLICIES**

**1. BASIS OF PREPARATION:**

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

**2. ACCOUNTING PERIOD**

The Financial Statements is for the accounting period from 1 January 2020 to 31 December 2020.

**3. REPORTING CURRENCY**

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

**4. CASH AND CASH EQUIVALENT**

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

**5. ACCOUNTS RECEIVABLES**

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

**6. PREPAYMENTS**

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

**7. INVENTORY**

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

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

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

**9. DEPOSITS**

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

**10.COMPARATIVE FIGURES**



Comparative figures were provided from the previous period for ease of comparison.

## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

### **SIGNIFICANT ACCOUNTING POLICIES Cont'd**

#### **11.BUDGET FIGURES**

Appropriation figures are the ones obtained from the Local Government's Appropriation bill.

#### **12.GOING CONCERN**

The Accounts are prepared with the assumption that the Local Government will continue as a Going Concern.

#### **13.RECEIPTS**

They represent monies received from Federal Account Allocation Committee (FAAC) and Internally Generated Revenue.

#### **14.EXTERNAL ASSISTANCE**

The Council did not receive any External Assistance during the year under review.

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

**STATEMENT OF FINANCIAL POSITION**

	NOTES	2020 N	2020 N	2019 N	2019 N
<b><u>ASSETS</u></b>					
<b>Current Assets</b>					
Cash & Cash Equivalents	6	(34,863,315)		(67,476,187)	
Receivables & Prepayments	7	163,648,758		-	
Inventories		-		-	
Total Current Assets	A		128,785,442		(67,476,187)
<b>Non-Current Assets</b>					
Long Term Loans		-		-	
Investments	8	20,538,355		20,538,355	
Provision of Infrastructure	5	53,997,441		49,221,441	
Investment Property		-		-	
Intangible Assets		-		-	
Total Non Current Assets	B		74,535,796		69,759,796
Total Assets C=A+B			<u>203,321,238</u>		<u>2,283,609</u>
<b><u>LIABILITIES</u></b>					
<b>Current Liabilities</b>					
Deposits	9	3,241,754		3,028,104	
Payables		162,013,758		-	
Total Current Liabilities	D		165,255,511		3,028,104
<b>Non Current Liabilities</b>					
Public Funds		-		-	
Long Term Provisions		-		-	
Long Term Borrowings		-		-	
Total Non Current Liabilities	E		-		-
Total Liabilities F=D+E			<u>165,255,511</u>		<u>3,028,104</u>
Net Assets G=C-F			<u>38,065,727</u>		<u>(744,495)</u>
<b>NET ASSETS/EQUITY</b>					
Capital Grants	10	40,585,202		40,585,202	
Reserves		-		-	
Accumulated Surplus/(Deficit)	11	(2,519,475)		(41,329,698)	
Total Net Assets/Equity H=G			<u>38,065,727</u>		<u>(744,496)</u>

MATMOU ABBA  
Chairman  
SHIA

Godwin Adams  
Treasurer

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

**STATEMENTS OF FINANCIAL PERFORMANCE**

2019 ACTUAL N		NOTES	2020 ACTUAL N	BUDGET N	VARIANCE N
<b>REVENUE</b>					
1,262,083,682	Govt Share of FAAC	1	2,040,839,477	1,827,583,814	213,255,663
2,846,868	Other Revenue	2	4,860,415	84,431,000	(79,570,585)
-	Transfer from other Govt Entities		-	-	-
<b>1,264,930,549</b>	<b>TOTAL REVENUE (a)</b>		<b>2,045,699,892</b>	<b>1,912,014,814</b>	<b>133,685,078</b>
<b>EXPENDITURE</b>					
902,527,658	Salaries	3	1,585,438,566	779,719,166	(805,719,400)
	Social Benefits			-	-
415,075,337	Overhead Cost	4	421,451,104	1,008,274,778	586,823,674
-	Bad debt Charges		-	-	-
-	Public Debt charges		-	-	-
-	Transfer to Other Govt Entities		-	-	-
<b>1,317,602,995</b>	<b>TOTAL EXPENDITURE(b)</b>		<b>2,006,889,670</b>	<b>1,787,993,944</b>	<b>(218,895,726)</b>
Surplus/(Deficit) from operating					
(52,672,446)	Activities for the period C=(a-b)		38,810,223	124,020,870	85,210,647
-	Gain/Loss on Disposal		-	-	-
-	Gain/Loss on Foreign Exchange Transaction		-	-	-
-	Share of Surplus/(Deficit) In Assoc. & Joint Vent		-	-	-
-	<b>Total Non Operating Revenue or (Expense)</b>		<b>-</b>	<b>-</b>	<b>-</b>
(52,672,446)	Surplus/(Deficit)from Ordinary Activities e=(c+		38,810,223	124,020,870	85,210,647
-	Minority Interest Share of Surplus/(Deficit) (f)		-	-	-
<b>(52,672,446)</b>	<b>Net Surplus/(Deficit) for the period g=(e-</b>		<b>38,810,223</b>	<b>124,020,870</b>	<b>85,210,647</b>

**FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.****STATEMENT OF CHANGES IN EQUITY**

	Accumulated	Revaluation	TOTAL
	Fund	Reserve	
	=N=	=N=	=N=
Balance as at 31 December 2018	4,544,083	-	4,544,083
Surplus /(Deficit) on revaluation	-	-	-
Prior Year Adjustments	6,798,665	-	-
Surplus /(Deficit)	<u>(52,672,446)</u>	<u>-</u>	<u>(52,672,446)</u>
	<u><b>(41,329,698)</b></u>	<u><b>-</b></u>	<u><b>(41,329,698)</b></u>
			-
Balance as at 31 December 2019	<u><b>(41,329,698)</b></u>	<u><b>-</b></u>	<u><b>(41,329,698)</b></u>
			-
Balance as at 31 December 2019	(41,329,698)	-	(41,329,698)
Surplus /(Deficit) on revaluation	-	-	-
Prior Year Adjustments	-	-	-
Surplus /(Deficit)	<u>38,810,223</u>	<u>-</u>	<u>38,810,223</u>
	<u><b>(2,519,475)</b></u>	<u><b>-</b></u>	<u><b>(2,519,475)</b></u>
			-
Balance as at 31 December 2020	<u><b>(2,519,475)</b></u>	<u><b>-</b></u>	<u><b>(2,519,475)</b></u>

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

**STATEMENT OF CASH FLOW**

Description	Notes	2020		2019	
		N	N	N	N
CASHFLOWS FROM OPERATING ACTIVITIES					
Inflows		-		-	
Government Share of FAAC		2,040,839,477		1,262,083,682	
Other Revenue		4,860,415		2,846,868	
Transfer from other Govt Entities		-		-	
Total inflow from Operating Activities (A)		2,045,699,892		1,264,930,549	
Outflows					
Salaries & Wages		(1,585,438,566)		(902,527,658)	
Social Benefits		-		-	
Overhead Cost		(421,451,104)		(415,075,337)	
Finance Cost		-		-	
Total outflow from operating Activities (B)		(2,006,889,670)		(1,317,602,995)	
Net Cash Inflow/(Outflow)					
from Operating Activities C=(A+B)			38,810,223		(52,672,446)
CASH FLOW FROM INVESTING ACTIVITIES					
Purchase/Construction of PPE		-		-	
Purchase/Construction of Investment Property		(4,776,000)		(21,380,716)	
Acquisition of investments		-		-	
Net Cash from Investing Activities			(4,776,000)		(21,380,716)
CASH FLOW FROM FINANCING ACTIVITIES					
Capital Grant					
Net Cash Flow from Financing Activities					
Net Cash flow from all Activities			34,034,223		(74,053,162)
Net Movement in Current Assets / Liabilities			-		-
Prior year adjustment			-		6,798,665
Net Movement in Receivables			(163,648,758)		1,221,265
Net Movement in Payables			162,227,407		(2,357,271)
			(1,421,351)		5,662,659
Cash & Its Equivalent as at 1st January			(67,476,187)		914,316
Cash & Its Equivalent as at 31st December			(34,863,315)		(67,476,187)
Cash & its Equivalent as at 31/12 2020					
Cash Balances			(34,863,315)		-
Bank Balances			-		(67,476,187)
			(34,863,315)		(67,476,187)

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

**CAPITAL DEVELOPMENT FUND**

<b>Balance b/f</b>	49,221,441	27,840,725
Construction / provision of health centre	-	4,182,800
Rehabilitation of water facilities	-	1,668,000
Construction / provision of infrastructure	-	2,889,900
Joint project	4,700,000	7,755,000
Motor vehicle	-	1,335,000
Max air		2,850,000
Rehabilitation of hand pump	<u>76,000</u>	<u>700,016</u>
	<b><u>53,997,441</u></b>	<b><u>49,221,441</u></b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

	<b>2020</b>	<b>2019</b>
	<b>N</b>	<b>N</b>
<b>NOTE 1 STATUTORY ALLOCATION</b>		
Council and staff salaries	2,040,839,477	1,262,083,682
Other receipts	-	-
	<u><b>2,040,839,477</b></u>	<u><b>1,262,083,682</b></u>
<b>NOTE 2 OTHER REVENUE</b>		
Earnings and Sales	4,860,415	1,701,765
Share of IGR	-	1,145,103
	<u><b>4,860,415</b></u>	<u><b>2,846,868</b></u>
<b>NOTE 3 PERSONNEL COST</b>		
Salaries & Wages	925,724,430	587,861,158
Pension and gratuity	184,358,745	113,633,451
NHF	54,550,000	
LEA salaries	407,440,391	182,294,448
Allowances	13,365,000	18,738,600
	<u><b>1,585,438,566</b></u>	<u><b>902,527,658</b></u>
<b>NOTE 4 OVERHEAD COST</b>		
<b>ALLOWANCES AND SOCIAL CONTRIBUTION</b>		
Security allowance	16,812,000	25,501,000
Immunization supervision allowance	1,781,750	2,747,227
Honourarium & sitting allowance	5,057,000	10,874,900
Pilgrimage/ Hajj	-	17,176,861
Welfare packages	3,580,000	9,565,000
Mandatory payments	207,458,193	138,931,445
Grants to communities/NGOs	48,780,000	39,962,870
Disturbance allowance	1,050,000	280,596
	<u><b>284,518,943</b></u>	<u><b>245,039,899</b></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

	<b>2020</b>	<b>2019</b>
	<b>N</b>	<b>N</b>
<i>TRAVEL &amp; TRANSPORT</i>		
Local travel & transport: Others	7,962,541	18,402,011
Maxi air	5,076,000	
Local travel & transport: Training	-	213,500
	<u><b>13,038,541</b></u>	<u><b>18,615,511</b></u>
<i>MATERIALS AND SUPPLIES</i>		
Magazines & periodicals	-	-
Purchase of agro-chemicals/vaccines	14,500,000	19,071,000
Teaching aid/instructional materials	-	33,911,000
Office stationeries/computer consumables	180,000	1,466,700
Printing of security document	-	750,000
Printing of non-security document	63,029	1,322,500
Uniforms & other clothing	-	20,000
Field materials services	-	50,000
Burial Materials	-	3,639,208
	<u><b>14,743,029</b></u>	<u><b>60,230,408</b></u>
<i>MISCELLANEOUS EXPENSES</i>		
Security vote	6,500,000	13,000,000
Refreshment & Meals	42,801,279	23,139,304
Financial Assistance	12,716,396	4,930,650
Electricity bills	100,000	286,000
Telephone charges	-	25,500
Bank charges	4,442,222	2,194,542
Cleaning fumigation	-	20,000
Budget activities	-	92,100
Administrative charges	14,365,057	-
OD related expenses	19,835,611	-
Special day celebration	1,655,530	-
Publicity & advertisement	40,000	711,250
Medical expenses	10,000	241,497
Local training	500,000	2,600,000
Postages & courier services	-	20,000
	<u><b>102,966,094</b></u>	<u><b>47,260,843</b></u>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

	<b>2020</b>	<b>2019</b>
	<b>N</b>	<b>N</b>
<b><i>MAINTENANCE SERVICES</i></b>		
Maintenance of Markets/Public Places	624,000	200,000
Maintenance of generator	-	1,248,000
Other maintenance	2,626,000	6,920,234
Maintenance of Furniture	25,000	250,000
Road Maintenance	-	5,603,720
Maintenance of motor vehicles	820,029	3,055,870
Maintenance of office equipment	15,000	319,500
Maintenance of of office building	883,000	5,602,220
Motor vehicle fuel cost	259,000	60,500
Plant fuel cost	680,000	939,802
	<b><u>5,932,029</u></b>	<b><u>24,199,846</u></b>
<b><i>CONSULTING &amp; PROFESSIONAL SERVICES</i></b>		
Legal services	-	-
Financial Consulting	-	18,524,830
Audit fees	252,468	893,000
Medical consulting	-	311,000
	<b><u>252,468</u></b>	<b><u>19,728,830</u></b>
<b>Total Overhead</b>	<b><u>421,451,104</u></b>	<b><u>415,075,337</u></b>
<b>NOTE 5 PROVISION OF INFRASTRUCTURES</b>		
<b>Balance b/f</b>	49,221,441	27,840,725
Construction / provision of health centre	-	4,182,800
Rehabilitation of water facilities	-	1,668,000
Construction / provision of infrastructure	-	2,889,900
Joint project	4,700,000	7,755,000
Motor vehicle	-	1,335,000
Max air	-	2,850,000
Rehabilitation of hand pump	76,000	700,016
	<b><u>53,997,441</u></b>	<b><u>49,221,441</u></b>
<b>NOTE 6 CASH &amp; CASH EQUIVALENT</b>		
Bank balance	(34,863,315)	(67,476,187)
Cash	-	-
	<b><u>(34,863,315)</u></b>	<b><u>(67,476,187)</u></b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

	<b>2020</b>	<b>2019</b>
	<b>N</b>	<b>N</b>
<b>NOTE 7 RECEIVABLES &amp; PREPAYMENTS</b>		
Receivables	162,013,758	-
Advances	1,635,000	-
	<u><b>163,648,758</b></u>	<u><b>-</b></u>
<b>NOTE 8 INVESTMENTS</b>	<u><b>20,538,355</b></u>	<u><b>20,538,355</b></u>
<b>NOTE 9 DEPOSITS</b>	<u><b>3,241,754</b></u>	<u><b>3,028,104</b></u>
<b>NOTE 10 PAYABLES</b>		
Staff salaries & other expenses(December 20	<u><b>162,013,758</b></u>	<u><b>-</b></u>
<b>NOTE 11 CAPITAL GRANT</b>		
Paris club refund	<u><b>40,585,202</b></u>	<u><b>40,585,202</b></u>
<b>NOTE 12 RESERVES</b>		
Brought Forward	(41,329,698)	4,544,083
Prior Year Adjustment	-	6,798,665
Operating Balance for the Year	<u><b>38,810,223</b></u>	<u><b>(52,672,446)</b></u>
	<u><b>(2,519,475)</b></u>	<u><b>(41,329,698)</b></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

**APPENDICES**

**APPENDIX 1**

**SCHEDULES OF INVESTMENT**

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

**APPENDIX 2**

**SCHEDULES OF DEPOSIT**

<b>S/N</b>	<b>PARTICULARS</b>	<b>AMOUNT</b>
1	10% Retention on Contract D/7	1,820,143
2	FIRS WHT D/11	13,050
3	Agric Loan Recovery D/16	11,896
4	Mosque Construction D/34	15,670
5	Contract Deduction D/7	15,600
6	Contract Deduction D/7	1,365,394
	<b>Total</b>	<b>3,241,753</b>

**SCHEDULE OF ADVANCES**

<b>S/N</b>	<b>NAMES</b>	<b>AMOUNT N</b>
1	Council members–Advances	1,635,000
		<b>1,635,000</b>

## **TAFAWA BALEWA LOCAL GOVERNMENT COUNCIL**

### **CORPORATE INFORMATION**

1. **CHAIRMAN**

Hon. Daniel Danjuma Mazadu

2. **HEAD OF ADMINISTRATION**

Abdulmutallib Abba Mahmoud

3. **TREASURER**

Abdulkadir B. Isma'il

4. **BANKERS**

Fidelity Bank Plc.  
First Bank of Nigeria Plc  
Intercontinental Bank Plc

5. **AUDITORS**

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

## **TAFAWA BALEWA LOCAL GOVERNMENT COUNCIL**

### **STATEMENT OF RESPOONSIBILITIES ON THE FIANACIAL STATEMENTS**

These Financial Statements have been prepared by the Management of Tafawa Balewa Local Government Council in accordance with the provisions of the Finance (Council and Management) Act 1958 as amended. The Financial Statements comply with Generally Accepted Accounting Practice.

#### **RESPONSIBILITIES FOR FINANICAL STATEMNETS:**

The Management of Tafawa Balewa Government Council is responsible for establishing and maintaining a system of the internal control designed to provide reasonable assurance that the transactions recorded are within statutory authority and properly recorded the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of internal control has operated adequately throughout the reporting year.

We accept responsibilities for the integrity of these Financial Statements, the information they contain and their compliance with the Finance (Council and Management) Act 1958 as amended.

In our opinion, these financial statements fairly reflect the financial position of the Local Government as at 31<sup>st</sup> December, 2020 and its operations for the year ended on that date.

*DANIEL KADARU DANJUMA*

*[Signature]* 29/9/21

Chairman's Name, Signature & Date

*[Signature]* 29/09/21  
*ASSAMU UMAR TOLO*

Treasurer's Name, Signature & Date



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

We have audited the Financial Statements of *Tafawa Balewa Local Government Council* for the year ended 31<sup>st</sup> December, 2020 set out on pages 5 – 13, which have been prepared on the basis of accounting policies on page 4.

### **RESPECTIVE RESPONSIBILITIES OF THE MANAGEMENT**

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

### **AUDITORS' RESPONSIBILITY**

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

## **BASIS OF OPINION**

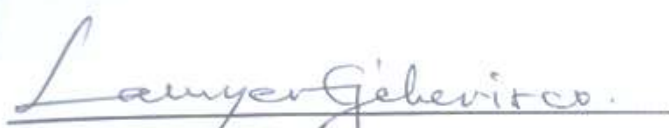
We conducted the audit in accordance with the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda for Local Governments.

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

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

## **Opinion**

In our opinion, the Financial Statements give a true and fair view of the financial position of the Council as at 31<sup>st</sup> December, 2020 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.

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



## **SIGNIFICANT ACCOUNTING POLICIES**

1. **Basis of Preparation**

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

2. **ACCOUNTING PERIOD**

The Financial Statements is for the accounting period from 01/01/2020 to 31/12/2020.

3. **REPORTING CURRENCY**

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

4. **CASH AND CASH EQUIVALENT**

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

5. **ACCOUNTS RECEIVABLES**

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

6. **PREPAYMENTS**

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

7. **INVENTORY**

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

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

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

9. **DEPOSITS**

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



**STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2020**

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

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

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# **TAFAWA BALEWA LOCAL GOVERNMENT COUNCIL**

## **FINANCIAL STATEMENTS**

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

### **STATEMENT OF CHANGES IN EQUITY**

	Accumulated fund N	Revaluation Reserve N	Total N
<b>Balance as at 31st December, 2018</b>	83,918,343	-	83,918,343
Surplus/(Deficit) on Revaluation	-	-	-
Prior Year Adjustment	3,257,182	-	3,257,182
Surplus/(Deficit)	<u>108,598,734</u>	<u>-</u>	<u>108,598,734</u>
	<u>195,774,259</u>	<u>-</u>	<u>195,774,259</u>
<b>Balance as at 31st December, 2019</b>	<u>195,774,259</u>	<u>-</u>	<u>195,774,259</u>
<b>Balance as at 31st December, 2019</b>	195,774,259	-	195,774,259
Surplus/(Deficit) on Revaluation	-	-	-
Prior Year Adjustment	-	-	-
Surplus/(Deficit)	<u>21,547,451</u>	<u>-</u>	<u>21,547,451</u>
	<u>217,321,710</u>	<u>-</u>	<u>217,321,710</u>
<b>Balance as at 31st December, 2020</b>	<u>217,321,710</u>	<u>-</u>	<u>217,321,710</u>

# TAFAWA BALEWA LOCAL GOVERNMENT COUNCIL

## FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2020

## CASH FLOW STATEMENTS

	2020		2019	
	N	N	N	N
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<i>Inflows</i>				
Government Share of FAAC	2,207,679,786		1,704,160,006	
Other Receipts	1,718,900		-	
Internally Generated Revenue	-		4,122,608	
Transfer from other Govt. Entities	-		-	
<b>Total inflow From Investing Activities (A)</b>	<b>2,209,398,686</b>		<b>1,708,282,614</b>	
<i>Outflows</i>				
Personnel Cost	2,104,509,240		1,418,992,969	
Social Benefits	-		-	
Overhead Cost	83341995		180,690,911	
Finance Cost	-		-	
<b>Total outflow From Investing Activities (B)</b>	<b>2,187,851,235</b>		<b>1,599,683,880</b>	
<b>Net Cash in flow/(outflow) from Operating Activities (A - B)</b>		<b>21,547,451</b>		<b>108,598,734</b>
<b>Prior Year Adjustment</b>		<b>-</b>		<b>3,257,182</b>
		<b>21,547,451</b>		<b>111,855,916</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase/Construction of PPE	(48,975,300)		(106,520,754)	
Purchase/Construction of Investment Property	-		-	
Acquisition of Investments	-		-	
<b>Net Cash Flow from Investing Activities</b>		<b>(48,975,300)</b>		<b>(110,960,512)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Capital Grants Received		-		-
Proceeds from Borrowings		-		-
Repayments of Borrowings		-		-
<b>Net Cash Flow from Financing Activities</b>		<b>-</b>		<b>-</b>
<b>Net Cash Flow from All Activities</b>		<b>(27,427,849)</b>		<b>895,404</b>
<b>NET MOVEMENT IN CURRENT ASSETS/LIABILITIES</b>				
Net Movement in Receivables		5,771,000		(2,491,000)
Net Movement in Deposits		<u>17,997,492</u>		<u>4,500,971</u>
		23,768,492		2,009,971
		<u>23,768,492</u>		<u>2,009,971</u>
<b>Net Cash Flow from All Activities</b>		<b>(3,659,357)</b>		<b>2,905,375</b>
Cash & Its Equivalent as at - 1/1/2020		<u>3,926,527</u>		<u>1,021,152</u>
Cash & Its Equivalent as at - 31/12/2020		<b><u>267,170</u></b>		<b><u>3,926,527</u></b>
<b>Cash &amp; Its Equivalent as at - 31/12/2020</b>				
Cash Balances		-		-
Bank Balances		<u>267,170</u>		<u>3,926,527</u>
		<b><u>267,170</u></b>		<b><u>3,926,527</u></b>

# TAFAWA BALEWA LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

NOTES	APPENDIX	<b>2020</b>	<b>2019</b>
1 <u>CASH &amp; CASH EQUIVALENT</u>		<b>N</b>	<b>N</b>
Fidelity Bank - 5030033308		57,388	1,080,697
First Bank of Nigeris Plc - 2001701841		209,782	192,956
Intercontinental Bank		-	2,652,874
		<u>267,170</u>	<u>3,926,527</u>
2 <u>RECEIVABLES</u>			
Advances	1	<u>2,130,000</u>	<u>7,901,000</u>
3 <u>INVESTMENTS</u>			
Investments	2	<u>21,504,014</u>	<u>21,504,014</u>
		As at	As at
4 <u>CAPITAL EXPENDITURE</u>		<u>1/1/2020</u>	<u>Additions</u>
<b><u>Property, Plant &amp; Equipment</u></b>		<b>N</b>	<b>N</b>
Construction/provision of Hospital/Health Centre		12,419,745	-
rehabilitation/Repairs of Roads		148,000	980,000
Construction/Provision of Water Facilities		400,000	-
Purchase of Motor Cycles		3,950,000	-
Renovation of Dispensary		100,000	-
Fencing and Drilling of hand pump		28,991,769	-
Rural Electrification		21,188,000	15,960,000
Construction/Provision of Public School		187,600	-
Purchase of Peugeot Car		937,170	-
Purchase of Land		22,395,000	-
Supply of Office Equipment		680,000	-
Purchase of Hilux Vehicles		32,032,000	-
Campaign Office		2,610,000	-
Maintenance of Culvert		500,000	27,356,300
Construction of Bula District Palace		20,862,918	-
Renovation of Magistrate Court		303,000	-
Construction/Provision of Residential Buildings		7,017,735	-
Purchase of Deep Freezer		215,000	-
Renovation of Chairman Guest House		252,000	1,000,000
Maintenance of Mosque Buildings		812,000	2,000,000
Renovation of Corpers' Lodge		78,000	-
Renovation of LG Guest House		-	1,679,000
Construction/Provision of Cemeteries		<u>63,015,343</u>	<u>-</u>
<b>Grand Total</b>		<u>219,095,280</u>	<u>48,975,300</u>
			<u>268,070,580</u>

# TAFAWA BALEWA LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

NOTES	APPENDIX	2020 N	2019 N
5 DEPOSITS	3	<u>32,855,915</u>	<u>14,858,423</u>
6 CAPITAL GRANT (PARIS CLUB REFUND)		<u>41,794,139</u>	<u>41,794,139</u>
7 RESERVES			
Brought Forward		195,774,259	83,918,343
Operating Balance for the Year		21,547,451	108,598,734
Prior Year Adjustment		-	3,257,182
		<u>217,321,710</u>	<u>195,774,259</u>
8 STATUTORY ALLOCATION			
Govt. Share of FAAC		2,207,679,786	1,704,160,006
Other Grants		-	-
		<u>2,207,679,786</u>	<u>1,704,160,006</u>
9 OTHER REVENUE			
Internally Generated Revenue		<u>1,718,900</u>	<u>4,122,608</u>
10 PERSONNEL COST			
Salaries and Wages		2,071,599,240	1,378,451,969
Allowances		<u>32,910,000</u>	<u>40,541,000</u>
		<u>2,104,509,240</u>	<u>1,418,992,969</u>
11 OVERHEAD COST			
11.1 ALLOWANCES & SOCIAL CONTRIBUTION			
Security Allowance		1,140,000	16,823,000
Honourarium & Sitting Allowance		2,840,000	2,433,000
Welfare Package		2,271,000	-
Immunization Supervision Allowance		-	580,000
Tree Planting		-	110,000
Security Expenses		28,294,000	-
Disturbance Allowance		-	810,668
<b>Sub Total</b>		<u>34,545,000</u>	<u>20,756,668</u>
11.2 TRAVEL & TRANSPORT			
Local Travel & Transport: Others		6,205,000	14,205,182
Local Travel & Transport: Training		50,000	-
International Travel & Transport		-	18,868,766
<b>Sub Total</b>		<u>6,255,000</u>	<u>33,073,948</u>

# TAFAWA BALEWA LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

NOTES		2020	2019
		N	N
11.3	<u>MATERIALS AND SUPPLIES</u>		
	Supply of Relief Materials	3,930,000	5,641,000
	Supply of Working Materials	3,216,600	3,076,389
	Corona Virus Control	1,541,000	-
	Agric. Chemical and Inputs	364,000	500,000
	Office Stationeries/Computer Consumables	390,000	-
	Drugs & Medical Supplies	1,990,000	18,245,000
	Printing of Security Document	1,395,000	19,777,050
	Uniform and Other Clothing	-	80,000
	Printing of Non-Security Document	950,000	89,000
	Teaching Aid/Instructional Materials	-	1,620,000
	Supply of Curtains	250,000	
	<b>Sub Total</b>	<b>14,026,600</b>	<b>49,028,439</b>
11.4	<u>MISCELLANEOUS EXPENSES</u>		
	Security Vote	2,500,000	11,000,000
	Refreshment and Meals	-	910,000
	Financial Assistance	4,258,560	21,093,000
	Hospitality and Entertainment	4,857,900	5,320,100
	Logistics Support	4,928,500	17,370,250
	NATA and Fueling	1,140,500	-
	Publicity and Advertisement	766,000	1,489,350
	Sporting Activities	205,000	-
	Local Training	-	4,383,100
	Special Days Celebration and Prayer	-	7,320,000
	Cleaning and Sanitation	240,000	3,407,000
	Medical Expenses	55,000	-
	Bank Charges	34,615	26,356
	Sallah Gifts	2,460,000	-
	Christmas Gifts	2,034,720	-
	<b>Sub Total</b>	<b>23,480,795</b>	<b>72,319,156</b>
11.5	<u>MAINTENANCE SERVICES</u>		
	Maintenance of Generator	318,000	200,000
	Other Maintenance Services	8,000	-
	Maintenance of Motor Vehicles	4,649,600	4,438,250
	Maintenance of Office Buildings	19,000	-
	Motor Vehicles Fuel Cost	40,000	724,450
	<b>Sub Total</b>	<b>5,034,600</b>	<b>5,362,700</b>

# TAFAWA BALEWA LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

<b>NOTES</b>		<b><u>2020</u></b>	<b><u>2019</u></b>
		<b><u>N</u></b>	<b><u>N</u></b>
11.6	<b>CONSULTING AND PROFESSIONAL SERVICES</b>		
	Legal Services	-	150,000
	<b><i>Sub Total</i></b>	-	150,000
	<b><i>Grand Total Overhead</i></b>	<b><u>83,341,995</u></b>	<b><u>180,690,911</u></b>
	<b><u>APPENDIX 1</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>
S/N	<b>SCHEDULES OF ADVANCES</b>	<b><u>N</u></b>	<b><u>N</u></b>
1	Chairman	300,000	600,000
2	Deputy Chairman	200,000	300,000
3	HOA	150,000	350,000
4	Director of Finance	150,000	300,000
5	Sundry Directors	-	700,000
6	Sundry Sectional Heads	-	346,000
7	Head Mechanic	-	305,000
8	Sulaiman C. Bana	10,000	10,000
9	Hajiya Furera	10,000	10,000
10	Hussaini Mohammed	10,000	10,000
11	Tirmiya Yakubu	-	10,000
12	Sundry Persons	-	2,300,000
13	Alh. Idris Halilu	-	500,000
14	Usman Jauro	-	350,000
15	Umar Adamu	100,000	350,000
16	Sundry Persons	-	1,460,000
17	Yakubu Ahmed (Dass)	50,000	-
18	Haruna Kalidu (Director Agric)	50,000	-
19	Idriss Danasafe (Director PHC)	50,000	-
20	Musa A. Ladan (Director Works)	50,000	-
21	Yau Kaciciya (Director ESD)	50,000	-
22	Abdullahi Adamu (Director Planning)	50,000	-
23	Mahmood Aliyu (Director Revenue)	50,000	-
24	Shehu Usman Abubakar (S.O)	25,000	-
25	Shuaibu Maigida (Internal Auditor)	25,000	-
26	Kabiru Idris Bello (D/Treasurer)	30,000	-
27	Zubairu Isah (Sorekeeper)	10,000	-
28	Mohammed Ibrahim Gital (Sup. Building)	10,000	-
29	Alhassan Shehu Bununu (Land Officer)	10,000	-
30	Mohammed Faruk (Sup. Mechanical)	10,000	-
	<b><i>Balance carried forward</i></b>	<b><u>1,400,000</u></b>	<b><u>7,901,000</u></b>



# TAFAWA BALEWA LOCAL GOVERNMENT COUN

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

<b><u>APPENDIX 1</u>      <u>CONT'D</u></b>		<b><u>2020</u></b>	<b><u>2019</u></b>
S/N	<b><u>SCHEDULES OF ADVANCES</u></b>	<b><u>N</u></b>	<b><u>N</u></b>
	<b><i>Balance brought forward</i></b>	<b>1,400,000</b>	<b>7,901,000</b>
31	Cecilia M. Wormi (Social Welfare)	10,000	-
32	Garba Yau (Comm. Dv. Officer)	10,000	-
33	Margam Umar (Home Economic Officer)	10,000	-
34	Habibu Abdu (Adult Education)	10,000	-
35	Habibu Danbaba (Information officer)	10,000	-
36	Mamaki Ishaya	10,000	-
37	Kasimu K. Babaji (Forestry Officer)	10,000	-
38	Yakubu Idi Krau (Vertinary Officer)	10,000	-
39	Kamalu Umar (Planning Officer)	10,000	-
40	Abubakar Sa'adu (Preventive)	10,000	-
41	Sa'adu Ibn Ibrahim (Adv. Officer)	10,000	-
42	Aminu Mohammed (Health Education)	10,000	-
43	Umar Ibrahim Kardam (Budget Officer)	10,000	-
44	Mohammed B. Iliyasu (Statistics Officer)	10,000	-
45	Musa Saleh (Bula D/H)	10,000	-
46	Aliyu Abubakar Bawa (Lere D/H)	10,000	-
47	Salisu Mohammed (Bama D/H)	10,000	-
48	Abdullahi Abubakar (Bula V/H)	20,000	-
49	Abdullahi Hassan (Dull V/H)	30,000	-
50	Isah Dauda (mball V/H)	30,000	-
51	Musa G. Kalia (Dajin V/H)	20,000	-
52	Adamu Abdullahi (Kandam V/H)	30,000	-
53	Aliyu A. Bawa (Lere V/H)	30,000	-
54	Dauda Saleh (Tapshin V/H)	10,000	-
55	Sup. Councillor works	50,000	-
56	Sup. Councillor ESD	50,000	-
57	Sup. Councillor Agric	50,000	-
58	Sup. Councillor Planning	50,000	-
59	Fatima Ado Musa (Admin Officer)	10,000	-
60	Yunusa Isah Zorall (Chief Accountant)	10,000	-
61	Hussaini Mohammed (Electrical Officer)	10,000	-
62	Safiyanu Magaji (Checking Officer)	10,000	-
63	Danlami S. Pawa (Education Officer)	10,000	-
64	Saidu Sambo (Commercial Officer)	10,000	-
65	Babangida Bala Kauji (Investment Officer)	10,000	-
66	Legal Adviser	10,000	-
67	Shuaibu S. Koli (Local Licenses)	10,000	-
68	Umar Dando (Dev. Area Officer Burja)	20,000	-
69	Boto Dev. Area Officer	20,000	-
70	James Larson (Marti Dev. Area Officer)	20,000	-
71	Abdulrasheed Ma'azu (Bolo D/H)	30,000	-
72	Agric Officer	10,000	-
	<b><i>Total</i></b>	<b><u>2,130,000</u></b>	<b><u>7,901,000</u></b>

## TAFAWA BALEWA LOCAL GOVERNMENT COUNC

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

<b><u>APPENDIX 2</u></b>			
<b><u>SCHEDULES OF INVESTMENT</u></b>			
S/N	NAME OF COMPANY	<b><u>2020</u></b> <b>N</b>	<b><u>2019</u></b> <b>N</b>
1	Africa Petroleum	305,100	305,100
2	Ashaka Cement Company	100,000	100,000
3	Bauchi Hotels Limited	118,520	118,520
4	UBA Nigeria Limited	500,000	500,000
5	FCMB	1,735,781	1,735,781
6	WAPCO Nigeria Limited	96,250	96,250
7	Afribank (Main Street)	11,908,333	11,908,333
8	National Oil Plc	500,000	500,000
9	Yankari Savings and Loans	1,136,045	1,136,045
10	Jaiz International Plc	4,900,285	4,900,285
11	Fidelity Bank Plc	203,700	203,700
	<b>Grand Total</b>	<b><u>21,504,014</u></b>	<b><u>21,504,014</u></b>
<b><u>APPENDIX 3</u></b>			
<b><u>SCHEDULES OF DEPOSITS</u></b>			
S/N	<b><u>PARTICULARS</u></b>	<b><u>2020</u></b> <b>N</b>	<b><u>2019</u></b> <b>N</b>
1	Pay As You Earn - BIRS	20,085,309	2,087,817
2	5% cpd	6,385,303	6,385,303
3	5% VAT	6,385,303	6,385,303
	<b>Grand Total</b>	<b><u>32,855,915</u></b>	<b><u>14,858,423</u></b>

## **TORO LOCAL GOVERNMENT COUNCIL**

### **CORPORATE INFORMATION**

1. **CHAIRMAN**

Alh. Danlami Garba Abubakar

2. **HEAD OF ADMINISTRATION**

Nasiru Usman

3. **TREASURER**

Mohammed Inusa

4. **BANKERS**

First Bank of Nigeria Plc

Fidelity Bank Plc

5. **AUDITORS**

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

## **TORO LOCAL GOVERNMENT COUNCIL**

### **STATEMENT OF RESPONSIBILITIES ON THE FINANCIAL STATEMENTS**

These Financial Statements have been prepared by the Management of Toro Local Government Council in accordance with the provisions of the Finance (Council and Management) Act 1958 as amended. The Financial Statements comply with Generally Accepted Accounting Practice.

#### **RESPONSIBILITIES FOR FINANCIAL STATEMENTS:**

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

We accept responsibilities for the integrity of these Financial Statements, the information they contain and their compliance with the Finance (Council and Management) Act 1958 as amended.

In our opinion, these financial statements fairly reflect the financial position of the Local Government as at 31<sup>st</sup> December, 2020 and its operations for the year ended on that date.

Abdullah Hassan Ali Hassan 29/09/21  
Chairman's Name, Signature & Date

Abdullah Hassan Ali Hassan 29/09/21  
Treasurer's Name, Signature & Date



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

We have audited the Financial Statements of *Toro Local Government Council* for the year ended 31<sup>st</sup> December, 2020 set out on pages 5 – 16, which have been prepared on the basis of accounting policies on page 4.

### **RESPECTIVE RESPONSIBILITIES OF THE MANAGEMENT**

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

### **AUDITORS' RESPONSIBILITY**

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

## **BASIS OF OPINION**

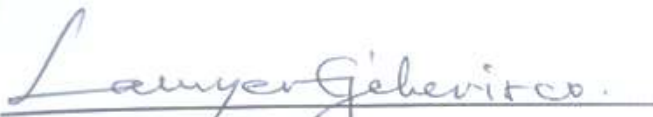
We conducted the audit in accordance with the International Public Sector Accounting Standards (IPSAS) and the Financial Memoranda for Local Governments.

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

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

## **Opinion**

In our opinion, the Financial Statements give a true and fair view of the financial position of the Council as at 31<sup>st</sup> December, 2020 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.

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



## **SIGNIFICANT ACCOUNTING POLICIES**

1. **Basis of Preparation**

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

2. **ACCOUNTING PERIOD**

The Financial Statements is for the accounting period from 01/01/2020 to 31/12/2020.

3. **REPORTING CURRENCY**

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

4. **CASH AND CASH EQUIVALENT**

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

5. **ACCOUNTS RECEIVABLES**

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

6. **PREPAYMENTS**

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

7. **INVENTORY**

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

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

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

9. **DEPOSITS**

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

		2020		2019	
	NOTES	N	N	N	N
<b>CURRENT ASSETS</b>					
Cash & Cash Equivalent	1	78,907		6,272,647	
Receivables	2	<u>30,378,229</u>		<u>26,478,229</u>	
<b>Total Current Assets - A</b>			30,457,136		32,750,876
<b>NON-CURRENT ASSETS</b>					
Investments	3	44,005,178		44,005,178	
Property, Plant & Equipment	4	<u>182,384,748</u>		<u>119,884,748</u>	
<b>Total Non-Current Assets - B</b>			<u>226,389,926</u>		<u>163,889,926</u>
<b>Total Assets C = A + B</b>			<u>256,847,062</u>		<u>196,640,802</u>
<b>CURRENT LIABILITIES</b>					
Deposits	5	<u>8,594,666</u>		<u>13,759,278</u>	
<b>Total Current liabilities - D</b>			8,594,666		13,759,278
<b>NON-CURRENT LIABILITIES</b>					
Public Fund	6	8,790,819		8,790,819	
Long Term Borrowings		<u>-</u>		<u>-</u>	
<b>Total Non-Current liabilities - E</b>			<u>8,790,819</u>		<u>8,790,819</u>
<b>Total liabilities F = D + E</b>			<u>17,385,485</u>		<u>22,550,097</u>
<b>Net Assets G = C - F</b>			<u><b>239,461,577</b></u>		<u><b>174,090,705</b></u>
<b>REPRESENTED BY:</b>					
<b>NET ASSETS/EQUITY</b>					
Capital Grants	7	59,695,102		59,695,102	
Reserves	8	<u>179,766,475</u>		<u>114,395,603</u>	
			239,461,577		174,090,705
Chairman's Name, Signature & Date		CHAIRMAN			
Treasurer's Name, Signature & Date		TREASURER			
<b>Total Net Assets/Equity H = G</b>			<u><b>239,461,577</b></u>		<u><b>174,090,705</b></u>

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



SUMMARISED STATEMENT OF COMPREHENSIVE INCOME FOR THE						
YEAR ENDED 31ST DECEMBER, 2020						

N/A - Budget Estimates not reliable for presentation.

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

## TORO LOCAL GOVERNMENT COUNCIL

### FINANCIAL STATEMENTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

### STATEMENT OF CHANGES IN EQUITY

				Accumulated fund N	Revaluation Reserve N	Total N	
<b>Balance as at 31st December, 2018</b>				98,078,243	-	98,078,243	
Surplus/(Deficit) on Revaluation				-	-	-	
Prior Year Adjustment				-	-	-	
Surplus/(Deficit)				<u>16,317,360</u>	<u>-</u>	<u>16,317,360</u>	
				<u>114,395,603</u>	<u>-</u>	<u>114,395,603</u>	
<b>Balance as at 31st December, 2019</b>				<u>114,395,603</u>	<u>-</u>	<u>114,395,603</u>	
<b>Balance as at 31st December, 2019</b>				114,395,603	-	114,395,603	
Surplus/(Deficit) on Revaluation				-	-	-	
Prior Year Adjustment				-	-	-	
Surplus/(Deficit)				<u>65,370,872</u>	<u>-</u>	<u>65,370,872</u>	
				<u>179,766,475</u>	<u>-</u>	<u>179,766,475</u>	
<b>Balance as at 31st December, 2020</b>				<u>179,766,475</u>	<u>-</u>	<u>179,766,475</u>	

# TORO LOCAL GOVERNMENT COUNCIL

## FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2020

## CASH FLOW STATEMENTS

	2020		2019	
	N	N	N	N
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<i>Inflows</i>				
Government Share of FAAC	3,065,234,881		1,970,769,513	
Internally Generated Revenue	6,206,700		14,382,529	
Transfer from other Govt. Entities	-		-	
<b>Total inflow From Investing Activities (A)</b>	<b>3,071,441,581</b>		<b>1,985,152,042</b>	
<i>Outflows</i>				
Personnel Cost	2,528,670,115		1,789,840,543	
Social Benefits	-		-	
Overhead Cost	477,400,594		178,994,139	
Finance Cost	-		-	
<b>Total outflow From Investing Activities (B)</b>	<b>3,006,070,709</b>		<b>1,968,834,682</b>	
<b>Net Cash in flow/(outflow) from Operating Activities (A - B)</b>		<b>65,370,872</b>		<b>16,317,360</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase/Construction of PPE	(62,500,000)		(40,455,400)	
Purchase/Construction of Investment Property	-		-	
Acquisition of Investments	-		(11,999,996)	
<b>Net Cash Flow from Investing Activities</b>		<b>(62,500,000)</b>		<b>(52,455,396)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Capital Grants Received		-		-
Proceeds from Borrowings		-		-
Repayments of Borrowings		-		-
<b>Net Cash Flow from Financing Activities</b>		<b>-</b>		<b>-</b>
<b>Net Cash Flow from All Activities</b>		<b>2,870,872</b>		<b>(36,138,036)</b>
<b>NET MOVEMENT IN CURRENT ASSETS/LIABILITIES</b>				
Net Movement in Receivables		(3,900,000)		34,089,721
Net Movement in Deposits		(5,164,612)		13,759,278
		(9,064,612)		47,848,999
<b>Net Cash Flow from All Activities</b>		<b>(6,193,740)</b>		<b>11,710,963</b>
Cash & Its Equivalent as at - 1/1/2020		<u>6,272,647</u>		<u>(5,438,316)</u>
Cash & Its Equivalent as at - 31/12/2020		<b><u>78,907</u></b>		<b><u>6,272,647</u></b>
<b>Cash &amp; Its Equivalent as at - 31/12/2020</b>				
Cash Balances		-		-
Bank Balances		<u>78,907</u>		<u>6,272,647</u>
		<b><u>78,907</u></b>		<b><u>6,272,647</u></b>

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

[illegible]

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020**

<b>NOTES</b>		<b>APPENDIX</b>	<b>2020 N</b>	<b>2019 N</b>
5	<u>DEPOSITS</u>	3	<u>8,594,666</u>	<u>13,759,278</u>
6	<u>PUBLIC FUND</u>		<u>8,790,819</u>	<u>8,790,819</u>
7	<u>CAPITAL GRANT (PARIS CLUB REFUND)</u>		<u>59,695,102</u>	<u>59,695,102</u>
8	<u>RESERVES</u>			
	Brought Forward		114,395,603	98,078,243
	Operating Balance for the Year		<u>65,370,872</u>	<u>16,317,360</u>
			<b><u>179,766,475</u></b>	<b><u>114,395,603</u></b>
9	<u>STATUTORY ALLOCATION</u>			
	Govt. Share of FAAC		3,065,234,881	1,970,769,513
	Other Grants		-	-
			<b><u>3,065,234,881</u></b>	<b><u>1,970,769,513</u></b>
10	<u>OTHER REVENUE</u>			
	Internally Generated Revenue		<u>6,206,700</u>	<u>14,382,529</u>
11	<u>PERSONNEL COST</u>			
	Salaries and Wages		2,498,583,615	1,739,904,048
	Allowances		<u>30,086,500</u>	<u>49,936,495</u>
			<b><u>2,528,670,115</u></b>	<b><u>1,789,840,543</u></b>
12	<u>OVERHEAD COST</u>			
12.1	<u>ALLOWANCES &amp; SOCIAL CONTRIBUTION</u>			
	Security Allowance		8,284,000	9,033,000
	Honourarium & Sitting Allowance		3,400,000	1,382,500
	Welfare Package		824,000	748,500
	Medical Expenses - Local		85,000	268,000
	Disturbance Allowance		-	400,000
	Skill Acquisition Programme		-	660,000
	Corona Virus Control		<u>16,530,000</u>	-
	<b>Sub Total</b>		<b><u>29,123,000</u></b>	<b><u>12,492,000</u></b>
12.2	<u>TRAVEL &amp; TRANSPORT</u>			
	Local Travel & Transport: Others		6,947,500	7,569,500
	Local Travel & Transport: Training		<u>360,000</u>	<u>2,890,000</u>
	<b>Sub Total</b>		<b><u>7,307,500</u></b>	<b><u>10,459,500</u></b>

# TORO LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

NOTES	2020 N	2019 N
12 MATERIALS AND SUPPLIES		
Books	-	7,000,000
Printing of Security Document	11,412,500	13,838,000
Uniforms and Other Clothing	100,000	-
Office Stationeries/Computer Consumables	55,300	663,000
Drugs & Medical Supplies	-	30,742,000
Printing of Non-Security Document	8,289,170	9,566,500
Agric. Chemical and Inputs	-	695,000
Purchase of Working Materials	1,455,000	1,754,000
<b>Sub Total</b>	<b>21,311,970</b>	<b>64,258,500</b>
12 MISCELLANEOUS EXPENSES		
Security Vote	5,000,000	7,000,000
Refreshment and Meals	615,000	850,000
Financial Assistance	10,057,830	9,496,500
Hospitality and Entertainment	8,895,000	17,261,000
Residential Rent	-	120,000
Security Expenses	19,378,659	18,075,000
NATA and Fuelling	3,390,750	10,384,400
Electricity Bills	250,000	20,000
Clearing of Bush/Road-side	12,090,000	-
Bank Charges	33,064	204,719
Donation	100,000	-
Christmas Gifts	820,000	1,650,000
Sallah Gifts	6,747,500	6,960,000
Logistics Support	14,607,000	16,115,500
Cleaning and Sanitation	-	60,000
OD Interests and other Related Charges	333,055,920	
<b>Sub Total</b>	<b>415,040,723</b>	<b>88,197,119</b>
13 MAINTENANCE SERVICES		
Other Maintenance Services	301,800	-
Maintenance of Motor Vehicles	1,002,250	2,764,000
Maintenance of Office Building	121,500	-
Motor Vehicles Fuel Cost	16,000	-
<b>Sub Total</b>	<b>1,441,550</b>	<b>2,764,000</b>
13 CONSULTING AND PROFESSIONAL SERVICES		
Legal Services	2,852,000	450,000
Information Technology Consulting	-	373,020
Stock Broker	323,851	-
<b>Sub Total</b>	<b>3,175,851</b>	<b>823,020</b>
<b>Grand Total Overhead</b>	<b>477,400,594</b>	<b>178,994,139</b>

# TORO LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

			2020	2019
<b>APPENDIX 1</b>				
S/N	<b>SCHEDULES OF ADVANCES</b>	Standing Imprest	<b>N</b>	<b>N</b>
1	Elizabeth J. Arewa	// //	2,000	2,000
2	Garba Adamu Nabordo	// //	10,000	10,000
3	Sulaiman Sa'ed Tilde	// //	5,000	5,000
4	Mohammed Bello Magama	// //	10,000	10,000
5	Aliyu Ibrahim	// //	15,000	15,000
6	Mohammed Maidawa	// //	30,000	30,000
7	Abdullahi Bala Zalau	// //	10,000	10,000
8	Mohammed A. Ali	// //	10,000	10,000
9	Ahmed S. Mohammed	// //	10,000	10,000
10	Mohammed Bello Magama	// //	10,000	10,000
11	Sama'ila A. Guda	// //	5,000	5,000
12	Ahmed S. Umar	// //	5,000	5,000
13	Abubakar Amale	// //	5,000	5,000
14	Usman Jamo	// //	5,000	5,000
15	Mohammed Talle	// //	5,000	5,000
16	Abdullahi Babaji	// //	20,000	20,000
17	Auwal Abdulhamid	// //	20,000	20,000
18	Salisu Shehu Gamawa	// //	20,000	20,000
19	Isah Mohammed K.	// //	100,000	100,000
20	Aliyu Salisu Saidu	// //	20,000	20,000
21	Hussaini Adamu	// //	5,000	5,000
22	Ali A. Gamba	Standing Advance	20,000	20,000
23	Sa'adu Shehu	// //	20,000	20,000
24	Abdullahi Aliyu	// //	20,000	20,000
25	Ahmed Isma'il	// //	20,000	20,000
26	Isah Abdulkarim	// //	20,000	20,000
27	Alh. Bala Sarki	// //	20,000	20,000
28	Sani A. Haruna	// //	20,000	20,000
29	Aliyu Shuaibu Saidu	// //	20,000	20,000
30	Abdullahi M. Hamza	// //	20,000	20,000
31	Hudu Sarki Hussaini	// //	20,000	20,000
32	Mrs. Fatima Isah K.	// //	20,000	20,000
33	Cletus Attah	// //	25,000	25,000
34	Alh. Kabiru Garba Gamawa	// //	70,000	70,000
35	Garba Adamu Nabordo	// //	25,000	25,000
36	Mati Hassan	// //	25,000	25,000
37	Bala M. Abdullahi	// //	50,000	50,000
38	Samaila A. Guda	// //	10,000	10,000
<b>Balance Carried Forward</b>			<b>747,000</b>	<b>747,000</b>

# TORO LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

				2020	2019
				N	N
<b>APPENDIX 1: CONT'D</b>					
<b>SCHEDULES OF ADVANCES</b>					
	<b>Balance Brought Forward</b>	Standing Advance		<b>747,000</b>	<b>747,000</b>
39	Ahmed Shehu Umar	// //		10,000	10,000
40	Gudalla Magaji	// //		10,000	10,000
41	Baba Ahmed Toro	// //		50,000	50,000
42	Dahiru Magaji	// //		10,000	10,000
43	Umar A. Hussaini	// //		10,000	10,000
44	Abubakar Amale	// //		10,000	10,000
45	Mohammadu Maidawa	// //		50,000	50,000
46	Alh. Bala Sulaiman	// //		50,000	50,000
47	Sundry Persons	// //		650,000	650,000
48	Aliyu Jibrin	Special Advance		187,000	187,000
49	Abubakar Amale	// //		185,000	185,000
50	Bala Shuaibu	// //		10,000	10,000
51	Sundry Persons	// //		20,000	20,000
52	Bala Shuaibu	// //		100,000	100,000
53	Aliyu Jibrin	// //		50,000	50,000
54	Musa Ibrahim	// //		100,000	100,000
55	Engr. Garba Adamu	// //		273,445	273,445
56	Engr. Garba Adamu	// //		1,000,000	1,000,000
57	Idris Usman Shall	Standing Advance		100,000	100,000
58	Bala Y. Umar	// //		300,000	300,000
59	Barr. Saleh Magama	// //		100,000	100,000
60	Alh. Lawal Adamu Tilde	// //		100,000	100,000
61	Sundry Councillors	// //		200,000	200,000
62	Auwal M. Nabordo	// //		100,000	100,000
63	Alh. Sama'ila Ahmed	Special Advance		150,000	150,000
64	Alh. Yakubu Ahmed	// //		150,000	150,000
65	Usman A. Nuhu	Standing Imprest		10,000	10,000
66	Barr. Aliyu Bin Idris	// //		300,000	300,000
67	Auwal B. Mohammed	// //		200,000	200,000
68	Shehu Usman	// //		150,000	150,000
69	Barr. Shehu Magama	// //		100,000	100,000
70	Mohammed Sabo A. (DAGS)	// //		100,000	100,000
71	Mohammed Bello M.	Standing Advance		50,000	50,000
72	Alh. Musa Sutumi	// //		50,000	50,000
73	Alhassan Umar G.	// //		50,000	50,000
74	M. Jibrin Yusuf	// //		50,000	50,000
75	Nazeef Adamu	// //		50,000	50,000
76	Aminu A. Maidawa	// //		20,000	20,000
77	Mohammed Yunusa Dass (DT)	// //		40,000	40,000
78	Alh. Adamu M. Yakubu	// //		50,000	50,000
	<b>Balance Carried Forward</b>			<b>5,942,445</b>	<b>5,942,445</b>



# TORO LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

<b><u>APPENDIX 1: CONT'D</u></b>				<b><u>2020</u></b>	<b><u>2019</u></b>
<b><u>SCHEDULES OF ADVANCES</u></b>				<b><u>N</u></b>	<b><u>N</u></b>
	<b><i>Balance Brought Forward</i></b>	Standing Advance		<b>5,942,445</b>	<b>5,942,445</b>
79	Mohammed Kabiru I.	// //		50,000	50,000
80	Alh. Aminu Yahaya	// //		50,000	50,000
81	Ibrahim M. D. (DIR. B & P)	// //		50,000	50,000
82	Alh. Isma'ila Ibrahim (Dir. Rev)	// //		50,000	50,000
83	Maikasuwa Y. Kawuwa	// //		10,000	10,000
84	Harisu Aliyu	// //		15,000	15,000
85	Sagir Maijama'a	// //		5,000	5,000
86	Usman Jamo	// //		5,000	5,000
87	Abdulhamid Bako	// //		5,000	5,000
88	Abdu Bala Toro	// //		5,000	5,000
89	Idris Abdullahi (Rev)	// //		5,000	5,000
90	Hussaini A. Garkuwa	// //		5,000	5,000
91	Dauda Sallau	// //		5,000	5,000
92	Usman Nuhu	// //		5,000	5,000
93	Usman Yakubu (Elec)	// //		5,000	5,000
94	Rabiu Shuaibu	// //		5,000	5,000
95	Danladi Ahmed	// //		5,000	5,000
96	Engr. Garba Adamu (Building)	// //		5,000	5,000
97	Alh. Adamu Waziri	// //		25,000	25,000
98	Alh. Muhammed Maidawa	// //		25,000	25,000
99	Alh. Sulaiman A. Suleiman	// //		25,000	25,000
100	Alh. Aliyu M. Tukur	// //		25,000	25,000
101	Alh. Yakubu M. Sanusi	// //		25,000	25,000
102	Alh. M. Yakubu	// //		25,000	25,000
103	Mohammed Inuwa	// //		7,500	7,500
104	Jafaru Mohammed	// //		7,500	7,500
105	Buhari Abubakar	// //		7,500	7,500
106	Aliyu M. Lane	// //		7,500	7,500
107	Abdulaziz Umar	// //		7,500	7,500
108	Adamu Ibrahim	// //		7,500	7,500
109	Bala Umaru	// //		7,500	7,500
110	Zubairu Yakubu	// //		7,500	7,500
111	Yusuf Doma	// //		7,500	7,500
112	Bature Sallau	// //		7,500	7,500
113	Kilishi M. Jumba	// //		7,500	7,500
114	Mal. Saleh Umar	// //		7,500	7,500
115	Usman M. Sadiq	// //		10,000	10,000
116	Mohammed Sabo Abubakar	// //		<u>25,000</u>	<u>25,000</u>
	<b><i>Balance Carried Forward</i></b>			<b>6,502,445</b>	<b>6,502,445</b>

# TORO LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

<b>APPENDIX 1: CONT'D</b>				<b>2020</b>	<b>2019</b>
<b>SCHEDULES OF ADVANCES</b>				<b>N</b>	<b>N</b>
	<b>Balance Brought Forward</b>			<b>6,502,445</b>	<b>6,502,445</b>
117	Alh. Ado Umar	Special Advance		720,000	720,000
118	Alh. Adamu Danyaro Geji	Standing Advance		300,000	300,000
119	Yusuf M. Tulu	//	//	100,000	100,000
120	Barr. Saleh Magama	//	//	50,000	50,000
121	Shehu Usman Abdu	//	//	100,000	100,000
122	Yakubu Ibrahim	//	//	25,000	25,000
123	Yusuf Haruna	//	//	25,000	25,000
124	Usman Waziri	//	//	25,000	25,000
125	Adahama Garba	//	//	25,000	25,000
126	Alh. Idi Adamu Gulbin	Special Advance		274,450	274,450
127	Alh. M. Yakubu Adamu	//	//	274,450	274,450
128	Alh. Bala Suleiman	//	//	500,000	500,000
129	Yunusa Ibn Isma'il	//	//	500,000	500,000
130	Danlami G. Abubakar	Standing Advance		300,000	300,000
131	Mohammed Bello M.	//	//	150,000	150,000
132	Mohammed Abdullahi	//	//	150,000	150,000
133	Zailani Mohammed	//	//	30,000	30,000
134	Hussaini Abubakar	Special Advance		481,149	481,149
134	Mohammed Yunusa	//	//	5,000,000	5,000,000
135	Abdullahi Liman	//	//	642,690	642,690
136	Umar Hussaini	//	//	397,800	397,800
137	Abdullahi Liman	//	//	2,687,500	2,687,500
138	Sundry Persons	//	//	525,000	525,000
139	Sundry Persons	//	//	175,000	175,000
140	Sundry Persons	Standing Advance		175,000	175,000
141	Abdullahi Liman	Special Advance		250,000	250,000
142	Abdullahi Liman	//	//	994,050	994,050
143	Umar Hussaini	//	//	972,500	972,500
144	Umar Hussaini	//	//	887,900	887,900
145	Abdullahi Liman	//	//	926,000	926,000
146	Ahmed Ibrahim Umar	//	//	50,000	50,000
147	Maidawa B. Musa	//	//	10,000	10,000
148	Salisu Abubakar	Standing Imprest		10,000	10,000
149	Dauda Shehu	//	//	10,000	10,000
150	Maryam Abubakar	//	//	10,000	10,000
151	Saminu Mohammed	//	//	10,000	10,000
152	Kande Jande	//	//	10,000	10,000
153	Danjuma Y. Malam	//	//	10,000	10,000
154	Abdullahi Liman	//	//	50,000	50,000
155	Hussaini A. Umar	//	//	10,000	10,000
	<b>Balance Carried Forward</b>			<b>24,345,934</b>	<b>24,345,934</b>

# TORO LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

<b><u>APPENDIX 1: CONT'D</u></b>				<b><u>2020</u></b>	<b><u>2019</u></b>
<b><u>SCHEDULES OF ADVANCES</u></b>				<b><u>N</u></b>	<b><u>N</u></b>
<b><i>Balance Brought Forward</i></b>				<b>#####</b>	<b>24,345,934</b>
##	Umar Hussaini	Standing Imprest		10,000	10,000
##	Rabiu Shuaibu	// //		10,000	10,000
##	Abbas Yusuf Tilde	// //		10,000	10,000
##	Danladi Ahmed	// //		10,000	10,000
##	Usman Yakubu	// //		10,000	10,000
##	Yunusa Isma'il	// //		10,000	10,000
##	Ibrahim Yaro Gumau	// //		50,000	50,000
##	Isiyaku Y. Bello	// //		10,000	10,000
##	Hussaini Adamu Tulu	// //		10,000	10,000
##	Briska Wabida	// //		10,000	10,000
##	Ahmed Dan'abdullahi	// //		10,000	10,000
##	Hannatu Y. Dauda	// //		10,000	10,000
##	Alh. Nasiru Nasiru Usman	// //		200,000	200,000
##	Hajiya Hadiza Umar	// //		50,000	50,000
##	Aminu A. Maidawa	// //		20,000	20,000
##	Yusuf Sani Toro	// //		20,000	20,000
##	kabiru Abubakar	// //		50,000	50,000
##	Mohammed Bello Adamu	// //		10,000	10,000
##	Abdullahi Bala	// //		10,000	10,000
##	Dauda Sallau	// //		50,000	50,000
##	Garba Bala Ahmed	// //		10,000	10,000
##	Usman Nuhu	// //		10,000	10,000
##	Amos Fitto	// //		10,000	10,000
##	Alh. Sulaiman A. Suleiman	// //		30,000	30,000
##	Alh. Sulaiman A. Suleiman	// //		30,000	30,000
##	Adamu Mohammed Gummau	// //		30,000	30,000
##	Abdullahi Liman	Special Imprest		666,075	666,075
##	Danladi Ahmed	// //		468,720	468,720
##	Adamu Abdullahi	Standing Advance		7,500	7,500
##	Alh. Shehu Buba Umar	Special Imprest		300,000	300,000
##	Hussaini Abubakar Umar	Standing Imprest		2,000,000	-
##	Abubakar Abdulaziz	Salary Advance		100,000	-
##	Nasir Abdulhamid	// //		100,000	-
##	Adamu Ahmed Jimpi	// //		100,000	-
##	Sa'adu Sale Shehu	// //		100,000	-
##	Idris Hassan	// //		100,000	-
##	Abdullahi A. Bello	// //		100,000	-
##	Umar Zakariya	// //		100,000	-
##	Mohammed Isiyaku	// //		100,000	-
##	Sale Yunusa	// //		100,000	-
<b><i>Balance Carried Forward</i></b>				<b>29,378,229</b>	<b>26,478,229</b>

# TORO LOCAL GOVERNMENT COUNCIL

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

<b><u>APPENDIX 1: CONT'D</u></b>				<b><u>2020</u></b>	<b><u>2019</u></b>
<b><u>SCHEDULES OF ADVANCES</u></b>				<b><u>N</u></b>	<b><u>N</u></b>
<b><i>Balance Brought Forward</i></b>				<b>29,378,229</b>	<b>26,478,229</b>
196	Aminu Saleh	Salary Advance		100,000	-
197	Haruna Abdu	//	//	100,000	-
198	Abdulrashid A. Sabiu	//	//	100,000	-
199	Talla AbdIsalam	//	//	100,000	-
200	Muktal Yunusa	//	//	100,000	-
201	Musa Mai Ungwa	//	//	100,000	-
202	Ibrahim Isah Kufai	//	//	100,000	-
203	Ayuba Ladan	//	//	100,000	-
204	Hajiya Zainab a. Narabi	//	//	100,000	-
205	Auwal Abba	//	//	100,000	-
<b><i>Grand Total</i></b>				<b><u>30,378,229</u></b>	<b><u>26,478,229</u></b>

<b><u>APPENDIX 2</u></b>					
<b><u>SCHEDULES OF INVESTMENT</u></b>					
S/N	<b><u>NAME OF COMPANY</u></b>			<b><u>2020</u></b>	<b><u>2019</u></b>
				<b><u>N</u></b>	<b><u>N</u></b>
1	Inland Bank Nigeria Plc			5,496,875	5,496,875
2	Afri Bank Plc			80,000	80,000
3	First Bank Plc			50,000	50,000
4	F.S.B International Plc			69,332	69,332
5	Yankari Savings and Loans			1,136,045	1,136,045
6	Jaiz International Plc			7,000,300	7,000,300
7	Intercellular			11,999,996	11,999,996
8	Zenith Bank Plc			3,417,750	3,417,750
9	Access Bank Nigeria Plc			2,600,000	2,600,000
10	Zaranda International Hotel			184,620	184,620
11	Bauchi Publishing Printing Co. Limited			50,000	50,000
12	Arewa Ceramics			96,940	96,940
13	Urban Development Bank Plc			500,000	500,000
14	Galambi Ranch Farms			100,000	100,000
15	Monto Processing Company			50,000	50,000
16	Union Bank Of Nigeria Plc			1,320,000	1,320,000
17	Fidelity Bank Plc			9,853,320	9,853,320
	<b><i>Grand Total</i></b>			<b><u>44,005,178</u></b>	<b><u>44,005,178</u></b>

<b><u>APPENDIX 3</u></b>					
<b><u>SCHEDULES OF DEPOSITS</u></b>				<b><u>2020</u></b>	<b><u>2019</u></b>
S/N	<b><u>PARTICULARS</u></b>			<b><u>N</u></b>	<b><u>N</u></b>
1	BIRS - PAYE			465,944	5,630,556
2	BIRS - 5% CPD			1,017,597	1,017,597
3	FIRS - WHT			15,375	15,375
4	FIRS - VAT			<u>7,095,750</u>	<u>7,095,750</u>
	<b><i>Grand Total</i></b>			<b><u>8,594,666</u></b>	<b><u>13,759,278</u></b>

# **WARJI LOCAL GOVERNMENT COUNCIL**

**WARJI LOCAL GOVERNMENT COUNCIL, BAUCHI STATE**

## **CORPORATE INFORMATION**

### **Chairman**

Alh. Adamu Mohammed Danjumai

### **Head of Admin**

Alh. Abubakar Ibrahim

### **Treasurer**

Ibrahim Adamu Umar

### **Auditors**

Tijani Abdulkadir & Co.  
(Chartered Accountants)

### **Bankers:**

First Bank of Nig Plc  
Fidelity Bank Plc

## WARJI LOCAL GOVERNMENT COUNCIL

### STATEMENT OF RESPONSIBILITY ON THE FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Management of Warji Local Government Council in accordance with the provisions of the Finance (Council and Management) Act 1958 as amended, Financial Memoranda For Local Governments and Bauchi State Public Sector Audit and Other Related Matters Laws, 2021. The Financial Statements comply with Generally Accepted Accounting Practice.

#### Responsibility for Financial Statements

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

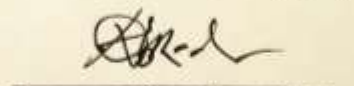
We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the Finance (Control and Management), Act 1958 as amended, Financial Memoranda for Local Governments and Bauchi State Public Sector Audit and Other Related Matters Laws, 2021.

In our opinion, these financial statements fairly reflect the financial position of the Local Government as at 31<sup>st</sup> December, 2020 and its operations for the year ended on that date.

*Ademu Mohammed*

  
Chairman Signature & Date

*ABDULKADIR BABA ISMAIL*

  
Treasurer Signature & Date

### **Report of the Auditors on the Financial Statements of Warji Local Govt Council**

We have audited the Financial Statements of Warji Local Government Council for the year ended 31 December, 2020 set out on pages 6 - 9, which have been prepared on the basis of significant accounting policies on pages 5 and other explanatory notes on pages 10 -13.

#### **Responsibility of the Management**

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

#### **Auditors' Responsibility**

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

#### **Basis of Opinion**

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

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



judgment made by the Management in the preparation of the accounts and of whether the accounting policies appropriate and are consistently applied by the Council.

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

### **Opinion**

In our opinion, the Financial Statements give a true and fair view of the financial position of the Council as at 31 December 2020 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.



For: Tijani AbdulKadir & Co  
Chartered Accountants  
Bauchi, Nigeria

**Engagement Partner: Abdulkadir Tijani**

FRC/2014/ICAN/00000010533

27 September, 2021





## **WARJI LOCAL GOVERNMENT COUNCIL**

### **STATEMENT OF ACCOUNTING POLICES**

**1. Basis of Preparation**

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

**2. Accounting Period**

The Financial Statements is for the accounting year from 1 January 2020 to 31 December 2020.

**3. Reporting Currency**

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

**4. Cash and Cash Equivalent**

This represents cash balance on hand and those held in bank accounts.

**5. Accounts Receivables**

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

**6. Prepayments**

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

**7. Inventory**

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

**8. Property Plant & Equipment (PPE)**

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

**9. Deposits**

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

# WARJI LOCAL GOVERNMENT COUNCIL

## STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2020

	Notes	2020 N	2020 N	2019 N	2019 N
<b><u>ASSETS</u></b>					
<b>Current Assets</b>					
Cash & Cash Equivalents	1	1,858,972		32,574,312	
Advances	2	<u>3,770,000</u>		<u>3,680,000</u>	
(A) Total Current Assets			5,628,972		36,254,312
<b>Non-Current Assets</b>					
Investments	3	13,517,885		13,517,885	
Property, Plant & Equipment	4	<u>176,825,311</u>		<u>107,890,962</u>	
(B) Total Non- Current Assets			<u>190,343,196</u>		<u>121,408,847</u>
<b>Total Assets (C) =(A) + (B)</b>			<b><u>195,972,169</u></b>		<b><u>157,663,159</u></b>
<b><u>LIABILITIES</u></b>					
<b>Current Liabilities</b>					
Deposits	5		<u>89,929,580</u>		<u>122,413,892</u>
(D) Total Current Liabilities			89,929,580		122,413,892
<b>Non-Current Liabilities</b>					
Long Term Borrowings					
(E) Total Non-Current Liabilities			<u>0</u>		<u>0</u>
<b>(F) Total Liabilities (F)=(D) + (E)</b>			<b><u>89,929,580</u></b>		<b><u>122,413,892</u></b>
<b>NET ASSETS/FUND</b>					
Capital Grants	6	42,496,570		42,496,570	
Reserves	7	<u>63,546,018</u>	<u>106,042,588</u>	<u>(7,247,303)</u>	<u>35,249,267</u>
<b>Total Net Assets &amp; Liabilities</b>			<b><u>195,972,169</u></b>		<b><u>157,663,159</u></b>

The accounting policies on page 5 and the notes on page 10 - 13 form integra part of these Financial Statements and were approved by the undersigned...

*Adesinu mohammed*  
*Chairman*

Chairman's Name, Signature & Date

*ABDULKADIR BABA ISMAIL*  
*Treasurer*

Treasurer's Name, Signature & Date

# WARJI LOCAL GOVERNMENT COUNCIL

## STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019 ACTUAL		NOTES	ACTUAL 2020	BUDGET 2020	VARIANCE
₦			₦	₦	₦
<b>REVENUE</b>					
902,257,689	Statutory Allocation	8	1,615,695,589	2,247,584,196	(631,888,607)
-	Other Receipts		294,828,494		294,828,494
694,000	Internally Generated Revenue	9	1,802,525	14,544,413	(12,741,888)
<b>902,951,689</b>	<b>Total Recurrent Revenue</b>		<b>1,912,326,608</b>	<b>2,262,128,609</b>	(349,802,001)
<b>EXPENDITURE</b>					
735,560,112	Personnel Cost	10	1,423,819,463	689,798,402	734,021,061
167,574,853	Overhead Cost	11	417,713,823	216,371,091	201,342,732
<b>903,134,965</b>	<b>Total Recurrent Expenditure</b>		<b>1,841,533,286</b>	<b>906,169,493</b>	935,363,793
(183,276)	Surplus/(Deficit) from operating Activities for the year		70,793,321	1,355,959,116	(1,285,165,795)
(183,276)	Surplus/(Deficit) from Ordinary Activities		70,793,321	1,355,959,116	(1,285,165,795)
-	Minority Interest Share of Surplus/(Deficit)		-	-	-
<b>(183,276)</b>	<b>Net Surplus/(Deficit) for the year</b>		<b>70,793,321</b>	<b>1,355,959,116</b>	<b>(1,285,165,795)</b>

The accounting policies on page 5 and the notes on page 10 - 13 form integra part of these Financial Statements and were approved by the undersigned...

## WARJI LOCAL GOVERNMENT COUNCIL

### STATEMENT OF CHANGE IN NET ASSETS/FUND AS AT 31 DECEMBER, 2020

	Capital Grant N	Reserve N	TOTAL N
Balance as at 31 December 2019	42,496,570	(7,247,303)	35,249,267
Surplus /(Deficit)	<u>0</u>	<u>70,793,321</u>	<u>70,793,321</u>
Balance as at 31 December 2020	<b><u>42,496,570</u></b>	<b><u>63,546,018</u></b>	<b><u>106,042,588</u></b>
Balance as at 31 December 2019	42,496,570	(7,064,027)	35,432,543
Surplus /(Deficit)	<u>0</u>	<u>(183,276)</u>	<u>0</u>
Balance as at 31 December 2020	<b><u>42,496,570</u></b>	<b><u>(7,247,303)</u></b>	<b><u>35,432,543</u></b>

# WARJI LOCAL GOVERNMENT COUNCIL

## CASHFLOW STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2020

		Notes	2020	
	2019			
			N	N
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows</b>				
Government Share of FAAC	9		1,615,695,589	902,257,689
Aids and Grants			294,828,494	-
Other Revenue	10		<u>1,802,525</u>	<u>694,000</u>
<b>Total inflow from Operating Activities</b>			1,912,326,608	902,951,689
<b>Outflows</b>				
Salaries & Wages	11		(1,423,819,463)	(735,560,112)
Overhead Cost	12		<u>(417,713,823)</u>	<u>(167,574,853)</u>
<b>Total outflow from operating Activities</b>			<u>(1,841,533,286)</u>	<u>(903,134,965)</u>
<b>Net Cash flow from Operating Activities</b>			70,793,321	(183,276)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase/Construction of PPE			(68,934,349)	(77,280,295)
<b>Net Cash from Investing Activities</b>			<b>(68,934,349)</b>	<b>(77,280,295)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Movement in Deposits			(32,484,312)	114,919,540
Movement in Advances			(90,000)	(3,680,000)
<b>Net Cash Flow from Financing Activities</b>			(32,574,312)	111,239,540
<b>Net Cash flow from All Activities</b>			<b>(30,715,340)</b>	<b>33,775,969</b>
<b>Cash &amp; its Equivalent as at 1/1/ 2020</b>			<u>32,574,312</u>	<u>(1,201,657)</u>
<b>Cash &amp; its Equivalent as at 31/12/2020</b>			<u><b>1,858,972</b></u>	<u><b>32,574,312</b></u>
<b>Cash and its Equivalent</b>				
Bank Balance			<u>1,858,972</u>	<u>32,574,312</u>
			<u>1,858,972</u>	<u>32,574,312</u>

## WARJI LOCAL GOVERNMENT COUNCIL

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

		2020 N	2019 N
1. Cash and Cash Equivalent			
Bank: First Bank (2023221350)		1,346,344	5,109
Fidelity Bank (Revenue Acct)		2,614	
Fidelity Bank (5030054646)		<u>510,014</u>	<u>32,569,203</u>
		<u>1,858,972</u>	<u>32,574,312</u>
2. Receivables			
Schedule of Advances	Schedule I	<u>3,770,000</u>	<u>3,680,000</u>
		<u>3,770,000</u>	<u>3,680,000</u>
3. Investments			
Schedule of Investments	Schedule II	<u>13,517,885</u>	<u>13,517,885</u>
		<u>13,517,885</u>	<u>13,517,885</u>
4. Property, Plant & Equipment	As at 31-12-2020	Addition	As at 1-1-2020
Rehabilitation/Repairs of Housing	832,120		832,120
Construction of Blocks	1,920,000		1,920,000
Rehabilitation/Repairs of Roads	6,421,060		6,421,060
Rehabilitation/Repairs of Market / Parks	2,400,000		2,400,000
Construction/ Provision of Central Store	9,026,088	7,800,000	1,226,088
Land Compensation	5,514,530	538,300	4,976,230
Rehabilitation/Repairs of Electricity	210,000		210,000
Renovation of Quarters	8,245,800	2,245,800	6,000,000
Renovation of Admin Block	13,615,200	7,691,200	5,924,000
Joint Project	55,079,048	50,659,049	4,419,999
Rural Electrification	17,215,009		17,215,009
Purchase of Agric Equipment	230,000		230,000
Purchase of Office Furniture	555,000		555,000
Fencing of Graveyard	16,014,887		16,014,887
NATA and Fuelling	10,050,418		10,050,418
Demarcation of Cattle of Routes	745,000		745,000
Construction of Warji District Head Palace	<u>28,751,151</u>		<u>28,751,151</u>
	<u>176,825,311</u>	<u>68,934,349</u>	<u>107,890,962</u>

5. Deposits

Schedule III

89,929,580 122,413,892**WARJI LOCAL GOVERNMENT COUNCIL****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2020**

	<b>2020</b>	<b>2019</b>
	<b>₹</b>	<b>₹</b>
<b>6. Capital Grant</b>	30,223,683	30,223,683
Public Fund b/f	<u>12,272,887</u>	<u>12,272,887</u>
	<u>42,496,570</u>	<u>42,496,570</u>
<b>7. Reserves</b>		
Brought Forward	(7,247,303)	(7,064,027)
	<u>70,793,321</u>	<u>(183,276)</u>
	<u>63,546,018</u>	<u>(7,247,303)</u>
<b>8. Statutory Allocation</b>		
FAAC, VAT & Others	1,615,695,589	902,257,689
Other Grants	<u>0</u>	<u>0</u>
	<u>1,615,695,589</u>	<u>902,257,689</u>
<b>9. Other Receipts</b>	<u>294,828,494</u>	
	<u>294,828,494</u>	
<b>10. Other Revenue</b>		
Internally Generated Revenue	1,369,725	694,000
10% Share of State Internal Revenue	<u>432,800</u>	<u>0</u>
	<u>1,802,525</u>	<u>694,000</u>
<b>11. Personnel Cost</b>		
Salaries & Wages	1,238,606,225	717,829,092
Pension	150,413,238	0
Emirate Council Allowances	<u>34,800,000</u>	<u>17,731,020</u>
	<u>1,423,819,463</u>	<u>735,560,112</u>
<b>12. Overhead Cost</b>		
<b>12.1 Allowances and Social Contribution:</b>		
Security Allowance	35,800,875	21,697,500
Honorarium & Sitting Allowance	18,260,550	11,067,000
Welfare Package	12,021,570	7,285,800
Immunization Supervision Allowance	1,488,300	902,000
Disturbances Allowances	<u>2,468,080</u>	<u>1,495,806</u>
	<u>70,039,375</u>	<u>42,448,106</u>

**WARJI LOCAL GOVERNMENT COUNCIL****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2020**

	<b>2020</b>	<b>2019</b>
	<b>₦</b>	
<b>₦</b>		
<b>12.2 Travel and Transport:</b>		
Local Travel & Transport: Others	35,631,250	14,252,500
Local Travel & Transport: Training	11,146,250	4,458,500
International Travel & Transport	<u>0</u>	<u>1,800,000</u>
	<u>46,777,500</u>	<u>20,511,000</u>
<b>12.3 Materials and Supplies:</b>		
Books/Bags	19,946,500	5,699,000
Supplies of Books	72,283,724	30,244,400
Office Stationeries/ Computer Consumables	2,163,000	618,000
Drug and Medical Supplies	76,336,453	21,810,415
Printing of Non -Security Documents	4,137,000	1,182,000
Uniform and other Clothing	175,000	50,000
Agric. Chemical and Inputs	<u>6,989,500</u>	<u>1,997,000</u>
	<u>182,031,176</u>	<u>61,600,815</u>
<b>12.4 Miscellaneous Expenses:</b>		
Security Vote	32,500,000	13,000,000
Refreshment & Meals	2,587,500	1,035,000
Financial Assistances	15,063,698	6,025,479
Hospitality & Entertainment	21,218,762	9,027,088
Postage and Carrier Services	150,000	60,000
Rent (Residential)	2,940,000	1,176,000
Publicity and Advertisement	1,297,500	519,000
Special Days Celebration and Prayer	4,250,000	1,700,000
Skills Acquisition Programme	1,750,000	700,000
Bank Charges	100,388	34,535
Sallah Gifts	<u>18,075,000</u>	<u>7,230,000</u>
	<u>99,932,847</u>	<u>40,507,102</u>



## WARJI LOCAL GOVERNMENT COUNCIL

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2020

	2020 N	2019 N
<b>12.5 Maintenance Services:</b>		
Maintenance of Generators	1,921,550	40,000
Maintenance of Office Equipment	1,558,300	70,000
Other Maintenance Services	10,628,825	1,051,900
Maintenance of Motor Vehicles	580,000	1,274,950
Maintenance of Building	<u>2,350,000</u>	<u>70,980</u>
	<u>17,038,675</u>	<u>2,507,830</u>
<b>12.6 Consulting and Professional Services:</b>		
Legal Services		
Geographic Information	1,544,250	
Surveying	<u>350,000</u>	
	<u>1,894,250</u>	<u>0</u>
Bank Charges	<u>14,050</u>	<u>0</u>
<b>Total Overheads</b>	<b><u>417,713,823</u></b>	<b><u>167,574,853</u></b>

**WARJI LOCAL GOVERNMENT COUNCIL****NOTES TO THE ACCOUNTS Schedule I****Schedule of Advances as at Year ended 31 Dec. 2020**

<b>SN</b>	<b>Name</b>	<b>Purpose</b>	<b>Adv. No.</b>	<b>Amount</b> ₦
	Sundry Person	Imprest	A/1	50,000.00
	Sunusi Miagiabi Bashari	Imprest	A/2	250,000.00
	Ahmed Moh'd Hamza	Imprest	A/3	100,000.00
	Moh'd B Abubakar	Imprest	A/4	100,000.00
	Bala Ahmed Dagu	Imprest	A/5	100,000.00
	Rakiya Gurara	Imprest	A/6	100,000.00
	Alh. AlHassan Ismil	Imprest	A/7	50,000.00
	Aliyu Dahiru	Imprest	A/8	100,000.00
	Habila Wakaso	Imprest	A/9	50,000.00
	Muazu Jubi	Imprest	A/10	100,000.00
	Abubakar Yakubu	Imprest	A/11	20,000.00
	Abubakar Iliya	Imprest	A/12	20,000.00
	Alh. Adamu Danjumai	Imprest	A/13	600,000.00
	Alh. Buba Dada	Imprest	A/14	350,000.00
	Sundry Person	Imprest	A/15	500,000.00
	Sundry Person	Imprest	A/16	490,000.00
	Abdulrahaman Ibrahim	Imprest	A/17	60,000.00
	Abubakar Iliya G	Imprest	A/18	60,000.00
	Abdullahi Yakubu B	Imprest	A/19	60,000.00
	Aminu Barmini	Imprest	A/20	150,000.00
	Abbas Moh'd	Imprest	A/21	50,000.00
	Sulman Umar	Imprest	A/22	50,000.00
	Othemal Saleh	Imprest	A/23	50,000.00
	Abdullahi Yunusa	Imprest	A/24	50,000.00
	Yusuf Yunusa	Imprest	A/25	50,000.00
	Idris Wayo	Imprest	A/26	20,000.00
	Musa Mu'azu	Imprest	A/27	20,000.00
	Shehu Shagari	Imprest	A/28	20,000.00
	Saidu Danmari	Imprest	A/29	20,000.00
	Abdullahi Mai Samira	Imprest	A/30	20,000.00
	Ishayaku Iliya	Imprest	A/31	50,000.00

Sule Adamu	Imprest A/32	20,000.00
Yusuf Dogo	Imprest A/33	20,000.00
Salihu Abdullahi	Imprest A/34	20,000.00
Total		<b><u>3,770,000.00</u></b>

## Schedule II Schedule of Investment

₦

### Name of Company

Savannah Bank	500,000.00
Yankari Savings and Loans	1,269,741.00
Jaiz Plc	4,304,528.00
FCMB (former Inland Bank Plc)	3,308,759.00
Access Bank Nig Plc	3,480,800.00
Zenith Bank Plc	654,058.00
TOTAL	<b><u>13,517,886.00</u></b>

## Schedule III Schedule of Deposit

S/N PARTICULARS	CODE	AMOUNT N
5% CPD	D/6	4,488,502.08
PAY AS YOU EARN (BIRS)		81,002,576.00
5% Value Added Tax (VAT)	D/7	4,438,502.07
TOTAL		<b><u>89,929,580.15</u></b>

# **ZAKI LOCAL GOVERNMENT COUNCIL**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

## **CORPORATE INFORMATION**

### **CHAIRMAN**

**ABDULLKAHI ADAMU**

### **HEAD OF ADMINISTRATION**

**ADAM ADAMU**

### **TREASURER**

**ALH BAPPAH KAWU**

### **AUDITORS**

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

### **BANKERS**

**FIDELITY BANK PLC  
FCMB PLC  
KATAGUM MFB LTD**

# ZAKI LOCAL GOVERNMENT COUNCIL

## FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER, 2020

### STATEMENT OF RESPONSIBILITY ON THE FINANCIAL STATEMENTS

#### STATEMENT OF RESPONSIBILITY RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Management of Zaki Local Government Council in accordance with the provisions of the Finance (Council and Management) Act 1958 as amended.

#### RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Management of Zaki Local Government is responsible for establishing and maintaining a system of the internal control designed to provide reasonable assurance that the transactions recorded are within statutory authority and properly record the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system 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 Finance (Control and Management). Act 1958 as amended.

In our opinion, these financial statements fairly reflect the financial position of the Local Government as at 31<sup>st</sup> December, 2020 and its operations for the year ended on that date.

CHAIRMAN

*Yahya AbdulKadir*

DATE

*29/9/2021*

*Yahya*

TREASURER

DATE

*29/9/21*

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

We have audited the Financial Statements of Zaki Local Government Council for the year ended 31st December, 2020 set out on pages 9-13, which have been prepared on the basis of significant accounting policies on page 7-8 and other explanatory notes on pages 14-18.

### **RESPONSIBILITY OF THE MANAGEMENT**

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

### **AUDITORS' RESPONSIBILITY**

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



#### BASIS OF OPINION

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

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


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

#### BASIS OF QUALIFIED OPINION

Monthly bank reconciliation statements were not prepared in the year under review. There is difference between the cash book balance and the bank statement also the Local Government's monthly Loan/Overdraft transactions recorded in the cash book without the necessary details of the Loan/overdraft facilities, such as the interest and principal repayments and the total facility utilized by the Council in the year.

#### OPINION

In our opinion, Except for effects of the issues described in the basis of qualified opinion paragraph, the Financial Statements give a true and fair view of the financial position of the Council as at 31 December 2020 of its financial performance and cash flows for the year then ended in accordance with the relevant standards issued by the International Public Sector Accounting Standards Board.

SIGNED.....

**YAKUBU MOHAMMED MAHMOUD, FCA**  
**FRC/ICAN/2016/00000015663**  
**FOR: ABDULKADEER MAHMOUD & CO.**  
**(CHARTERED ACCOUNTANTS)**



**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

**SIGNIFICANT ACCOUNTING POLICIES**

**1. BASIS OF PREPARATION:**

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

**2. ACCOUNTING PERIOD**

The Financial Statements is for the accounting period from 1 January 2020 to 31 December 2020.

**3. REPORTING CURRENCY**

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

**4. CASH AND CASH EQUIVALENT**

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

**5. ACCOUNTS RECEIVABLES**

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

**6. PREPAYMENTS**

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

**7. INVENTORY**

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

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

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

**9. DEPOSITS**

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

**10.COMPARATIVE FIGURES**

Comparative figures were provided from the previous period for ease of comparison.



**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**  
**SIGNIFICANT ACCOUNTING POLICIES Cont'd**

**11.BUDGET FIGURES**

Appropriation figures are the ones obtained from the Local Government's Appropriation bill.

**12.GOING CONCERN**

The Accounts are prepared with the assumption that the Local Government will continue as a Going Concern.

**13.RECEIPTS**

They represent monies received from Federal Account Allocation Committee (FAAC) and Internally Generated Revenue.

**14.EXTERNAL ASSISTANCE**

The Council did not receive any External Assistance during the year under review.

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

**STATEMENT OF FINANCIAL POSITION**

	NOTES	2020	2019
		N	N
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash & Cash Equivalents	6	30,106,974	33,574,458
Receivables & Prepayments	7	<u>156,593,652</u>	<u>6,989,459</u>
<b>Total Current Assets A</b>		186,700,626	40,563,917
<b>Non-Current Assets</b>			
Investments	8	4,663,175	4,663,175
Property, Plant & Equipment	5	<u>186,010,011</u>	<u>143,469,512</u>
<b>Total Non Current Assets B</b>		<u>190,673,186</u>	<u>148,132,687</u>
<b>Total Assets C=A+B</b>		<u><u>377,373,813</u></u>	<u><u>188,696,604</u></u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Deposits	9	2,432,308	932,308
Payables	10	<u>149,604,193</u>	<u>-</u>
<b>Total Current Liabilities D</b>		152,036,501	932,308
<b>Non Current Liabilities</b>			
Long Term Borrowings		<u>-</u>	<u>-</u>
<b>Total Non Current Liabilities E</b>		-	-
<b>Total Liabilities F=D+E</b>		<u>152,036,501</u>	<u>932,308</u>
<b>Net Assets G=C-F</b>		<u><u>225,337,312</u></u>	<u><u>187,764,296</u></u>
<b>NET ASSETS/EQUITY</b>			
Capital Grants			-
Accumulated Fund Surplus/(Deficit)	11	<u>225,337,312</u>	<u>187,764,296</u>
		225,337,312	187,764,296
<b>Total Net Assets/Equity H=G</b>		<u><u>225,337,312</u></u>	<u><u>187,764,296</u></u>

Tahirza Abdulkadir  
29/7/2021  
Tahirza

Bappa K. K.  
TREASURER

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

**STATEMENTS OF FINANCIAL PERFORMANCE**

		2020		
2019	NOTES	ACTUAL	BUDGET	VARIANCE
N		N	N	N
<b>REVENUE</b>				
1,487,351,337	Govt Share of FAAC	1,875,669,989	1,768,498,104	107,171,885
	Other receipts	324,557,768		
5,409,126	Other Revenue	4,767,394	11,785,965	(7,018,571)
-	Transfer from other Govt Entities	-	-	-
<u>1,492,760,462</u>	<b>TOTAL REVENUE (a)</b>	<u>2,204,995,151</u>	<u>1,780,284,069</u>	<u>424,711,082</u>
<b>EXPENDITURE</b>				
994,919,155	Salaries	1,912,957,344	1,182,078,089	(730,879,255)
377,480,905	Overhead Cost	254,464,792	1,053,390,433	798,925,641
<u>1,372,400,060</u>	<b>TOTAL EXPENDITURE(b)</b>	<u>2,167,422,136</u>	<u>2,235,468,522</u>	<u>68,046,386</u>
<b>Surplus/(Deficit) from operating</b>				
120,360,402	Activities for the period C=(a-b)	37,573,016	(455,184,453)	(492,757,469)
-	Share of Surplus/(Deficit) In Assoc. & Joint Venture	-	-	-
-	<b>Total Non Operating Revenue or (Expenses)(d)</b>	-	-	-
120,360,402	Surplus/(Deficit)from Ordinary Activities e=(c+d)	37,573,016	(455,184,453)	(492,757,469)
-	Minority Interest Share of Surplus/(Deficit)	-	-	-
120,360,402	<b>Net Surplus/(Deficit) for the period g=(e-f)</b>	<b>37,573,016</b>	<b>(455,184,453)</b>	<b>(492,757,469)</b>

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

**STATEMENT OF CHANGES IN EQUITY**

	<b>Accumulated Fund =N=</b>	<b>Revaluation Reserve =N=</b>	<b>TOTAL =N=</b>
Balance as at 31 December 2018	67,403,894	-	67,403,894
Surplus /(Deficit) on revaluation	-	-	-
Prior Year Adjustments	-	-	-
Surplus /(Deficit)	<u>120,360,402</u>	<u>-</u>	<u>120,360,402</u>
	<b><u>187,764,296</u></b>	<b><u>-</u></b>	<b><u>187,764,296</u></b>
			-
Balance as at 31 December 2019	<b><u>187,764,296</u></b>	<b><u>-</u></b>	<b><u>187,764,296</u></b>
Balance as at 31 December 2019	187,764,296	-	187,764,296
Surplus /(Deficit) on revaluation	-	-	-
Prior Year Adjustments	-	-	-
Surplus /(Deficit)	<u>37,573,016</u>	<u>-</u>	<u>37,573,016</u>
	<b><u>225,337,312</u></b>	<b><u>-</u></b>	<b><u>225,337,312</u></b>
			-
Balance as at 31 December 2020	<b><u>225,337,312</u></b>	<b><u>-</u></b>	<b><u>225,337,312</u></b>

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

**STATEMENT OF CASH FLOW**

Description	Notes	2020		2019	
		N	N	N	N
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>					
<i>Inflows</i>				-	
Government Share of FAAC		1,875,669,989		1,487,351,337	
Other receipts		324,557,768			
Other independent Revenue		4,767,394		5,409,126	
Transfer from other Govt Entities		-		-	
<b>Total inflow from Operating Activities (A)</b>		<b>2,204,995,151</b>		<b>1,492,760,462</b>	
<i>Outflows</i>					
Salaries & Wages		(1,912,957,344)		(994,919,155)	
Social Benefits		-		-	
Overhead Cost		(254,464,792)		(377,480,905)	
Finance Cost		-		-	
<b>Total outflow from operating Activities (B)</b>		<b>(2,167,422,136)</b>		<b>(1,372,400,060)</b>	
<b>Net Cash Inflow/(Outflow) from Operating Activities C=(A+B)</b>			37,573,016		120,360,402
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
Purchase/Construction of PPE		(42,540,499)		(99,809,181)	
Purchase/Construction of Investment Property		-		-	
Acquisition of investments		-		-	
<b>Net Cash from Investing Activities</b>			<b>(42,540,499)</b>		<b>(99,809,181)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>					
Capital Grants Received		-		-	
Proceeds from Borrowings		-		-	
Repayment of Borrowings					
<b>Net Cash Flow from Financing Activities</b>			-		-
<b>Net Cash flow from all Activities</b>			<b>(4,967,483)</b>		<b>20,551,221</b>
<b>Net Movement in Current Assets / Liabilities</b>					
Net Movement in Receivables			(149,604,193)		1,581,000
Net Movement in Payables			151,104,193		(615,295)
			1,500,000		965,705
<b>Cash Flow from all Activities</b>			<b>(3,467,483)</b>		<b>21,516,926</b>
<b>Cash &amp; Its Equivalent as at 1st January</b>			<b>33,574,458</b>		<b>12,057,532</b>
<b>Cash &amp; Its Equivalent as at 31st December</b>			<b>30,106,974</b>		<b>33,574,458</b>
<b>Cash &amp; its Equivalent as at 31st December</b>					
Cash Balances			49,862		68,854
Bank Balances			30,057,113		33,505,604
			<b>30,106,974</b>		<b>33,574,458</b>

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

**CAPITAL DEVELOPMENT FUND**

<b>Balance b/f</b>	143,469,512	43,660,331
Renovation of building	25,000,000	35,277,219
Construction of Water facilities	3,749,999	1,677,000
Renovation of Dispensary	1,250,000	2,568,751
Construction/provision of electricity	2,796,300	500,000
Construction/provision of infrastructure-rural roads	-	25,048,918
Construction & fencing of wall grave yard	-	5,717,089
Construction / provision of residential buildings	-	1,000,000
Construction of market stalls	-	12,819,635
Joint project	9,744,200	4,648,400
Rehabilitation of road	-	880,000
Purchase of Motor Vehicle	-	2,272,170
Purchase of Wooden Canoes	-	4,800,000
Furniture	-	300,000
Purchase of Agric Equipment	-	2,300,000
	<u>186,010,011</u>	<u>143,469,511.97</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

	<b>2020</b>	<b>2019</b>
	<b>N</b>	<b>N</b>
<b>NOTE 1 STATUTORY ALLOCATION</b>		
Share of FAAC	1,875,669,989	-
Other receipts	324,557,768	1,487,351,337
	<u><b>2,200,227,757</b></u>	<u><b>1,487,351,337</b></u>
<b>NOTE 2 OTHER REVENUE</b>		
License, fees & fines	101,000	31,000
Earnings from Commercial Undertaking	4,179,600	2,657,275
Interest Payment and Dividends	486,794	520,112
10% Share of State Internal Revenue	-	2,200,738
	<u><b>4,767,394</b></u>	<u><b>5,409,126</b></u>
<b>NOTE 3 PERSONNEL COST</b>		
Salaries & Wages	1,406,481,429	711,807,882
Pension & gratuity	196,813,644	104,929,942
LEA Salaries	283,874,771	159,552,831
Allowances	25,787,500	18,628,500
	<u><b>1,912,957,344</b></u>	<u><b>994,919,155</b></u>
<b>NOTE 4 OVERHEAD COST</b>		
<b>ALLOWANCES AND SOCIAL CONTRIBUTION</b>		
Security Vote	6,500,000	13,000,000
Sallah Gift Allowance	-	5,000,000
Security allowances	21,108,600	23,625,750
Honourarium & sitting allowance	660,000	2,459,000
Medical Expenses	137,000	2,756,100
Grants to communities/NGOs	53,557,650	39,811,288
2019 Hajj	-	15,057,825
Immunization allowances	981,750	1,361,935
Disturbance allowance	300,000	444,200
	<u><b>83,245,000</b></u>	<u><b>103,516,099</b></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

	<b>2020</b>	<b>2019</b>
	<b>N</b>	<b>N</b>
<b><i>TRAVEL &amp; TRANSPORT</i></b>		
Local travel & transport: Others	8,520,263	26,754,129
Maxi Air	4,686,800	2,850,000
Local travel & transport: Training	-	138,000
	<b><u>13,207,063</u></b>	<b><u>29,742,129</u></b>
<b><i>MATERIALS AND SUPPLIES</i></b>		
Production of curriculum	-	27,641,250
Production of calandars	-	375,000
Supply of exercise books	-	2,000,000
Relief materials	7,846,000	15,400,000
Purchase of customised bags	-	1,139,249
Teaching aid/ instructional materials	-	3,627,500
Office stationeries/computer consumables	220,000	61,000
Printing of non-security document	199,000	2,264,975
Drugs & medical supplies	10,732,500	6,854,000
	<b><u>18,997,500</u></b>	<b><u>59,362,974</u></b>
<b><i>MISCELLANEOUS EXPENSES</i></b>		
Refreshment & Meals	9,802,750	19,097,410
Financial Assistance	2,925,500	5,405,380
Electricity bills	440,000	550,000
Bank charges	177,241	481,520
1% Admin charges	20,273,001	10,582,264
15% Comm dividend	124,911	50,927
Postages & courier services	-	30,000
Mandatory payment	75,131,670	97,353,126
Training and workshop	1,338,200	3,390,500
Budget activities	-	100,000
Welfare Packages	4,950,000	6,356,000
Clearance and Disposal of Drainages	100,000	1,000,000
Publicity & advertisement	1,220,000	420,000
Special days celebration	-	1,500,000
	<b><u>116,483,274</u></b>	<b><u>146,317,127</u></b>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

	<b>2020</b>	<b>2019</b>
	<b>N</b>	<b>N</b>
<b><i>MAINTENANCE SERVICES</i></b>		
Maintenance of generator	12,500	90,000
Other maintenance	12,212,000	4,450,300
Erosion and Flood Control	4,000,000	10,029,625
Maintenance of market & Other Public Places	-	1,900,000
Maintenance of street light	-	7,856,767
Minor road maintenance	922,500	1,900,000
Maintenance of motor vehicles	565,200	3,936,300
Maintenance of communication equipments	-	1,150,000
Maintenance of office Furniture	36,000	-
Maintenance of building	-	3,000,000
Maintenance of of office building	-	1,099,358
Motor vehicle fuel cost	1,512,625	2,305,627
	<b><u>19,260,825</u></b>	<b><u>37,717,977</u></b>
<b><i>CONSULTING &amp; PROFESSIONAL SERVICES</i></b>		
Audit fees	233,130	824,600.00
Legal	3,038,000	
	<b><u>3,271,130</u></b>	<b><u>824,600</u></b>
<b>Total Overhead</b>	<b><u>254,464,792</u></b>	<b><u>377,480,905</u></b>

**NOTE 5 PROVISION OF INFRASTRUCTURES**

<b>Balance b/f</b>	143,469,512	43,660,331
Renovation of building	25,000,000	35,277,219
Construction of Water facilities	3,749,999	1,677,000
Renovation of Dispensary	1,250,000	2,568,751
Construction/provision of electricity	2,796,300	500,000
Construction/provision of infrastructure-rural	-	25,048,918
Construction & fencing of wall grave yard	-	5,717,089
Construction / provision of residential building	-	1,000,000
Construction of market stalls	-	12,819,635
Joint project	9,744,200	4,648,400
Rehabilitation of road	-	880,000
Purchase of Motor Vehicle	-	2,272,170
Purchase of Wooden Canoes	-	4,800,000
Furniture	-	300,000
Purchase of Agric Equipment	-	2,300,000
	<b><u>186,010,011</u></b>	<b><u>143,469,511.97</u></b>

**NOTE 6 CASH & CASH EQUIVALENT**

Bank balance	30,057,113	33,505,604
Cash	49,862	68,854
	<b><u>30,106,974</u></b>	<b><u>33,574,458</u></b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

	<b>2020</b>	<b>2019</b>
	<b>N</b>	<b>N</b>
<b>NOTE 7 RECEIVABLES &amp; PREPAYMENTS</b>		
Receivables	149,604,193	-
Advances	<u>6,989,459</u>	<u>6,989,459</u>
	<u><b>156,593,652</b></u>	<u><b>6,989,459</b></u>
<b>NOTE 8 INVESTMENTS</b>	<u><b>4,663,175</b></u>	<u><b>4,663,175</b></u>
<b>NOTE 9 DEPOSITS</b>	<u><b>2,432,308</b></u>	<u><b>932,308</b></u>
<b>NOTE 10 PAYABLES</b>		
Staff salaries & other expenses(Dec. 2020)	<u><b>149,604,193</b></u>	<u>-</u>
<b>NOTE 11 ACCUMULATED FUND</b>		
Brought Forward	187,764,296	67,403,894
Operating Balance for the Year	<u>37,573,016</u>	<u>120,360,402</u>
	<u><b>225,337,312</b></u>	<u><b>187,764,295.99</b></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

**APPENDICES**

**SCHEDULES OF INVESTMENT**

**APPENDIX 1**

<b>S/N</b>	<b>NAME OF COMPANY</b>	<b>AMOUNT (N)</b>
1	Urban Developement Bank	500,000
2	Zaranda Hotel	63,620
3	Inland Bank of Nigeria	699,055
4	Bauchi Publishing & Printing Company	100,000
5	Inland Bank of Nigeria	12,500
6	Kaduna Textile Limited	122,500
7	Federal Savings Bank Nig Ltd	31,500
8	Ashaka Cement	84,000
9	Yankari Savings & Loans	50,000
10	Katagum Microfinance Bank	3,000,000
	<b>Total</b>	<b><u>4,663,175</u></b>

**SCHEDULES OF DEPOSIT**

**APPENDIX 2**

<b>S/N</b>	<b>PARTICULARS</b>	<b>AMOUNT</b>
1	Sakwa Global Concept	37,200.00
2	Yahuza Bursali Nig Ltd	155,610.84
3	Yahuza Bursali Nig Ltd	87,830.40
4	Yahuza Bursali Nig Ltd	126,073.92
5	Dankiri Petroleum Nig Ltd	82,017.60
6	Sakwa Global Concept	79,625.28
7	Sakwa Global Concept	40,800.00
8	Haladu Idris	95,326.34
9	Haladu Idris	19,386.15
10	Dankiri Petroleum Nig Ltd	52,698.24
11	Dankiri Petroleum Nig Ltd	51,179.47
12	Yahuza Bursali Nig Ltd	77,805.45
13	Sakwa Global Concept	39,264.00
14	Sakwa Global Concept	39,812.64
15	Dankiri Petroleum Nig Ltd	87,173.12
16	Dankiri Petroleum Nig Ltd	41,008.80
17	Dankiri Petroleum Nig Ltd	63,036.96
18	Dankiri Petroleum Nig Ltd	35,132.16
19	Dankiri Petroleum Nig Ltd	273,159.16
20	Dankiri Petroleum Nig Ltd	63,462.60
		<u>1,547,603</u>
	Contract deduction	1,500,000
	Less: Repayments	<u>(615,295)</u>
	<b>Total</b>	<b><u>2,432,308</u></b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

**APPENDICES**

**APPENDIX 3**

**SCHEDULES OF ADVANCES**

		N
1	31/12/2017 Sundry Persons	2,284,459
2	19/9/2018 Bala Tata	40,000
3	19/9/2018 Bala Tata	928,000
4	19/9/2018 Mohammed Mohd sakwa	500,000
5	5/11/2018 Alh Sule Adamu	796,000
6	5/11/2018 Alh Sule Adamu	796,000
7	7/11/2018 Alh Sule Adamu	995,000
8	Nov-18 Bala Tata	<u>650,000</u>
<b>TOTAL</b>		<b><u><u>6,989,459</u></u></b>

MANAGEMENT LETTER ON THE FINANCIAL STATEMENTS  
OF THE 20 LOCAL GOVERNMENT COUNCILS OF BAUCHI STATE  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020

ALKALERI I LOCAL GOVERNMENT COUNCIL

The Auditor General for Local Government,  
Office of the Auditor General for Local Governments,  
PMB 0130, Bauchi,  
Bauchi State.

Dear Sir,

ALKALERI I LOCAL GOVERNMENT COUNCIL

MATTERS ARISING FROM THE AUDIT OF THE COUNCIL'S ACCOUNTS FOR THE  
YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020

We are pleased to inform you that we have completed the audit of Alkaleri Local Government Council's Accounts for the year ended 31<sup>st</sup> December, 2020.

During the course of the audit, certain matters concerning the Council's Accounting, Internal control procedures and operations came to our notice which we would like to point out to you. These relate principally to areas where we feel that the systems, procedures and operations could be improved upon.

The recommendations we suggest will give rise to one or more of the following advantages:

1. The internal control procedures will be more effective,
2. The Accounting Records will be more reliable,
3. There will be reduced risk of errors or fraud and
4. There will be general improvement in the Operations.

## 1.0 Summary of Operations

Below is the summary of the Council's Operations during the year under review.

	2020	2019
	N	N
1.1 <u>Revenue</u>		
Govt. Share of FAAC	2,846,382,244	1,514,649,047
Internally Generated Revenue	<u>6,290,645</u>	<u>1,738,072</u>
<i>Total Revenue</i>	<u>2,852,672,889</u>	<u>1,516,387,119</u>
1.2 <u>Less: Operating Expenses</u>		
Personnel Cost	1,927,428,365	928,833,135
Overhead Cost	<u>854,212,006</u>	<u>332,781,524</u>
	<u>2,781,640,371</u>	<u>1,261,614,659</u>
<i>Surplus from Operating Activities</i>	<u>71,032,518</u>	<u>254,772,460</u>

## 1.3 Operation Overview

Total revenue increased from ~~N~~1,516,387,119 in 2019 to ~~N~~2,852,672,889 in 2020. Total operating expenses also increased from ~~N~~1,261,614,659 in 2019 to ~~N~~2,781,640,371 in 2020. The overall results showed a surplus in both years: N71,032,518 in 2020 as against

N254,772,460 in 2019. The Council was able to operate within the limitations of available resources during the period.

## 2.0 Accounting Books and Records

### 2.1 Draft Financial Statements (LT/Form 16)

Draft Financial Statements to be produced by every Local Government Council showing the financial position of the Council as at the end of year could not be made available to us. The financial statement is very important as it enables the Management to review the Council's effectiveness in operations vis-a-vis the budgetary allocations, monitoring and controls during the year. It serves as a veritable document in equipping and guiding Management in planning and management decision making.

We recommend that deliberate efforts be made to comply with the Local Government Regulations so that these statements showing the Council's financial position as at 31<sup>st</sup> December each year are produced.

### 2.2 Investments – Non Payment of Dividends

Investment on shares by the Council stood at N25,698,079 as at 31<sup>st</sup> December, 2020. Among the companies/banks in which these shares are held are Afribank Plc (N10,175,612), Jaiz Bank Plc (N6,248,000), Inland Bank Plc (N4,130,389) and Access Bank Plc (N1,200,000). Some of these banks may have changed their names as a result of CBN's intervention either through acquisition, merger or absorption. Jaiz Plc and Access Bank Plc still retain their names. All these banks have been declaring dividends, 2019 and 2020 inclusive.

It was observed that no dividend was received by the Council during the period. The reason for this default could not be communicated to us.

We recommend that the Council should investigate their investment portfolios to unravel why dividends are not paid and to take appropriate remedial actions as may be considered necessary.

### 2.3 Bank Reconciliation Statements

Bank reconciliation statements were not prepared by the Council for any of the months throughout the period. In the absence of such reconciliations, errors, fraud or excessive bank charges arising from banking transactions are not likely to be easily detected. The responsibility for the handling of finances in any organization is incomplete until the cashbooks are balanced, and the balances reconciled with balances as per bank statements on a monthly basis.

We recommend that bank reconciliation statements be prepared for all the bank accounts maintained by the Council.

### 2.4 Fixed Assets Register

No Fixed Assets Register was maintained by the Council during the year. The Register is designed to record all non-Current assets that are owned by the Council showing, among other things, the following details:- date of purchase, the suppliers (if practicable), the description including registration numbers if motor vehicles, the amount, the office of usage, location, rate of depreciation etc. The register enables the Council to secure and safeguards all its non-Current assets.

We recommend that the register be maintained for the general good of the Council.

## 3.0 Other Matters

### 3.1 Internal Audit Report

All efforts to get the Internal Audit Report for the period from the Internal Auditor proved abortive. We were therefore left with no choice



but to conclude that internal audit checks were not carried out on the controls and processes of the Council during the period under review.

We recommend that the Internal Auditor should discharge his responsibility of ensuring effective internal control system in the Council and to produce periodic reports on his operations to Management from time time.

### 3.2 Accounting Orientation/ Refreshers Seminars

It was observed that most of the accounting staff have not received any form of training in recent times to equip them in the performance of their accounting duties. Consequently, their efficiency and effectiveness are greatly hampered due to their limitations.

We recommend that accounting orientation or refreshers seminars be organised for accounting and auditing staff of the Council. This is necessary to sharpen their accounting knowledge, skills and principles to bring about effectiveness and efficiency in the performance of their accounting duties.

### 4.0 Conclusion

We shall be pleased to discuss further with you any matter mentioned in this letter and any action that has been taken or is envisaged.

In the meantime, may we express our appreciation for the cooperation extended to us by members of staff of the Council.

Yours faithfully,

John Ejeheri

For: Lawyer Ejeheri & Co.

**BAUCHI LOCAL GOVERNMENT COUNCIL**

The Auditor General for Local Government,  
Office of the Auditor General for Local Governments,  
PMB 0130, Bauchi,  
Bauchi State.

Dear Sir,

**BAUCHI LOCAL GOVERNMENT COUNCIL**


**MATTERS ARISING FROM THE AUDIT OF THE COUNCIL'S ACCOUNTS FOR THE  
YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

We are pleased to inform you that we have completed the audit of Bauchi Local Government Council's Accounts for the year ended 31<sup>st</sup> December, 2020.

During the course of the audit, certain matters concerning the Council's Accounting, Internal control procedures and operations came to our notice which we would like to point out to you. These relate principally to areas where we feel that the systems, procedures and operations could be improved upon.

The recommendations we suggest will give rise to one or more of the following advantages:

1. The internal control procedures will be more effective,
2. The Accounting Records will be more reliable,

- 
3. There will be reduced risk of errors or fraud and
  4. There will be general improvement in the Operations.

## 1.0 Summary of Operations

Below is the summary of the Council's Operations during the year under review.

	2020	2019
1.1 <u>Revenue</u>	<del>N</del>	<del>N</del>
Govt. Share of FAAC	3,400,040,577	2,874,776,382
Other Receipts	1,199,085,949	-
Internally Generated Revenue	<u>41,848,472</u>	<u>42,639,279</u>
<i>Total Revenue</i>	<u>4,640,974,998</u>	<u>2,917,415,661</u>
1.2 <u>Less: Operating Expenses</u>		
Personnel Cost	4,017,915,366	2,551,969,490
Overhead Cost	<u>363,655,667</u>	<u>311,284,115</u>
<i>Total Expenses</i>	<u>4,381,571,033</u>	<u>2,863,253,605</u>
<i>Surplus from Operating Activities</i>	<u>259,403,965</u>	<u>54,162,056</u>

## 1.3 Operation Overview

Total revenue increased from ~~N~~2,917,415,661 in 2019 to ~~N~~4,640,974,998 in 2020. Total expenditure also increased from ~~N~~2,863,253,605 in 2019 to ~~N~~4,381,571,033 in 2020. The overall results showed a surplus in the two years: ~~N~~259,403,965 in 2020 as against ~~N~~54,162,056 in 2019. The Council was able to operate within the limitations of the available resources during the period.

## 2.0 Accounting Books and Records

### 2.1 Draft Financial Statements (LT/Form 16)

Draft Financial Statements to be produced by every Local Government Council showing the financial position of the Council as at the end of the year could not be made available to us. The financial statement is very important as it enables the Management to determine the Council's effectiveness in operations vis-à-vis the budgetary allocations, monitoring and controls during the year. It serves as a veritable document in equipping and guiding Management in planning, controls and decision making.

We recommend that deliberate efforts be made to comply with the Local Government regulations so that these statements showing the Council's financial position as at 31<sup>st</sup> December each year are produced.

## 2.2 Payments Vouchers (P.Vs)

It was observed that the processing of payment vouchers was still below standard. A random check of P.Vs in the months of January and July revealed the following irregularities:

No	Date	P.V No	(N)	Nature of Payment	Remarks
1	3/1/20	26	130,000	Payment to Sundry Persons – monthly allowances	PV could not be traced.
2	3/1/20	27	150,000	Payment to Sundry Persons – monthly allowances	PV could not be traced.
3	3/1/20	28	100,000	Payment to Sundry Persons – monthly allowances	PV could not be traced.
4	3/1/20	29	225,000	Payment to Sundry Persons – monthly allowances	PV could not be traced.
5	7/7/20	20	100,000	Sitting allowance	List of beneficiaries not signed

In the absence of the Payment vouchers was difficult to determine the genuineness or otherwise of such payments.

We recommend that the controls over the processing of payment vouchers should be overhauled to ensure that:

- a. All payment vouchers are properly filed on a monthly basis.
- b. All payments are acknowledged by beneficiaries or payees.
- c. All payments vouchers have supporting documents:- receipts, invoices or stores receipt vouchers duly attached.

### 2.3 Bank Reconciliation Statements

The Council did not prepare bank reconciliation statements in any of the months during the year. Errors, fraud or excessive bank charges arising from banking transactions are not likely to be easily detected under the circumstance.

We recommend that bank reconciliation statements be prepared on a monthly basis for each of the bank accounts to avoid unnecessary financial loss arising from banking transactions.

### 2.4 Fixed Assets Register

No Fixed Assets Register was maintained by the Council during the year. The register is designed to record all non-current assets that are owned by the Council showing among other things, the following details: date of purchase, the suppliers of the assets (if practicable), the description including registration number if motor vehicles, the amount, the office of usage, location, rate of depreciation etc.

We recommend that this register be introduced and maintained for the general good of the Council.

### 3.0 Advances

Outstanding advances as at 31<sup>st</sup> December, 2020 amounted to N77,709,756. Not less than N64,707,716 was granted as part of this during the year. Part of the advances brought forward from 2019 were yet to be retired as at 31<sup>st</sup> December, 2020. These include the following:

N

Alh. Garba Muhammed	4,700
Garba Yahaya	20,000
Education Secretary, Bauchi LEA	2,082,500
Sectional Head, Rural Water	20,000
Hon. Labaan Abdullahi	300,000
<i>Total</i>	<u>2,427,200</u>

The control over the granting and retirement of advances appeared to be weak. The sum of N77,709,756 as unretired advances at the end of the year was high. No satisfactory reason could be adduced for this. Secondly, the above advances of N2,427,200 brought forward from previous years ought to have been settled before now.

We recommend that appropriate steps be taken to ensure that these advances are retired as soon as possible. Secondly, the controls over advances should be strengthened to correct the lapses that are inherent in the system.

#### 4.0 Investment Register

##### 4.1 Absence of Investment Register

Investment on shares as at the end of 2020 amounted to N46,662,979. No Investment Register was maintained by the Council in respect of these shares.

##### 4.2 No Evidence of Paid Dividends

The Council bought shares in Access Bank Plc and Jaiz Plc amounting to N21,388,413 and N12,769,634 respectively. Both Banks are quoted in the Nigerian Stock Exchange. It is on record that these banks have been declaring dividends, as least in the past two years, 2019 and 2020. There was nothing to show from the books that the Council received dividends on any of its investments during the period. No satisfactory reason could be given for this.

We recommend that the Council should maintain Investment Register and secondly, investigate why dividends paid by these banks and any of the other Companies were not received by it.

##### 5.0 Accounting Orientation/ Refreshers Seminars

It was observed that most of the accounting staff have not received any form of training in recent times to equip them in the performance of their accounting duties. Consequently, their efficiency and effectiveness are greatly hampered due to their limitations.

We recommend that accounting orientation or refreshers seminars be organized for accounting and auditing staff of the Council. This is necessary to sharpen their accounting knowledge, skills and principles to bring about effectiveness and efficiency in the performance of their accounting duties.

#### 6.0 Conclusion

We shall be pleased to discuss further with you any matter mentioned in this letter and any action that has been taken or is envisaged.



In the meantime, may we express our appreciation for the cooperation extended to us by members of staff of the Council.

Yours faithfully,

John Ejeheri

For: Lawyer Ejeheri & Co.

**BOGORO LOCAL GOVERNMENT COUNCIL**

The Auditor General for Local Governments,  
Office of the Auditor General for Local Governments,  
Bauchi,  
Bauchi State.

Dear Sir,

**BOGORO LOCAL GOVERNMENT COUNCIL**

**MATTERS ARISING FROM THE AUDIT OF THE COUNCIL'S ACCOUNTS FOR THE  
YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

We are pleased to inform you that we have completed the audit of Bogoro Local Government Council's Accounts for the year ended 31<sup>st</sup> December, 2020.

During the course of the audit, certain matters concerning the Council's Accounting, Internal control procedures and operations came to our notice which we would like to point out to you. These relate principally to areas where we feel that the systems, procedures and operations could be improved upon.

The recommendations we suggest will give rise to one or more of the following advantages:

1. The internal control procedures will be more effective,
2. The Accounting Records will be more reliable,
3. There will be reduced risk of errors or fraud and
4. There will be general improvement in the Operations.

## 1.0 Summary of Operations

Below is the summary of the Council's operations during the year under review.

	2020	2019
	₦	₦
1.1 <u>REVENUE</u>		
Govt. Share of FAAC	1,592,049,119	909,584,249
Internally Generated Revenue	<u>1,008,900</u>	<u>174,490</u>
Total Revenue	<u>1,593,058,019</u>	<u>909,758,739</u>
1.2 <u>Less Expenditure:</u>		
Personnel Cost	1,302,171,306	874,088,391
Overhead Cost	<u>259,088,036</u>	<u>43,645,866</u>
Total Expenditure	<u>1,561,259,342</u>	<u>917,734,257</u>
<i>Surplus/(Deficit) for the Year</i>	<u>31,798,677</u>	<u>(7,975,518)</u>

## 1.3 Operational Overview

Statutory Allocations and other revenue increased from ₦909,758,739 in 2019 to ₦1,593,058,019 in 2020. The expenditure also increased from ₦917,734,257 in 2019 to ₦1,561,259,342 in 2020. The overall results showed a surplus of N31,798,677 in 2020 as against a deficit of N7,975,518 in 2019.

## 2.0 Accounting Books and Records

### 2.1 Financial Books/Records Collected by the EFCC

Apart from the cash book that was returned by the EFCC, according to the Council's cashier, all the other accounting records including payment vouchers, receipt books, etc collected before 2020 by the EFCC are yet to be returned. These were said to have been collected by the Economic and Financial Crimes Commission for an on-going investigation into the Council's financial transactions.

### Recommendations

Even though these accounting books and records did not relate to the year 2020 that was covered by our audit, we recommend that appropriate steps be taken to retrieve these records from the EFCC. Statutorily, these records are expected to be under the custody of the Council.

### 2.2 Draft Financial Statements for the year was not prepared by the Council. The preparation of this statement is mandatory for every Local Government Council showing financial position as at 31<sup>st</sup> December each year. It enables Management, among other things, to assess and evaluate the operations of the Council vis-à-vis the controls over expenditure and the monitoring of budgetary allocations.

We recommend that this important statement be prepared on a yearly basis.

### 2.3 Bank Reconciliation Statements

No bank reconciliation statement was prepared for any of the months during the year. In the absence of such exercise, excessive bank charges, errors or fraud arising from banking transactions are not likely to be easily detected.

We recommend that bank reconciliation statements be prepared on a monthly basis reconciling the cash book balances with balances as per bank statements.

### 2.4 Fixed Assets Register

No fixed Assets Register was maintained by the Council. This register is important for recording the particulars of fixed assets owned by the Council showing among other things, the nature of the assets, the cost, date of purchase, the suppliers, rate of depreciation, the location or office of usage.

We recommend that this register be maintained for the good of the Council.

### 2.5 Advances Register

Advances granted to staff during year amounted to ₦1,500,000 with ₦1,100,500 brought forward from previous year giving a total of ₦2,600,500 at year end. These were yet to be retired. No Advances Register was maintained by the Council for the control and monitoring of these advances.

We recommend that Advances Register be introduced for the control (granting and retirement) of advances by the Council.

### 3.0 Other Matters

- 3.1 Deposits amounting to ₦13,622,912 were outstanding as at year end. These deductions are expected to be remitted to the appropriate Agencies as soon as they are made. No satisfactory reason could be given for the failure to do so.

We recommend that deductions should be remitted to the appropriate Agencies in compliance with the extant laws regulating such deductions. Failure to do this may attract penalties.

### 3.2 Internal Audit Report

All efforts to get the Internal Audit Report for the period from the Internal Auditor proved abortive. We were therefore left with no choice but to conclude that internal audit checks were not carried out on the controls and processes of the Council for the period under review.

### 3.3 Accounting Orientation/ Refreshers Seminars

It was observed that most of the accounting staff have not received any form of training in recent times to equip them in the performance of their accounting duties. Consequently, their efficiency and effectiveness are greatly hampered due to their limitations.

We recommend that accounting orientation or refreshers seminars be organised for accounting and auditing staff of the Council. This is necessary to sharpen their accounting knowledge, skills and principles to bring about effectiveness and efficiency in the performance of their accounting duties.

### 4.0 Conclusion

We shall be pleased to discuss further with you any matter mentioned in this letter and any action that has been taken or is envisaged.

In the meantime, may we express our appreciation for the cooperation extended to us by members of staff of the Council.

Yours faithfully,

John Ejeheri

For: Lawyer Ejeheri & Co.

**DAMBAM LOCAL GOVERNMENT COUNCIL**

The Auditor General,  
Office of the Auditor General for Local Government,  
Bauchi State.

Dear Sir,

MANAGEMENT REPORT ON THE AUDITED FINANCIAL STATEMENTS  
OF DAMBAM LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED  
31ST DECEMBER, 2020.

We are pleased to inform you that we have completed the audit of Dambam Local Government Council for the year ended 31<sup>st</sup> December, 2020.

Our audit was conducted in accordance with the guidelines established by the International Auditing Standard and Generally Accepted Accounting Practice.

During the course of our audit, we came across certain matters which we consider necessary to bring to your attention.

This comprises weaknesses in the Internal Control System and other general observations in the system as a whole.

It is important to mention that the weaknesses reported in this report may not necessarily be exhaustive but those that came to our notice during the course of the normal audit.

We take this opportunity to express our profound gratitude to the Chairman, the Management and the entire staff of Dambam Local Government Council for their co- operation during the year of our audit exercise.

Yours faithfully,



For: ABDULKADEER MAHMOUD & CO.

(Chartered Accountants)

## MANAGEMENT REPORT

The Management report which summarizes financial analysis and internal control assessment as well as other observation is herewith presented into two broad parts;

- Financial Analysis
- Internal control weaknesses and other observations.

### 1.0 FINANCIAL ANALYSIS

#### 1.1 OPERATING RESULTS

The operating highlights of the Local Government Council for the year in comparison with 2020 are as shown below:

	2020	2019
	N	N
Internally Generated Revenue	4,084,080	1,780,221
Statutory Allocation	1,773,278,832	1,381,117,473
Other Receipt	<u>122,930,342</u>	-
Total Recurrent Revenue	1,900,293,254	1,382,897,694
Personnel cost	1,617,238,661	1,004,610,250
Overheads	<u>279,655,442</u>	<u>375,258,227</u>

Total Recurrent Expenditure	<u>1,896,894,103</u>	<u>1,379,868,477</u>
Surplus/(Deficit)	3,399,151	3,029,217

### 1.1.1 REVENUE PROFILE

#### A. Statutory allocation

The Council recorded a significant increase in statutory allocation received from ₦1.38 million 2019 to ₦1.73 billion in 2020, resulting an increase of ₦392. million representing 28%.

Statutory allocations accounted for 93.3% of the total revenue of the Local Government Council in the year under review.

#### B. Internally generated revenue

The internally generated revenue of the Council increased from ₦1.78million in 2019 to ₦4.08 million in 2020.

We advise that all available revenue generating sources should be harnessed and adequate internal control system should be put in place to address possible leakages especially regarding internally generated revenue.

### 1.2.0 EXPENDITURE

#### 1.2.1 Recurrent expenditure

The total recurrent expenditure of the Council was ₦1.91 billion in the year under review as against ₦1.37 billion 2019.

Personnel cost was ₦1.61 billion representing 84.30% of the total recurrent expenditure of ₦1.91 billion in the year under review.

#### 1.2.2 Capital expenditure

The capital related expenditure in the year was ₦ 4.41 million, details are as highlighted in appendix 1. Capital expenditure was very low considering the capital expenditure budget of ₦ 579.71 million. Most of the revenue of the local Council was spent on recurrent expenditure.

Management is advised to ensure balancing expenditure between recurrent and capital expenditure.

## 2.0 INTERNAL CONTROL WEAKNESSES AND OTHER OBSERVATION

### 2.1.1 BANK RECONCILIATION STATEMENTS.

Monthly bank reconciliation statements were prepared up to date in the year under review. We observed that reconciliation items are not promptly addressed by making the necessary postings in the cash book.

#### 2.1.2 RECOMENDATIONS

The Council should ensure that all reconciliation items are promptly addressed and the necessary postings done. The remittance in transit should be resolved within 14 days with the respective bank.

#### 2.2.0 PAYMENT VOUCHERS

##### 2.2.1 AUDIT COMMENTS

Payment vouchers for the year under review were not made available to us during the audit, thereby making it difficult to confirm if the necessary supporting documents to all the expenditures are available.

##### 2.2.2 RECOMENDATIONS

We advise that management should ensure that:

- Payment vouchers are raised for all transactions and that the necessary supporting documents are attached to the respective payment vouchers.
- Payment vouchers should be securely and serially filed monthly for future reference.

#### 2.3.0 DEPOSITS

##### 2.3.1 AUDIT COMMENTS

The deposit liability of the Council in the year was ₦ 22.91 million. The deposit liabilities were mostly from previous years. There were no sufficient records to confirm the correctness of the deposits. The staff deductions related deposits may have been settled but not properly documented and the necessary adjustment may not have been made.

#### 2.4.0 FIXED ASSETS REGISTER

##### 2.4.1 AUDIT COMMENTS

We observed that the Council does not maintain a Fixed Asset Register in line with the requirements of the IPSAS accrual basis of accounting being adopted. It becomes necessary to have records of all fixed assets/capital expenditure of the Local Government.

#### 2.4.2 IMPLICATIONS

Verification of assets acquired by the council becomes very difficult and possible loss of assets is inevitable since there is no Register.

#### 2.4.3 RECOMMENDATIONS

Maintenance of a fixed assets register which will serve as a back-up to the computerized ledger and periodic inventory of the Council Assets and control is very important.

#### 2.5.0 TRAINING OF ACCOUNTING STAFF

##### 2.5.1 AUDIT COMMENTS

We observed that the council accounting staff needs special training to meet up with the current challenges in the maintenance of books of accounts especially on IPSAS chart of account and the new form of reporting in the public sector.

##### 2.5.2 IMPLICATION

This will ensure effective and efficient management of accounting system and procedure in the Local Government Council. It will also enhance effective management decision making.

##### 2.5.3 RECOMMENDATION

We advise that the Local government council should organize continuous training program for its staff.

*Appendix1*

DAMBAM LOCAL GOVERNMENT COUNCIL

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

SCHEDULE OF CAPITAL EXPENDITURE

S/N	DETAILS	AMOUNT (₦)
1.	Joint projects	1,511,750
2.	Construction/provision of residential buildings	<u>2,899,737</u>
		<u>4,411,487</u>

**DARAZO LOCAL GOVERNMENT COUNCILS**



(Chartered Accountants)

2A Stable Plaza Murtala Muhammad Way, Bauchi.

Tel: 08027375720, 08076354545 [e-mail:tijanilkadir2@yahoo.com](mailto:tijanilkadir2@yahoo.com)

The Auditor General,

Office of the Auditor General for Local Governments,

Bauchi State.

Dear Sir,

**MANAGEMENT REPORT ON THE AUDITED FINANCIAL STATEMENTS OF DARAZO LOCAL  
GOVERNMENT COUNCIL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

We are pleased to inform you that we have completed the audit of the Local Government Council's Financial Statements for the aforementioned period.

Note that our coverage and procedures used during the audit were designed to assist the Local Government Council in strengthening the Internal Control System and may not reveal all weaknesses in the system which a special review might unveil; therefore, all weaknesses are not limited to those highlighted in this report.

Our findings and suggested recommendations are hereunder presented:

Summary of Operations:

The operating highlights of the Local Government Council for the year in comparison with 2020 are as shown below:

Description	2020	2019
	₦	₦
Internally Generated Rev	12,246,189	6,321,048
Statutory Allocations	2,247,485,686	1,860,365,187
Other Receipts	58,088,550	0
Total Recurrent Revenue	<u>2,317,820,425</u>	<u>1,866,686,235</u>
Personnel Cost	1,821,407,762	1,286,543,853
Overhead Cost	448,606,855	543,154,634
Total Recurrent Expenditure	<u>2,270,014,617</u>	<u>1,829,698,487</u>
Surplus/(Deficit)	<u>47,805,508</u>	<u>36,987,748</u>

1. Revenue Profile

1.1 Statutory allocation

The Council recorded a significant increase in statutory allocation received from ₦1.9billion in 2019 to ₦2.3billion in 2020, resulting into an increase of about ₦40 million representing 21%.

Statutory allocations accounted for 96% of the total revenue of the Local Government Council in the year under review.

1.2 Internally Generated Revenue

The internally generated revenue of the Council increased from ₦6.3million in 2019 to ₦12.3 million in 2020.

## Recommendation

The Chairman and the entire management of the Local Government should ensure that numerous potential revenue sources available to the Council are harnessed forthwith and to equally ensure adequate internal control system are in place to address possible leakages especially regarding the internally generated revenue.

### 2.1 Recurrent expenditure

The total recurrent expenditure of the Council was ~~₦~~2.3 billion in the year under review as against ~~₦~~1.8 billion in 2019.

Personnel cost was ~~₦~~1.8 billion representing 78% of the total recurrent expenditure of ~~₦~~2.3 billion in the year under review.

### 2.2 Capital expenditure

The capital related expenditure in the year was ~~₦~~48million, this was very low compared to the total revenue within the year under review. Most of the revenue of the local Council was spent on recurrent expenditure.

## Recommendation

Management is advised to ensure balancing expenditure between recurrent and capital expenditure.

## 2. Bank Reconciliation Statements.



Despite the preparation of the monthly reconciliation, we observed that reconciling items were not promptly addressed by making the necessary postings in the cash book.

#### Recommendations

The Council should ensure that all reconciling items are promptly addressed and the necessary postings done. The remittance in transit should be resolved within 14 days with the respective bank.

#### 4. Payment Vouchers

Payment vouchers for the year under review were not completely available for audit check, thereby making it difficult to confirm if the necessary supporting documents to all the expenditures are available.

#### Recommendations

We advise that the council management should ensure that:

- ☐ Payment vouchers are raised for all transactions and that the necessary supporting documents are attached to the respective payment vouchers.
- ☐ Payment vouchers should be securely and serially filed monthly for future reference.

#### 3. Advances and Deposits

We noticed unretired Advances and Deposits of ₦2,712,000 and ₦26,225,566.19 respectively for the Local Government as at 31<sup>st</sup> December 2020, the amounts that cannot be well substantiated during our enquiry on the matters with the custodian

of the LG's Financial records. This could lead to doubt on the credibility of the financial records.

### Recommendations

The Local Govt Chairman should give directive to necessary stakeholders on the prompt retirement of working advances and for the value of deposits to be properly reconciled.

#### 4. Non -Implementation of IPSAS Accrual in keeping and presentation of Financial Records

Contrary to the pronouncement of FAAC Technical Sub-Committee of 13<sup>th</sup> June 2011 on the nationwide adoption and implementation of IPSAS Accrual on all Government Financial reporting, the Local Govt Council was yet to adopt the IPSAS Accrual Accounting Basis.

The onus of IPSAS Accrual is to guarantee effective stewardship on public fund and it is in accordance with best acceptable International Standards.

### Recommendation

The Auditor General for Local Government should liaise with the Permanent Secretary Ministry for Local Government and Chieftaincy Affairs towards ensuring continuous sensitization and trainings on how to fully adopt and implement the IPSAS Accrual Accounting Basis for the state to be continuously relevant in the committee of states.

## 5. No Asset Register

Asset Register was not maintained by the Local Govt, a register that contains details information about the Council's Non-Current Asset (Fixed Asset). It is a memorandum book to record the particulars of Fixed Assets such as:

- Original cost
- Date of acquisition
- Dates and cost of subsequent addition or improvement
- Basis upon which depreciation is charged and amount provided each year
- Net book value of the Assets
- Name of manufacturers/suppliers and
- Location of the Assets

### Recommendations

The Auditor General for Local Govts should encourage the Local Government's Management to keep register of all assets of the council and to keep/maintain necessary books of Account without further procrastination.

## 5. Investments

**₦ 20,842,248**

We noticed that the value of investment on the record of Darazo Local Government included investment in the defunct Savannah Bank, Intercellular, Afri Bank and that of Former Inland Bank. Kindly See the Schedule below:

### Schedule of Investment

Name of Company	Amount (₦)
1 Afri Bank	72,000.00
2 Union Bank	50,000.00
3 Savannah Bank	50,000.00
4 Int. Mech Bank	50,000.00
5 Kaolin Project	462,023.62

6	Zaranda Hotel	73,260.00
7	Ashaka Cement	60,000.00
8	Inland Bank	1,400,000.00
9	First Bank Plc	67,430.00
10	BPPC	200,000.00
11	Access Bank	950,000.00
12	INL. Bank	12,000,000.00
13	Total	500.00
14	JMID	<u>5,407,033.89</u>
	Total	<u>20,842,247.51</u>

### **Recommendations**

**The Local Govt Chairman should direct the necessary stakeholders at the Local Govt to confirm/track these investments towards reactivating the treasury/investment management function in order to ensure realization of due return on Investments to the council.**

## Conclusion

The required attentions on the aforementioned lapses and implementation of suggested recommendations are necessary for the Local Govt Council's continuous success and they must be put in place as soon as practicable.

If there is any other matter you may wish to know on this report, we shall be too glad to oblige. Meanwhile, we seized this opportunity to express our profound gratitude to the entire management and staff of the Local Govt Council for the support given to us during the Audit exercise.

Thank you.

For: TIJANI ABDULKADIR & CO (Chartered Accountants)

**DASS LOCAL GOVERNMENT COUNCIL**

The Auditor General for Local Governments,  
Office of the Auditor General for Local Governments,  
Bauchi,  
Bauchi State.

Dear Sir,


**DASS LOCAL GOVERNMENT COUNCIL**

**MATTERS ARISING FROM THE AUDIT OF THE COUNCIL'S ACCOUNTS FOR THE  
YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

We are pleased to inform you that we have completed the audit of Dass Local Government Council's Accounts for the year ended 31<sup>st</sup> December, 2020.

During the course of the audit, certain matters concerning the Council's Accounting, Internal control procedures and operations came to our notice which we would like to point out to you. These relate principally to areas where we feel that the systems, procedures and operations could be improved upon.

The recommendations we suggest will give rise to one or more of the following advantages:

- 
1. The internal control procedures will be more effective,
  2. The Accounting Records will be more reliable,
  3. There will be reduced risk of errors or fraud and
  4. There will be general improvement in the Operations.

## 1.0 Summary of Operations

Below is the summary of the Council's Operations during the year under review.

	2020	2019
1.1 <u>Revenue</u>	₦	₦
Govt. Share of FAAC	1,473,014,441	951,131,446
Internally Generated Revenue	<u>1,029,815</u>	<u>1,294,475</u>
<i>Total Revenue</i>	<u>1,474,044,256</u>	<u>952,425,921</u>
1.2 <u>Less: Operating Expenses</u>		
Personnel Cost	1,206,759,759	754,853,139
Overhead Cost	<u>214,756,269</u>	<u>200,527,272</u>
	<u>1,421,516,028</u>	<u>955,380,411</u>
<i>Surplus/(Deficit) for the Year</i>	<u>52,528,228</u>	<u>(2,954,490)</u>

## 1.3 Operational Overview

The total revenue increased from ₦952,425,921 in 2019 to ₦1,474,044,256 in 2020. The expenditure also increased from ₦955,380,411 in 2019 to ₦1,421,516,028 in 2020. The overall results showed a surplus of N52,528,228 in 2020 as against a Deficit of N2,954,490 in 2019. The Council was able to operate within the limitations of available resources during the year.

## 2.0 Accounting Books and Records

### 2.1 Irregularities in the Processing of Payments Vouchers

Some of the payment vouchers were poorly processed and characterized with irregularities. Some of these have been analysed as follows:



<u>No</u>	<u>Date</u>	<u>P.V No</u>	<u>Amount (N)</u>	<u>Nature of Payments</u>	<u>Remarks</u>
1	25/1/20	22	500,000	Made to Juji Abba Bara for purchase of working materials	PV could not be traced.

2	25/1/20	23	500,000	Made to Juji Abba Bara for purchase of working materials	PV could not be traced.
3	28/1/20	96	300,000	Made to Hon. Saleh A. Dumba – imprest Advance.	PV could not be traced
4	28/2/20	88	30,000	Made to Samaila Adamu – Allowance to Auditor.	PV could not be traced
5	28/2/20	89	30,000	Made to Samaila Adamu – Allowance to Area Inspector.	PV could not be traced
6	14/12/20	44	1,000,000	Paid to Sundry Persons.	List of beneficiaries not attached.
7	14/12/20	45	1,000,000	Honorarium to Sundry Persons.	List of beneficiaries not attached.

No satisfactory explanations could be given for these lapses.

We recommend that the controls over the processing of payment vouchers and payments should be strengthened to eliminate the inherent weaknesses in the system.

## 2.2 Bank Reconciliation Statements

Bank reconciliation statements were not prepared for any of the bank accounts operated by the Council. Failure to prepare bank reconciliation statements is a serious weakness that can be abused as errors or fraud arising from banking transactions may not be easily detected.

We recommend that concerted efforts be made by the Council's Management to ensure that these statements are prepared on a monthly basis.

### 2.3 Fixed Assets Register/Office Inventories

The Council did not maintain fixed assets register to record its non-current assets vis-à-vis the property, plant and equipment on which it incurs substantial expenditure on a yearly basis. It was also observed that office inventories showing the list of office furniture and equipment in each of the offices were not maintained.

We wish to recommend that fixed assets register and office Inventories be maintained by the Council to secure and safeguard its non-Currents assets.

### 2.4 Advances ₦11,405,000

There was no effective control over the granting and retirement of advances. A substantial sum of ₦11,405,000 was outstanding as unretired advances as at 31<sup>st</sup> December, 2020. No advances ledger was maintained by the Council showing the ledger accounts of individual staff to whom advances have been granted.

We recommend that Advances Ledger be introduced as a measure to regulate the granting and retirement of advances. When the controls

are weak, members of staff are likely to abdicate their responsibility in retiring outstanding advances.

### 3.0 Accounting Orientation/ Refreshers Seminars

It was observed that most of the accounting staff have not received any form of training in recent times to equip them in the performance of their accounting duties. Consequently, their efficiency and effectiveness are greatly hampered due to their limitations.

We recommend that accounting orientation or refreshers seminars be organized for accounting and auditing staff of the Council. This is necessary to sharpen their accounting knowledge, skills and principles to bring about effectiveness and efficiency in the performance of their accounting duties.

### 4.0 Conclusion

We shall be pleased to discuss further with you any matter mentioned in this letter and any action that has been taken or is envisaged.

In the meantime, may we express our appreciation for the cooperation extended to us by members of staff of the Council.

Yours faithfully,

John Ejeheri

For: Lawyer Ejeheri & Co.

## **GAMAWA LOCAL GOVERNMENT COUNCIL**

The Auditor General,  
Office of the Auditor General for Local Government,  
Bauchi State.

Dear Sir,

### **MANAGEMENT REPORT ON THE AUDITED FINANCIAL STATEMENTS** **OF GAMAWA LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED** **31ST DECEMBER, 2020.**

We are pleased to inform you that we have completed the audit of Gamawa Local Government Council for the year ended 31<sup>st</sup> December, 2020

Our audit was conducted in accordance with the guidelines established by the International Auditing Standard and Generally Accepted Accounting Practice.

During the course of our audit, we came across certain matters which we consider necessary to bring to your attention.

This comprises weaknesses in the Internal Control System and other general observations in the system as a whole.

It is important to mention that the weaknesses reported in this report may not necessarily be exhaustive but those that came to our notice during the course of the normal audit.

We take this opportunity to express our profound gratitude to the Chairman, the Management and the entire staff of Gamawa Local Government Council for their co- operation during the year of our audit exercise.

Yours faithfully,

For: ABDULKADEER MAHMOUD & CO.

(Chartered Accountants)

## MANAGEMENT REPORT

The Management report which summarizes financial analysis and internal control assessment as well as other observation is herewith presented into two broad parts;

- Financial Analysis
- Internal control weaknesses and other observations.

## 2.0 FINANCIAL ANALYSIS

### 1.1 OPERATING RESULTS

The operating highlights of the Local Government Council for the year in comparison with 2020 are as shown below:

	2020	2019
	<del>N</del>	<del>N</del>
Internally Generated Revenue	8,305,072	6,396,910
Other Receipts	<u>623,667,821</u>	=

Statutory Allocation	<u>2,377,156,935</u>	<u>1,596,267,145</u>
Total Recurrent Revenue	3,009,129,828	1,602,664,055
Personnel cost	1,747,961,244	1,057,357,281
Overheads	<u>1,236,315,976</u>	<u>443,035,315</u>
Total Recurrent Expenditure	<u>2,984,277,220</u>	<u>1,500,392,596</u>
Surplus/(Deficit)	24,852,607	102,271,460

### 1.1.1 REVENUE PROFILE

#### C. Statutory allocation

The Council recorded an increase in statutory allocation received from ₦1.59 billion 2019 to ₦2.37 billion in 2020, representing an increase of ₦780.8 million or 48.9%. Statutory allocations accounted for more than 99% of the total revenue of the Local Government Council in the year under review and represents 93% of the budgeted statutory allocation of ₦2.54 billion..

#### D. Internally generated revenue

The internally generated revenue of the Council increased from ₦6.40 million in 2019 to ₦8.30 million in 2020 indicating an increase of ₦1.91 million or 30 %

The internally generated revenue in the year represents 29% of the budgeted internal revenue of ₦28.28 million.

We advise that all available revenue generating sources should be harnessed and adequate internal control system should be put in place to address possible leakages especially regarding internally generated revenue.

### 1.2.0 EXPENDITURE

#### 1.2.1 Recurrent expenditure

The total recurrent expenditure of the Council was ₦2.36 billion in the year under review as against ₦1.5 billion 2019.

Personnel cost was ₦1.74 billion representing 74% of the total recurrent expenditure in the year under review.

### 1.2.2 Capital expenditure

The capital expenditure of ₦23.11million, details are as highlighted in appendix 1. Capital expenditure was very low considering the capital expenditure budget of ₦ 664.86 million. Most of the revenue of the local Council was spent on recurrent expenditure.

Management is advised to ensure balancing expenditure between recurrent and capital expenditure.

## 2.0 INTERNAL CONTROL WEAKNESSES AND OTHER OBSERVATION

### 2.1.1 BANK TRANSACTIONS

#### a) E-PAYMENTS

We observed that most of the e-payment transactions payment vouchers make reference to bank statements as the only supporting documents without the necessary mandates duly signed by the authorized signatories of the Council.

#### b) FIDELITY BANK LOAN/OVERDRAFT

We observed monthly Loan/Overdraft transactions recorded in the cash book of the Council without the necessary details of the Loan/overdraft facilities, such as the interest and principal repayments and the total facility utilized by the Council in the year. This resulted to the net Loan/overdraft related expenditure of ₦ 821.37 million as shown below:

	₦
Loan/overdraft received	1,281,653,095.37
Loan/overdraft paid	<u>2,103,028,414.75</u>
	<u>821,375,319.38</u>

#### c) BANK RECONCILIATION STATEMENTS.

Monthly bank reconciliation statements were prepared up to date in the year under review. We observed that reconciliation items are not promptly addressed by making the necessary postings in the cash book. The following reconciliation items have remained unaddressed as at the end of the year:

- Bank charges/commission accumulated over the years in the reconciliation statements amounting to ₦ 5.87million
- Direct debits in the various bank accounts amounting to ₦ 66.94million.
- Remittance in transit of ₦ 3.09million.
- Direct credit of ₦ 41.02 million

The Council should ensure that all reconciliation items are promptly addressed and the necessary postings are done. The remittance in transit should be resolved within 14 days with the respective bank.

#### 2.2.1 DEPOSITS

We observed that the schedule of deposits made available to us shows that the outstanding deposit is ₦ 67million as at 31 December, 2020 instead of Nil. The deposit ledgers may not have been updated. The staff deductions related deposits may have been settled but not properly documented and the necessary adjustment may not have been made.

#### 2.3.1 FIXED ASSETS REGISTER

We observed that the Council does not maintain a Fixed Asset Register in line with the requirements of the IPSAS accrual basis of accounting being adopted. It becomes necessary to have records of all fixed assets/capital expenditure of the Local Government.

#### 2.3.2 IMPLICATIONS

Verification of assets acquired by the council becomes very difficult and possible loss of assets is inevitable since there is no Register.

#### 2.3.3 RECOMMENDATIONS

Maintenance of a fixed assets register which will serve as a back-up to the computerized ledger and periodic inventory of the Council Assets and control is very important.

#### 2.5.1 TRAINING OF ACCOUNTING STAFF

We observed that the Council accounting staff need special training to meet up with the current challenges in the maintenance of books of accounts especially on IPSAS chart of account and the new form of reporting in the public sector.

#### 2.5.2 IMPLICATION

This will ensure effective and efficient management of accounting system and procedure in the Local Government Council. It will also enhance effective management decision making.

#### 2.5.3 RECOMMENDATION

We advise that the Local government council should organize continuous training program for its staff.



*Appendix1*

GAMAWA LOCAL GOVERNMENT COUNCIL

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

SCHEDULE OF CAPITAL EXPENDITURE

S/N	DETAILS	AMOUNT (₦)
2.	Construction of market stalls	1,750,000
7.	Reconstruction of union/ NURTW Office	4,000,000
8.	Construction / provision of electricity	150,000
9.	Rehabilitation/repairs - water facilities	15,079,000
11.	Construction / provision of office buildings	665,000
13.	Construction/provision of water facilities	<u>1,466,000</u>
		<u>23,110,000</u>

## **GANJUWA LOCAL GOVERNMENT COUNCILS**

**TA** Tijani Abdulkadir & Co

(Chartered Accountants)

2A Stable Plaza Murtala Muhammad Way, Bauchi.

Tel: 08027375720, 08076354545 [e-mail:tijanilkadir2@yahoo.com](mailto:tijanilkadir2@yahoo.com)

The Auditor General,

Office of the Auditor General for Local Governments,

Bauchi State.

Dear Sir,

### **MANAGEMENT REPORT ON THE AUDITED FINANCIAL STATEMENTS OF GANJUWA LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

We are pleased to inform you that we have completed the audit of the Local Government Council's Financial Statements for the aforementioned period.

Note that our coverage and procedures used during the audit were designed to assist the Local Government Council in strengthening the Internal Control System and may not reveal all weaknesses in the system which a special review might unveil; therefore, all weaknesses are not limited to those highlighted in this report.

Our findings and suggested recommendations are hereunder presented:

#### Summary of Operations:

The operating highlights of the Local Government Council for the year in comparison with 2020 are as shown below:

Description	2020	2019
	₦	₦
Internally Generated Rev	9,820,288	2,324,900
Statutory Allocations	2,403,724,796	1,318,015,080
Other Receipts	113,157,510	0
Total Recurrent Revenue	<u>2,526,702,594</u>	<u>1,320,340,030</u>
Personnel Cost	1,751,045,251	1,057,204,963
Overhead Cost	727,607,922	241,687,553
Total Recurrent Expenditure	<u>2,478,653,173</u>	<u>1,298,892,516</u>
Surplus/(Deficit)	<u>48,049,422</u>	<u>21,447,514</u>

### 1. Revenue Profile

#### 1.1 Statutory allocation

The Council recorded a significant increase in statutory allocation received from ₦1.3billion in 2019 to ₦2.4billion in 2020, resulting into an increase of about ₦1.1billion which was 84% increase.

Statutory allocations accounted for 96% of the total revenue of the Local Government Council in the year under review.

#### 1.2 Internally Generated Revenue

The internally generated revenue of the Council increased from ~~₦~~2.3 million in 2019 to ~~₦~~9.8 million in 2020.

### Recommendation

The Chairman and the entire management of the Local Government should ensure that numerous potential revenue sources available to the Council are harnessed forthwith and to equally ensure adequate internal control system towards addressing foreseeable leakages especially regarding the internally generated revenue.

#### 2.1 Recurrent expenditure

The total recurrent expenditure of the Council was ~~₦~~2.5 billion in the year under review as against ~~₦~~1.3 billion in 2019.

Personnel cost was ~~₦~~1.8 billion representing 72% of the total recurrent expenditure of ~~₦~~2.5 billion in the year under review.

#### 2.2 Capital expenditure

The capital related expenditure in the year was ~~₦~~48 million, this was low compared to the total revenue within the year under review. Invariably, most of the revenue of the local Council was spent on recurrent expenditure.

### Recommendation

Management is advised to ensure balancing expenditure between recurrent and capital expenditure.

#### 6. Bank Reconciliation Statements.

Despite the preparation of the monthly reconciliation, we observed that reconciling items were not promptly addressed by making the necessary postings in the cash book.

#### Recommendations

The Council should ensure that all reconciling items are promptly addressed and the necessary postings done. The remittance in transit should be resolved within 14 days with the respective bank.

#### 4. Payment Vouchers

Payment vouchers for the year under review were not completely available for audit check, thereby making it difficult to confirm if the necessary supporting documents to all the expenditures are available.

#### Recommendations

We advise that the council management should ensure that:

- ☐ Payment vouchers are raised for all transactions and that the necessary supporting documents are attached to the respective payment vouchers.
- ☐ Payment vouchers should be securely and serially filed monthly for future reference.

#### 7. Advances and Deposits

We noticed unretired Advances and Deposits of ₦1,155,000 and ₦8,377,266 respectively for the Local Government as at 31<sup>st</sup> December 2020, the amounts that cannot be well substantiated during our enquiry on the matters with the custodian

of the LG's Financial records. This could lead to doubt on the credibility of the financial records.

### Recommendations

The Local Govt Chairman should give directive to necessary stakeholders on the prompt retirement of working advances and for the value of deposits to be properly reconciled.

#### 8. Non -Implementation of IPSAS Accrual in keeping and presentation of Financial Records

Contrary to the pronouncement of FAAC Technical Sub-Committee of 13<sup>th</sup> June 2011 on the nationwide adoption and implementation of IPSAS Accrual on all Government Financial reporting, the Local Govt Council was yet to adopt the IPSAS Accrual Accounting Basis.

The onus of IPSAS Accrual is to guarantee effective stewardship on public fund and it is in accordance with best acceptable International Standards.

### Recommendation

The Auditor General for Local Government should liaise with the Permanent Secretary Ministry for Local Government and Chieftaincy Affairs towards ensuring continuous sensitization and trainings on how to fully adopt and implement the IPSAS Accrual Accounting Basis for the state to be continuously relevant in the committee of states.

## 9. No Asset Register

Asset Register was not maintained by the Local Govt, a register that contains details information about the Council's Non-Current Asset (Fixed Asset). It is a memorandum book to record the particulars of Fixed Assets such as:

- Original cost
- Date of acquisition
- Dates and cost of subsequent addition or improvement
- Basis upon which depreciation is charged and amount provided each year
- Net book value of the Assets
- Name of manufacturers/suppliers and
- Location of the Assets

## Recommendations

The Auditor General for Local Govts should encourage the Local Government's Management to keep register of all assets of the council and to keep/maintain necessary books of Account without further procrastination.

## 5. Investments

**₦ 20,528,820**

We noticed that the value of investment on the record of GANJUWA Local Government included investment in the defunct Inland Bank, and that of Inland Bank. Kindly See the Schedule below: Schedule of Investment

Name of Company	Amount
1 Ashaka Cement	60,000
2 Kaduna Textile	105,000
3 Bauchi Printing Company	100,000
4 Manto Processing Company	10,000
5 Zaranda Hotel	109,920
6 Inland Bank	1,500,000

7	Arewa Ceramic	350,000
8	Yankari Financing Agency	50,000
9	Federal Saving Bank	50,000
10	First Bank Plc	28,000
11	Galambi Cattle Ranch	150,000
12	Urban Dev. Bank	500,000
13	Jaiz International Plc	5,515,900
14	Inter Cellular	<u>12,000,000</u>
Total		<u><u>20,528,820</u></u>

### **Recommendations**

The Local Govt Chairman should direct the necessary stakeholders at the Local Govt to confirm/track these investments towards reactivating the treasury/investment management function in order to ensure realization of due return on Investments to the council.

### **Conclusion**

The required attentions on the aforementioned lapses and implementation of suggested recommendations are necessary for the Local Govt Council's continuous success and they must be put in place as soon as practicable.



If there is any other matter you may wish to know on this report, we shall be too glad to oblige. Meanwhile, we seized this opportunity to express our profound gratitude to the entire management and staff of the Local Govt Council for the support given to us during the Audit exercise.

Thank you.

For: TIJANI ABDULKADIR & CO (Chartered Accountants)

## **GIADE LOCAL GOVERNMENT COUNCILS**

**TA** Tijani Abdulkadir & Co

(Chartered Accountants)

2A Stable Plaza Murtala Muhammad Way, Bauchi.

Tel: 08027375720, 08076354545    [e-mail:tijanilkadir2@yahoo.com](mailto:tijanilkadir2@yahoo.com)

The Auditor General,

Office of the Auditor General for Local Governments,

Bauchi State.

Dear Sir,

**MANAGEMENT REPORT ON THE AUDITED FINANCIAL STATEMENTS OF GIADE LOCAL  
GOVERNMENT COUNCIL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

We are pleased to inform you that we have completed the audit of the Local Government Council's Financial Statements for the aforementioned period.

Note that our coverage and procedures used during the audit were designed to assist the Local Government Council in strengthening the Internal Control System and may not reveal all weaknesses in the system which a special review might unveil; therefore, all weaknesses are not limited to those highlighted in this report.

Our findings and suggested recommendations are hereunder presented:

Summary of Operations:

The operating highlights of the Local Government Council for the year in comparison with 2020 are as shown below:

Description	2020	2019
	₦	₦
Internally Generated Rev	5,096,700	3,720,127
Statutory Allocations	1,688,884,069	1,335,472,960
Other Receipts	115,800,366	0
Total Recurrent Revenue	<u>1,809,781,135</u>	<u>1,339,193,087</u>
Personnel Cost	1,423,115,082	875,881,879
Overhead Cost	381,062,219	434,220,330
Total Recurrent Expenditure	<u>1,804,177,302</u>	<u>1,310,102,209</u>
Surplus/(Deficit)	<u>5,603,833</u>	<u>29,090,878</u>

## 1. Revenue Profile

### 1.1 Statutory allocation

The Council recorded a significant increase in statutory allocation received from ₦1.3billion in 2019 to ₦1.7billion in 2020, resulting into an increase of about ₦40 million which was 30% increase.

Statutory allocations accounted for 94% of the total revenue of the Local Government Council in the year under review.

### 1.2 Internally Generated Revenue

The internally generated revenue of the Council increased from ~~₦3.7~~ million in 2019 to ~~₦5.1~~ million in 2020.

### Recommendation

The Chairman and the entire management of the Local Government should ensure that numerous potential revenue sources available to the Council are harnessed forthwith and to equally ensure adequate internal control system are in place to address possible leakages especially regarding the internally generated revenue.

#### 2.1 Recurrent expenditure

The total recurrent expenditure of the Council was ~~₦1.8~~ billion in the year under review as against ~~₦1.3~~ billion in 2019.

Personnel cost was ~~₦1.4~~ billion representing 77% of the total recurrent expenditure of ~~₦1.8~~ billion in the year under review.

#### 2.2 Capital expenditure

The capital related expenditure in the year was ~~₦5.6~~million, this was very low compared to the total revenue within the year under review. Invariably, most of the revenue of the local Council was spent on recurrent expenditure.

### Recommendation

Management is advised to ensure balancing expenditure between recurrent and capital expenditure.

#### 10. Bank Reconciliation Statements.

Despite the preparation of the monthly reconciliation, we observed that reconciling items were not promptly addressed by making the necessary postings in the cash book.

##### Recommendations

The Council should ensure that all reconciling items are promptly addressed and the necessary postings done. The remittance in transit should be resolved within 14 days with the respective bank.

#### 4. Payment Vouchers

Payment vouchers for the year under review were not completely available for audit check, thereby making it difficult to confirm if the necessary supporting documents to all the expenditures are available.

##### Recommendations

We advise that the council management should ensure that:

- ☐ Payment vouchers are raised for all transactions and that the necessary supporting documents are attached to the respective payment vouchers.
- ☐ Payment vouchers should be securely and serially filed monthly for future reference.

#### 11. Advances and Deposits

We noticed unretired Advances and Deposits of ₦2,604,892 and ₦3,040,388 respectively for the Local Government as at 31<sup>st</sup> December 2020, the amounts that cannot be well substantiated during our enquiry on the matters with the custodian

of the LG's Financial records. This could lead to doubt on the credibility of the financial records.

### Recommendations

The Local Govt Chairman should give directive to necessary stakeholders on the prompt retirement of working advances and for the value of deposits to be properly reconciled.

### 12. Non -Implementation of IPSAS Accrual in keeping and presentation of Financial Records

Contrary to the pronouncement of FAAC Technical Sub-Committee of 13<sup>th</sup> June 2011 on the nationwide adoption and implementation of IPSAS Accrual on all Government Financial reporting, the Local Govt Council was yet to adopt the IPSAS Accrual Accounting Basis.

The onus of IPSAS Accrual is to guarantee effective stewardship on public fund and it is in accordance with best acceptable International Standards.

### Recommendation

The Auditor General for Local Government should liaise with the Permanent Secretary Ministry for Local Government and Chieftaincy Affairs towards ensuring continuous sensitization and trainings on how to fully adopt and implement the IPSAS Accrual Accounting Basis for the state to be continuously relevant in the committee of states.

### 13. No Asset Register

Asset Register was not maintained by the Local Govt, a register that contains details information about the Council's Non-Current Asset (Fixed Asset). It is a memorandum book to record the particulars of Fixed Assets such as:

- Original cost
- Date of acquisition
- Dates and cost of subsequent addition or improvement
- Basis upon which depreciation is charged and amount provided each year
- Net book value of the Assets
- Name of manufacturers/suppliers and
- Location of the Assets

### Recommendations

The Auditor General for Local Govts should encourage the Local Government's Management to keep register of all assets of the council and to keep/maintain necessary books of Account without further procrastination.

### 5. Investments

₦ 20,576,115

We noticed that the value of investment on the record of GIADE Local Government included investment in the defunct FinBank Bank, F.S.B Int Bank, InterCellular and that of First Inland Bank. Kindly See the Schedule below: Schedule of Investment

S/N	Name of Company	Amount ₦
1	FinBank Plc	667,400
2	First Inland Bank Plc	1,497,920
3	F.S.B Int Bank Plc	329,000
4	Jaiz International Plc	4,338,900
5	Inter Cellular	9,999,998
6	Access Bank (Nig) Plc	800,000

7	Ashaka Cement Plc	2,675,258
8	Urban Development Bank	235,000
9	Fidelity Bank Plc	<u>32,639</u>
		<u>20,576,115</u>

### Recommendations

The Local Govt Chairman should direct the necessary stakeholders at the Local Govt to confirm/track these investments towards reactivating the treasury/investment management function in order to ensure realization of due return on Investments to the council.

### Conclusion

The required attentions on the aforementioned lapses and implementation of suggested recommendations are necessary for the Local Govt Council's continuous success and they must be put in place as soon as practicable.

If there is any other matter you may wish to know on this report, we shall be too glad to oblige. Meanwhile, we seized this opportunity to express our profound gratitude to the entire management and staff of the Local Govt Council for the support given to us during the Audit exercise.

Thank you.

For: TIJANI ABDULKADIR & CO (Chartered Accountants)



**ITAS/GADAU LOCAL GOVERNMENT COUNCIL**

The Auditor General,  
Office of the Auditor General for Local Government,  
Bauchi State.

Dear Sir,

MANAGEMENT REPORT ON THE AUDITED FINANCIAL STATEMENTS  
OF ITAS-GADAU LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED  
31ST DECEMBER, 2020.

We are pleased to inform you that we have completed the audit of Itas-Gadau Local Government Council for the year ended 31<sup>st</sup> December, 2020.

Our audit was conducted in accordance with the guidelines established by the International Auditing Standard and Generally Accepted Accounting Practice.

During the course of our audit, we came across certain matters which we consider necessary to bring to your attention.

This comprises weaknesses in the Internal Control System and other general observations in the system as a whole.

It is important to mention that the weaknesses reported in this report may not necessarily be exhaustive but those that came to our notice during the course of the normal audit.

We take this opportunity to express our profound gratitude to the Chairman, the Management and the entire staff of Itas-Gadau Local Government Council for their co- operation during the year of our audit exercise.

Yours faithfully,

For: ABDULKADEER MAHMOUD & CO.

(Chartered Accountants)

## MANAGEMENT REPORT

The Management report which summarizes financial analysis and internal control assessment as well as other observation is herewith presented into two broad parts;

- Financial Analysis
- Internal control weaknesses and other observations.

### 3.0 FINANCIAL ANALYSIS

#### 1.1 OPERATING RESULTS

The operating highlights of the Local Government Council for the year in comparison with 2020 are as shown below:

	2020	2019
	<del>N</del>	<del>N</del>
Internally Generated Revenue	1,821,340	1,498,567
Other Receipts	584,610,492	-

Statutory Allocation	<u>1,947,901,814</u>	<u>1,524,312,651</u>
Total Recurrent Revenue	2,534,333,646	1,525,811,218
Personnel cost	1,751,304,096	1,163,180,666
Overheads	<u>714,952,293</u>	<u>291,518,004</u>
Total Recurrent Expenditure	<u>2,466,256,390</u>	<u>1,454,698,669</u>
Surplus/(Deficit)	68,077,256	71,112,548

#### 1.1.1 REVENUE PROFILE

##### E. Statutory allocation

The Council recorded a significant increase in statutory allocation received from ₦1.52 billion 2019 to ₦1.94 billion in 2020, resulting to an increase of ₦423.60 million representing 28%. The statutory allocations in the year represent 92% of the budgeted statutory allocations of ₦2.12 billion.

Statutory allocations accounted for above 99.9 % of the total revenue of the Local Government Council in the year under review.

##### F. Internally generated revenue

The internally generated revenue of the Council increased slightly from ₦1.49 million in 2019 to ₦1.82 million in 2020.

We advise that all available revenue generating sources should be harnessed and adequate internal control system should be put in place to address possible leakages especially regarding internally generated revenue.

#### 1.2.0 EXPENDITURE

##### 1.2.1 Recurrent expenditure

The total recurrent expenditure of the Council was ₦2.46 billion in the year under review as against ₦1.454 million 2019.

Personnel cost was ₦1.75 billion representing 71% of the total recurrent expenditure in the year under review.

##### 1.2.2 Capital expenditure

There was no capital related expenditure in the year as against the budgeted capital expenditure.

## 2.0 INTERNAL CONTROL WEAKNESSES AND OTHER OBSERVATION

### 2.1.1 BANK TRANSACTIONS

#### d) E-PAYMENTS

We observed that most of the e-payment transactions payment vouchers make reference to bank statements as the only supporting documents without the necessary mandates duly signed by the authorized signatories of the Council.

#### e) FIDELITY BANK LOAN/OVERDRAFT

We observed monthly Loan/Overdraft transactions recorded in the cash book of the Council without the necessary details of the Loan/overdraft facilities, such as the interest and principal repayments and the total facility utilized by the Council in the year.

#### f) BANK RECONCILIATION STATEMENTS.

Monthly bank reconciliation statements were prepared in the year under review. We observed that reconciliation items are not promptly addressed by making the necessary postings in the cash book. The following reconciliation items have remained unaddressed as at the end of the period:

- Direct debits in the various bank accounts amounting to ₦ 0.33million.
- Direct credits and others amounting to ₦ 1.09million
- Remittance in transit of ₦ 4.60million

### 2.1.2 RECOMMENDATIONS

The Council should ensure that all reconciliation items are promptly addressed and the necessary postings are done. The remittance in transit should be resolved within 14 days with the respective bank.

### 2.2.0 PAYMENT VOUCHERS

#### 2.2.1 AUDIT COMMENTS

Payment vouchers of the Council for the year under review were not made available to us during the audit, thereby making it difficult to confirm the existence of all the necessary supporting documents to all the expenditure are available.

#### 2.2.2 RECOMENDATIONS

We advise that Management should ensure that:

- Payment vouchers are raised for all transactions and that the necessary supporting documents are attached to the respective payment vouchers.

- Payment vouchers should be securely and serially file monthly for future reference.

## 2.3.0 DEPOSITS

### 2.3.1 AUDIT COMMENTS

The deposit liability of the Council was ~~N~~ 7.77 million in the year as per schedule made available to us. We observed that the schedule may not have been updated as there are no deposit liabilities.

## 2.4.0 FIXED ASSETS REGISTER

### 2.4.1 AUDIT COMMENTS

We observed that the Council does not maintain a Fixed Asset Register in line with the requirements of the IPSAS accrual basis of accounting being adopted. It becomes necessary to have records of all fixed assets/capital expenditure of the Local Government.

### 2.4.2 IMPLICATIONS

Verification of assets acquired by the council becomes very difficult and possible loss of assets is inevitable since there is no Register.

### 2.4.3 RECOMMENDATIONS

Management should ensure having in place the Fixed Assets Register.

## 2.5.0 TRAINING OF ACCOUNTING STAFF

### 2.5.1 AUDIT COMMENTS

We observed that the council accounting staff needs special training to meet up with the current challenges in the maintenance of books of accounts especially on IPSAS chart of account and the new form of reporting in the public sector.

### 2.5.2 IMPLICATION

This will ensure effective and efficient management of accounting system and procedure in the Local Government Council. It will also enhance effective management decision making.

### 2.5.3 RECOMMENDATION

We advise that the Local government council should organize continuous training program for its staff.

**JAMA'ARE LOCAL GOVERNMENT COUNCIL**

The Auditor General,  
Office of the Auditor General for Local Government,  
Bauchi State.

Dear Sir,

**MANAGEMENT REPORT ON THE AUDITED FINANCIAL STATEMENTS**  
**OF JAMA'ARE LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED**  
**31ST DECEMBER, 2020.**

We are pleased to inform you that we have completed the audit of Jama'are Local Government Council for the year ended 31<sup>st</sup> December, 2020.

Our audit was conducted in accordance with the guidelines established by the International Auditing Standard and Generally Accepted Accounting Practice.

During the course of our audit, we came across certain matters which we consider necessary to bring to your attention.

This comprises weaknesses in the Internal Control System and other general observations in the system as a whole.

It is important to mention that the weaknesses reported in this report may not necessarily be exhaustive but those that came to our notice during the course of the normal audit.

We take this opportunity to express our profound gratitude to the Chairman, the Management and the entire staff of Jama'are Local Government Council for their co- operation during the year of our audit exercise.

Yours faithfully,

For: ABDULKADEER MAHMOUD & CO.

(Chartered Accountants)

## MANAGEMENT REPORT

The Management report which summarizes financial analysis and internal control assessment as well as other observation is herewith presented into two broad parts;

- Financial Analysis
- Internal control weaknesses and other observations.

### 4.0 FINANCIAL ANALYSIS 1.1 OPERATING RESULTS

The operating highlights of the Local Government Council for the year in comparison with 2020 are as shown below:

	2019	2019
	<del>N</del>	<del>N</del>
Internally Generated Revenue	4,034,039	2,623,892
Other Receipt	20,614,581	-
Statutory Allocation	<u>1,546,678,384</u>	<u>950,743,359</u>
Total Recurrent Revenue	1,571,327,004	953,367,251
Personnel cost	1,234,635,206	366,004,804
Overheads	<u>337,238,856</u>	<u>511,374,501</u>
Total Recurrent Expenditure	<u>1,571,874,062</u>	<u>877,379,305</u>
Surplus/(Deficit)	(547,057)	75,987,946



## 1.1.0 REVENUE PROFILE

### 1.1.1 AUDIT COMMENTS

#### G. Statutory allocation

The Council recorded a significant increase in statutory allocation received from ~~₦~~950.74 million in 2019 to ~~₦~~1.54 billion in 2020, resulting to an increase of ~~₦~~595.9 million or 62%.

Statutory allocations received in the year represents 74% of the budgeted statutory allocations of ~~₦~~2.08 billion and account for 98% of the total revenue of the Local Government Council in the year under review.

#### H. Internally generated revenue

The internally generated revenue of the Council increased from ~~₦~~2.62 million in 2019 to ~~₦~~4.03 million in 2020.

We advise that all available revenue generating sources should be harnessed and adequate internal control system should be put in place to address possible leakages especially regarding internally generated revenue.

## 1.2.0 EXPENDITURE

### 1.2.1 Recurrent expenditure

The total recurrent expenditure of the Council was ~~₦~~1.56 billion in the year under review as against ~~₦~~877.38 million 2019.

Personnel cost was ~~₦~~1.26 billion representing 80 % of the total recurrent expenditure in the year under review.

### 1.2.2 Capital expenditure

The capital expenditure in the year was ~~₦~~ 2 million, details are as highlighted in appendix 1. Capital expenditure was very low considering the capital expenditure budget of ~~₦~~ 664.86 million. Most of the revenue of the local Council was spent on recurrent expenditure.

Management is advised to ensure balancing expenditure between recurrent and capital expenditure.

## 2.0 INTERNAL CONTROL WEAKNESSES AND OTHER OBSERVATION

### 2.1.1 AUDIT COMMENTS

#### BANK TRANSACTIONS

##### a) E-PAYMENTS

We observed that most of the e-payment transactions payment vouchers make reference to bank statements as the only supporting documents without the necessary mandates duly signed by the authorized signatories of the Council.

##### b) FIDELITY BANK LOAN/OVERDRAFT

We observed monthly Loan/Overdraft transactions recorded in the cash book of the Council without the necessary details of the Loan/overdraft facilities, such as the interest and principal repayments and the total facility utilized by the Council in the year. This resulted to the net Loan/overdraft related expenditure of ₦ 378.79 million as shown below:

	₦
Loan/overdraft received	990,944,481.64
Loan/overdraft paid	<u>1,369,736,513.60</u>
	<u>378,792,031.96</u>

##### c) BANK RECONCILIATION STATEMENTS.

Monthly bank reconciliation statements were not prepared in the year under review. We observed that there are difference between the cash book balance and the bank statement which should be reconciled. The practice of not doing monthly reconciliation may lead to possible loss of funds.

### 2.1.2 RECOMMENDATION

Management is advised to ensure monthly reconciliation of all bank accounts maintained by the Council.

### 2.2.0 DEPOSITS

#### 2.2.1 AUDIT COMMENTS

The Council has a deposit liability of ₦ 21.14 million in the year under review, consisting of contract deductions and salary deductions accumulating over the years.

We advise that the deductions should be remitted to the relevant authorities.

### 2.3.0 FIXED ASSETS REGISTER

#### 2.3.1 AUDIT COMMENTS

We observed that the Council does not maintain a Fixed Asset Register in line with the requirements of the IPSAS accrual basis of accounting being adopted. It becomes necessary to have records of all fixed assets/capital expenditure of the Local Government.

#### 2.3.2 IMPLICATIONS

Verification of assets acquired by the council becomes very difficult and possible loss of assets is inevitable since there is no Register.

#### 2.3.3 RECOMMENDATIONS

Management should ensure having in place the Fixed Assets Register.

## 2.4.0 TRAINING OF ACCOUNTING STAFF

### 2.4.1 AUDIT COMMENTS

We observed that the council accounting staff needs special training to meet up with the current challenges in the maintenance of books of accounts especially on IPSAS chart of account and the new form of reporting in the public sector.

### 2.4.2 IMPLICATION

This will ensure effective and efficient management of accounting system and procedure in the Local Government Council. It will also enhance effective management decision making.

### 2.4.3 RECOMMENDATION

We advise that the Local government council should organize continuous training program for its staff.

*Appendix1*

JAMA'ARE LOCAL GOVERNMENT COUNCIL

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

SCHEDULE OF CAPITAL EXPENDITURE

S/N	DETAILS	AMOUNT (₦)
1.	Rehabilitation of road	2,000,000
		<u>2,000,000</u>

## KATAGUM LOCAL GOVERNMENT COUNCIL

The Auditor General,  
Office of the Auditor General for Local Government,  
Bauchi State.

Dear Sir,

### MANAGEMENT REPORT ON THE AUDITED FINANCIAL STATEMENTS OF KATAGUM LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2020.

We are pleased to inform you that we have completed the audit of Katagum Local Government Council for the year ended 31<sup>st</sup> December, 2020.

Our audit was conducted in accordance with the guidelines established by the International Auditing Standard and Generally Accepted Accounting Practice.

During the course of our audit, we came across certain matters which we consider necessary to bring to your attention.

This comprises weaknesses in the Internal Control System and other general observations in the system as a whole.

It is important to mention that the weaknesses reported in this report may not necessarily be exhaustive but those that came to our notice during the course of the normal audit.

We take this opportunity to express our profound gratitude to the Chairman, the Management and the entire staff of Katagum Local Government Council for their co- operation during the year of our audit exercise.

Yours faithfully,

For: ABDULKADEER MAHMOUD & CO.

(Chartered Accountants)

## MANAGEMENT REPORT

The Management report which summarizes financial analysis and internal control assessment as well as other observation is herewith presented into two broad parts;

- Financial Analysis
- Internal control weaknesses and other observations.

### 5.0 FINANCIAL ANALYSIS

#### 1.1 OPERATING RESULTS

The operating highlights of the Local Government Council for the year in comparison with 2020 are as shown below:

	2020	2019
	<del>₦</del>	<del>₦</del>
Internally Generated Revenue	17,971,498	6,483,750
Other Receipts	809,797,116	-
Statutory Allocation	<u>2,290,727,228</u>	<u>2,210,369,076</u>
Total Recurrent Revenue	3,118,495,842	2,216,852,826
Personnel cost	2,526,706,537	1,594,336,995
Overheads	<u>523,643,336</u>	<u>574,692,070</u>
Total Recurrent Expenditure	<u>3,050,349,873</u>	<u>2,169,029,065</u>
Surplus/(Deficit)	68,145,969	47,823,761

##### 1.1.1 REVENUE PROFILE

###### I. Statutory allocation

The Council recorded an increase in statutory allocation received from ~~₦~~2.21 billion 2019 to ~~₦~~2.29 billion in 2020, resulting to an increase of ~~₦~~80.35 million or 3.6%. The statutory allocations received in the year represent 65% of the budgeted statutory allocations of ~~₦~~3.51 billion



Statutory allocations accounted for more than 73% of the total revenue of the Local Government Council in the year under review.

J. Internally generated revenue

The internally generated revenue of the Council increased from ₦6.48 million in 2019 to ₦17.97 million in 2020.

We advise that all available revenue generating sources should be harnessed and adequate internal control system should be put in place to address possible leakages especially regarding internally generated revenue.

1.2.0 EXPENDITURE

1.2.1 Recurrent expenditure

The total recurrent expenditure of the Council was ₦3.05 billion in the year under review as against ₦2.16 billion 2019.

Personnel cost was ₦2.52 billion representing 82.8% of the total recurrent expenditure in the year under review.

1.2.2 Capital expenditure

The capital expenditure in the year was ₦ 67.97 million, details are as highlighted in appendix 1. Capital expenditure was very low considering the capital expenditure budget of ₦ 610.82 million. Most of the revenue of the local Council was spent on recurrent expenditure.

Management is advised to ensure balancing expenditure between recurrent and capital expenditure.

2.0 INTERNAL CONTROL WEAKNESSES AND OTHER OBSERVATION

2.1.1 BANK TRANSACTIONS

d) E-PAYMENTS

We observed that most of the e-payment transactions payment vouchers make reference to bank statements as the only supporting documents without the necessary mandates duly signed by the authorized signatories of the Council.

e) FIDELITY BANK LOAN/OVERDRAFT

We observed monthly Loan/Overdraft transactions recorded in the cash book of the Council without the necessary details of the Loan/overdraft facilities, such as the interest and principal repayments and the total facility utilized by the Council in the year. This resulted to the net Loan/overdraft related expenditure of ₦ 821.37 million as shown below:

N

Loan/overdraft received 1,281,653,095.37

Loan/overdraft paid 2,103,028,414.75

821,375,319.38

f) BANK RECONCILIATION STATEMENTS

Monthly bank reconciliation statements were not prepared in the year under review. We observed that there are differences between the balances of the cash book and the bank statements.

The practice of not preparing the monthly reconciliation statements may lead to possible loss of funds

2.1.2 RECOMMENDATIONS

The Council should ensure that monthly reconciliation statements are prepared to reconcile the cash book and the bank statement.

2.2.0 FIXED ASSETS REGISTER

2.2.1 AUDIT COMMENTS

We observed that the Council does not maintain a Fixed Asset Register in line with the requirements of the IPSAS accrual basis of accounting being adopted. It becomes necessary to have records of all fixed assets/capital expenditure of the Local Government.

2.2.2 IMPLICATIONS

Verification of assets acquired by the council becomes very difficult and possible loss of assets is inevitable since there is no Register.

2.2.3 RECOMMENDATIONS

Maintenance of a fixed assets register which will serve as a back-up to the computerized ledger and periodic inventory of the Council Assets and control is very important.

### 2.3.0 TRAINING OF ACCOUNTING STAFF

#### 2.3.1 AUDIT COMMENTS

We observed that the council accounting staff needs special training to meet up with the current challenges in the maintenance of books of accounts especially on IPSAS chart of account and the new form of reporting in the public sector.

#### 2.3.2 IMPLICATION

This will ensure effective and efficient management of accounting system and procedure in the Local Government Council. It will also enhance effective management decision making.

#### 2.3.3 RECOMMENDATION

We advise that the Local government council should organize continuous training program for its staff.

*Appendix 1*

KATAGUM LOCAL GOVERNMENT COUNCIL

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

SCHEDULE OF CAPITAL EXPENDITURE

S/N	DETAILS	AMOUNT (N)
1.	Renovation of market stalls	600,500
2.	Renovation of Emirate Council	60,000,000
3.	Flood/Erosion control	2,844,000
4.	Joint project	<u>4,526,700</u>
		<u>67,971,200</u>

**KIRFI LOCAL GOVERNMENT COUNCIL**

The Auditor General for Local Government,  
Office of the Auditor General for Local Governments,  
PMB 0130, Bauchi,  
Bauchi State.

Dear Sir,

**KIRFI LOCAL GOVERNMENT COUNCIL**

**MATTERS ARISING FROM THE AUDIT OF THE COUNCIL'S ACCOUNTS FOR THE  
YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

We are pleased to inform you that we have completed the audit of Kirfi Local Government Council's Accounts for the year ended 31<sup>st</sup> December, 2020.

During the course of the audit, certain matters concerning the Council's Accounting, Internal control procedures and operations came to our notice which we would like to point out to you. These relate principally to areas where we feel that the systems, procedures and operations could be improved upon.

The recommendations we suggest will give rise to one or more of the following advantages:

1. The internal control procedures will be more effective,
2. The Accounting Records will be more reliable,
3. There will be reduced risk of errors or fraud and
4. There will be general improvement in the Operations.

### 1.0 Summary of Operations

Below is the summary of the Council's Operations during the year under review.

	2020	2019
1.1 <u>Revenue</u>	₦	₦
Govt. Share of FAAC	1,833,169,140	856,785,269
Internally Generated Revenue	<u>1,793,759</u>	<u>8,494,300</u>
	<u>1,834,962,899</u>	<u>865,279,569</u>
1.2 <u>Less: Operating Expenses</u>		
Personnel Cost	1,007,709,075	651,659,348
Overhead Cost	<u>827,020,925</u>	<u>79,974,595</u>
	<u>1,834,730,000</u>	<u>843,389,865</u>
<i>Surplus from Operating Activities</i>	<u>232,899</u>	<u>21,889,704</u>

### 1.3 Operational Overview.

Total revenue increased from ₦865,279,569 in 2019 to ₦1,834,962,899 in 2020. The expenditure also increased from

₦843,389,865 in 2019 to ₦1,834,730,000 in 2020. The overall results showed an excess of Income over Expenditure in the two years: N232,899 in 2020 as against N21,889,704 in 2019. The Council was able to operate within the limitations of available resources during the period.

## 2.0 Accounting Books and Records

### 2.1 Payment Vouchers

There was no much improvement in the processing of payment vouchers as some of the payments were characterized with irregularities. All efforts to trace the following vouchers proved abortive:-

<u>No</u>	<u>Date</u>	<u>P.V No</u>	<u>Amount</u> (₦)	<u>Nature of Payments</u>
1	28/7/20	77	1,890,000	Payment of Jaurawa allowances

2	29/7/20	74	1,000,000	Payment of security allowances
3	3/11/20	32	725,000	Payment of monthly allowances

In the absence of these vouchers, we were unable to get necessary details regarding the beneficiaries and whether the payments were made to them or not. The control over the processing of payment is weak. The system is susceptible to abuses if adequate control measures are not introduced by the Council.

We recommend that the controls over the processing of payment vouchers, filing and payment to beneficiaries together with necessary evidential supporting documents should be overhauled.

## 2.2 Advances Ledger

It was observed that Advances Ledger was not maintained during the year. The Ledger is important as a requirement for posting of advances made to members of staff and when such advances are retired. It controls and monitors individual advances and at any point in time, the Council is able to determine the individual members of staff that are having outstanding advances. In ideal situation, such individuals cannot qualify for new advances until the earlier ones are fully retired.

We recommend that an Advances Ledger be introduced and maintained by the Council.

## 2.3 Fixed Assets Register

No Fixed Assets Register was maintained by the Council during the year. The register is designed to record all non-current assets that are owned by the Council showing the following details: date of purchase, the suppliers (if practicable), the description including registration numbers if motor vehicles, the amount, the office of usage, location, rate of depreciation etc. The register enables the Council to secure and safeguards all its non-current assets.

We recommend that this register be introduced and maintained for the general good of the Council.

## 2.4 Deposit ~~N~~37,572,575

It was observed that deposits of ~~N~~37,572,575 brought forward from previous year remained unpaid during the year. Deposits are deductions that are expected to be remitted to the appropriate agencies as soon as they are made. No satisfactory reasons could be given for the failure to remit these deductions before now.



We recommend that deductions should be remitted to the appropriate agencies in compliance with the extant laws regulating such deductions. Failure to do so may attract penalties.

### 3.0 Accounting Orientation/ Refreshers Seminars

It was observed that most of the accounting staff have not received any form of training in recent times to equip them in the performance of their accounting duties. Consequently, their efficiency and effectiveness are greatly hampered due to their limitations.

We recommend that accounting orientation or refreshers seminars be organised for accounting and auditing staff of the Council. This is necessary to sharpen their accounting knowledge, skills and principles to bring about effectiveness and efficiency in the performance of their accounting duties.

### 4.0 Conclusion

We shall be pleased to discuss further with you any matter mentioned in this letter and any action that has been taken or is envisaged.

In the meantime, may we express our appreciation for the cooperation extended to us by members of staff of the Council.

Yours faithfully,

John Ejeheri

For: Lawyer Ejeheri & Co.

## **MISAU LOCAL GOVERNMENT COUNCILS**

**TA** Tijani Abdulkadir & Co

(Chartered Accountants)

2A Stable Plaza Murtala Muhammad Way, Bauchi.

Tel: 08027375720, 08076354545    [e-mail:tijanilkadir2@yahoo.com](mailto:tijanilkadir2@yahoo.com)

The Auditor General,  
Office of the Auditor General for Local Governments,  
Bauchi State.

Dear Sir,

**MANAGEMENT REPORT ON THE AUDITED FINANCIAL STATEMENTS OF MISAU LOCAL  
GOVERNMENT COUNCIL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

We are pleased to inform you that we have completed the audit of the Local Government Council's Financial Statements for the aforementioned period.

Note that our coverage and procedures used during the audit were designed to assist the Local Government Council in strengthening the Internal Control System and may not reveal all weaknesses in the system which a special review might unveil; therefore, all weaknesses are not limited to those highlighted in this report.

Our findings and suggested recommendations are hereunder presented:

Summary of Operations:

The operating highlights of the Local Government Council for the year in comparison with 2020 are as shown below:

Description	2020	2019
	₦	₦
Internally Generated Rev	11,738,541	2,899,429
Statutory Allocations	2,127,929,437	1,655,540,949
Other Receipts	448,067,610	0
Total Recurrent Revenue	<u>2,587,735,588</u>	<u>1,658,440,378</u>
Personnel Cost	2,058,703,247	1,180,715,150
Overhead Cost	526,734,957	420,329,023
Total Recurrent Expenditure	<u>2,585,438,204</u>	<u>1,601,044,173</u>
Surplus/(Deficit)	<u>2,297,384</u>	<u>57,396,205</u>

## 1. Revenue Profile

### 1.1 Statutory allocation

The Council recorded a significant increase in statutory allocation received from ₦1.7billion in 2019 to ₦2.1billion in 2020, resulting into an increase of about ₦40 million which was 23% increase.

Statutory allocations accounted for 80% of the total revenue of the Local Government Council in the year under review.

### 1.2 Internally Generated Revenue

The internally generated revenue of the Council increased from ₦2.9 million in 2019 to ₦11.7 million in 2020.

## Recommendation

The Chairman and the entire management of the Local Government should ensure that numerous potential revenue sources available to the Council are harnessed forthwith and to equally ensure adequate internal control system are in place to address possible leakages especially regarding the internally generated revenue.

### 2.1 Recurrent expenditure

The total recurrent expenditure of the Council was ~~₦2.6~~ billion in the year under review as against ~~₦1.6~~ billion in 2019.

Personnel cost was ~~₦2.1~~ billion representing 80% of the total recurrent expenditure of ~~₦2.6~~ billion in the year under review.

### 2.2 Capital expenditure

The capital related expenditure in the year was ~~₦2.2~~million, this was very low compared to the total revenue within the year under review. Invariably, most of the revenue of the local Council was spent on recurrent expenditure.

## Recommendation

Management is advised to ensure balancing expenditure between recurrent and capital expenditure.

#### 14. Bank Reconciliation Statements.

Despite the preparation of the monthly reconciliation, we observed that reconciling items were not promptly addressed by making the necessary postings in the cash book.

##### Recommendations

The Council should ensure that all reconciling items are promptly addressed and the necessary postings done. The remittance in transit should be resolved within 14 days with the respective bank.

#### 4. Payment Vouchers

Payment vouchers for the year under review were not completely available for audit check, thereby making it difficult to confirm if the necessary supporting documents to all the expenditures are available.

##### Recommendations

We advise that the council management should ensure that:

- ☐ Payment vouchers are raised for all transactions and that the necessary supporting documents are attached to the respective payment vouchers.
- ☐ Payment vouchers should be securely and serially filed monthly for future reference.

#### 15. Advances and Deposits

We noticed unretired Advances and Deposits of ₦2,712,000 and ₦11,533,254.73 respectively for the Local Government as at 31<sup>st</sup> December 2020, the amounts that cannot be well substantiated during our enquiry on the matters with the custodian

of the LG's Financial records. This could lead to doubt on the credibility of the financial records.

### Recommendations

The Local Govt Chairman should give directive to necessary stakeholders on the prompt retirement of working advances and for the value of deposits to be properly reconciled.

#### 16. Non -Implementation of IPSAS Accrual in keeping and presentation of Financial Records

Contrary to the pronouncement of FAAC Technical Sub-Committee of 13<sup>th</sup> June 2011 on the nationwide adoption and implementation of IPSAS Accrual on all Government Financial reporting, the Local Govt Council was yet to adopt the IPSAS Accrual Accounting Basis.

The onus of IPSAS Accrual is to guarantee effective stewardship on public fund and it is in accordance with best acceptable International Standards.

### Recommendation

The Auditor General for Local Government should liaise with the Permanent Secretary Ministry for Local Government and Chieftaincy Affairs towards ensuring continuous sensitization and trainings on how to fully adopt and implement the IPSAS Accrual Accounting Basis for the state to be continuously relevant in the committee of states.

## 17. No Asset Register

Asset Register was not maintained by the Local Govt, a register that contains details information about the Council's Non-Current Asset (Fixed Asset). It is a memorandum book to record the particulars of Fixed Assets such as:

- Original cost
- Date of acquisition
- Dates and cost of subsequent addition or improvement
- Basis upon which depreciation is charged and amount provided each year
- Net book value of the Assets
- Name of manufacturers/suppliers and
- Location of the Assets

### Recommendations

The Auditor General for Local Govts should encourage the Local Government's Management to keep register of all assets of the council and to keep/maintain necessary books of Account without further procrastination.

## 5. Investments

₦11,055,677.51

The value of investment on the record of Misau Local G. included investment in some moribund companies that cast doubt on their existence. Kindly See the Schedule below:

Schedule of Investment	Amount ₦
1. Arewa Ceramics Ltd	500,000.00
2. Urban Development Bank	500,000.00
3. Yankari Savings & Loan	1,343,990.61
4. Ashaka Cement	99,375.00
5. Jaiz International Bank	4,402,400.00
6. Access Bank	1,068,571.00
7. Style Nigeria Company	795,302.90
8. Bauchi Printing and Publishing Comp	200,000.00
9. Zaranda Hotel Bauchi	62,000.00
10. Kaduna Textiles	245,000.00
11. Daar Communication Plc	400,000.00

12. Misau Basic Tenarry	560,000.00
13. Yankari Spring Water	141,617.00
14. BIC, Bauchi	93,250.00
15. Manto Processing Company Ltd	57,609.00
16. Galambi Ranching Co Ltd	79,500.00
17. UBA	231,750.00
18. First Bank Plc	164,062.00
19. Union Bank	100,000.00
20. Zenith Bank	<u>11,250.00</u>
Total	<u>11,055,677.51</u>

## Recommendations

The Local Govt Chairman should direct the necessary stakeholders at the Local Govt to confirm/track these investments towards reactivating the treasury/investment management function in order to ensure realization of due return on Investments to the council.

## Conclusion

The required attentions on the aforementioned lapses and implementation of suggested recommendations are necessary for the Local Govt Council's continuous success and they must be put in place as soon as practicable.

If there is any other matter you may wish to know on this report, we shall be too glad to oblige. Meanwhile, we seized this opportunity to express our profound gratitude to the entire management and staff of the Local Govt Council for the support given to us during the Audit exercise.

Thank you.

For: TIJANI ABDULKADIR & CO (Chartered Accountants)



## **NINGI LOCAL GOVERNMENT COUNCIL**

**TA** Tijani Abdulkadir & Co

(Chartered Accountants)

2A Stable Plaza Murtala Muhammad Way, Bauchi.

Tel: 08027375720, 08076354545 [e-mail:tijanilkadir2@yahoo.com](mailto:tijanilkadir2@yahoo.com)

The Auditor General,  
Office of the Auditor General for Local Governments,  
Bauchi State.

Dear Sir,

### **MANAGEMENT REPORT ON THE AUDITED FINANCIAL STATEMENTS OF NINGI LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

We are pleased to inform you that we have completed the audit of the Local Government Council's Financial Statements for the aforementioned period.

Note that our coverage and procedures used during the audit were designed to assist the Local Government Council in strengthening the Internal Control System and may not reveal all weaknesses in the system which a special review might unveil; therefore, all weaknesses are not limited to those highlighted in this report.

Our findings and suggested recommendations are hereunder presented:

#### Summary of Operations:

The operating highlights of the Local Government Council for the year in comparison with 2020 are as shown below:

Description	2020	2019
	₦	₦
Internally Generated Rev	11,152,910	125,558,579
Statutory Allocations	2,863,066,167	1,467,411,208
Other Receipts	113,506,253	0
Total Recurrent Revenue	<u>2,987,725,330</u>	<u>1,592,969,787</u>
Personnel Cost	1,871,459,073	1,180,715,150
Overhead Cost	1,023,521,427	283,073,557
Total Recurrent Expenditure	<u>2,894,980,500</u>	<u>1,555,599,879</u>
Surplus/(Deficit)	<u>92,744,830</u>	<u>37,369,908</u>

### 1. Revenue Profile

#### 1.1 Statutory allocation

The Council recorded a significant increase in statutory allocation received from ₦1.5billion in 2019 to ₦2.9billion in 2020, resulting into an increase of about ₦1.4 billion which was 99% increase.

Statutory allocations accounted for 96% of the total revenue of the Local Government Council in the year under review.

#### 1.2 Internally Generated Revenue

The internally generated revenue of the Council suffered a great decline from ₦125.6 million in 2019 to ₦11.2 million in 2020.

### Recommendation

The Chairman and the entire management of the Local Government should ensure that numerous potential revenue sources available to the Council are harnessed forthwith and to equally ensure adequate internal control system are in place to address possible leakages especially regarding the internally generated revenue.

#### 2.1 Recurrent expenditure

The total recurrent expenditure of the Council was ₦2.9 billion in the year under review as against ₦1.6 billion in 2019.

Personnel cost was ₦1.9 billion representing 65% of the total recurrent expenditure of ₦2.9 billion in the year under review.

#### 2.2 Capital expenditure

The capital related expenditure in the year was ₦106.5million, this was very low compared to the total revenue within the year under review. Invariably, most of the revenue of the local Council was spent on recurrent expenditure.

### Recommendation

Management is advised to ensure balancing expenditure between recurrent and capital expenditure.

#### 18. Bank Reconciliation Statements.

Despite the preparation of the monthly reconciliation, we observed that reconciling items were not promptly addressed by making the necessary postings in the cash book.

##### Recommendations

The Council should ensure that all reconciling items are promptly addressed and the necessary postings done. The remittance in transit should be resolved within 14 days with the respective bank.

#### 4. Payment Vouchers

Payment vouchers for the year under review were not completely available for audit check, thereby making it difficult to confirm if the necessary supporting documents to all the expenditures are available.

##### Recommendations

We advise that the council management should ensure that:

- ☐ Payment vouchers are raised for all transactions and that the necessary supporting documents are attached to the respective payment vouchers.
- ☐ Payment vouchers should be securely and serially filed monthly for future reference.

#### 19. Advances and Deposits

We noticed unretired Advances and Deposits of ₦22,804,693 and ₦20,797,325 respectively for the Local Government as at 31<sup>st</sup> December 2020, the amounts that cannot be well substantiated during our enquiry on the matters with the custodian

of the LG's Financial records. This could lead to doubt on the credibility of the financial records.

### Recommendations

The Local Govt Chairman should give directive to necessary stakeholders on the prompt retirement of working advances and for the value of deposits to be properly reconciled.

### 20. Non-Implementation of IPSAS Accrual in keeping and presentation of Financial Records

Contrary to the pronouncement of FAAC Technical Sub-Committee of 13<sup>th</sup> June 2011 on the nationwide adoption and implementation of IPSAS Accrual on all Government Financial reporting, the Local Govt Council was yet to adopt the IPSAS Accrual Accounting Basis.

The onus of IPSAS Accrual is to guarantee effective stewardship on public fund and it is in accordance with best acceptable International Standards.

### Recommendation

The Auditor General for Local Government should liaise with the Permanent Secretary Ministry for Local Government and Chieftaincy Affairs towards ensuring continuous sensitization and trainings on how to fully adopt and implement the IPSAS Accrual Accounting Basis for the state to be continuously relevant in the committee of states.

### 21. No Asset Register

Asset Register was not maintained by the Local Govt, a register that contains details information about the Council's Non-Current Asset (Fixed Asset). It is a memorandum book to record the particulars of Fixed Assets such as:

- Original cost
- Date of acquisition
- Dates and cost of subsequent addition or improvement
- Basis upon which depreciation is charged and amount provided each year
- Net book value of the Assets
- Name of manufacturers/suppliers and
- Location of the Assets

### Recommendations

The Auditor General for Local Govts should encourage the Local Government's Management to keep register of all assets of the council and to keep/maintain necessary books of Account without further procrastination.

### 5. Investments N45,158,900

The value of investment on the record of NINGI Local G. included investment in some moribund companies that cast doubt on their existence. Kindly See the Schedule below:

#### Schedule of Investment

S/N	Name of Company	Amount ₦
1.	Ashaka Cement Nig Ltd	50,000.00
2.	Inland Bank Nig. Plc	21,860,000.00
3.	Bauchi Publishing and Printing Co. Ltd	200,000.00
4.	Urban Development Bank Plc	500,000.00
5.	Yankari Savings and Loans	1,186,045.00
6.	F. S. B. IntBank Plc	266,736.00
7.	Inter Cellular Nigeria Plc	11,999,996.00
8.	Access Bank Nig Plc	1,885,714.00
9.	Fidelity Bank Plc	163,687.00

10. Jaiz international Plc	6,329,900.00
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11. Niger Delta Power Holding Co. Limited	<u>716,822.00</u>
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Total	<u>45,158,900.00</u>
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### Recommendations

The Local Govt Chairman should direct the necessary stakeholders at the Local Govt to confirm/track these investments towards reactivating the treasury/investment management function in order to ensure realization of due return on Investments to the council.

### Conclusion

The required attentions on the aforementioned lapses and implementation of suggested recommendations are necessary for the Local Govt Council's continuous success and they must be put in place as soon as practicable.

If there is any other matter you may wish to know on this report, we shall be too glad to oblige. Meanwhile, we seized this opportunity to express our profound gratitude to the entire management and staff of the Local Govt Council for the support given to us during the Audit exercise.

Thank you.

For: TIJANI ABDULKADIR & CO (Chartered Accountants)

## **SHIRA LOCAL GOVERNMENT COUNCIL**

The Auditor General,  
Office of the Auditor General for Local Government,  
Bauchi State.

Dear Sir,

### **MANAGEMENT REPORT ON THE AUDITED FINANCIAL STATEMENTS** **OF SHIRA LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED** **31ST DECEMBER, 2020.**

We are pleased to inform you that we have completed the audit of Shira Local Government Council for the year ended 31<sup>st</sup> December, 2020.

Our audit was conducted in accordance with the guidelines established by the International Auditing Standard and Generally Accepted Accounting Practice.

During the course of our audit, we came across certain matters which we consider necessary to bring to your attention.

This comprises weaknesses in the Internal Control System and other general observations in the system as a whole.

It is important to mention that the weaknesses reported in this report may not necessarily be exhaustive but those that came to our notice during the course of the normal audit.



We take this opportunity to express our profound gratitude to the Chairman, the Management and the entire staff of Shira Local Government Council for their co- operation during the year of our audit exercise.

Yours faithfully,

For: ABDULKADEER MAHMOUD & CO.

(Chartered Accountants)

## MANAGEMENT REPORT

The Management report which summarizes financial analysis and internal control assessment as well as other observation is herewith presented into two broad parts;

- Financial Analysis
- Internal control weaknesses and other observations.

### 6.0 FINANCIAL ANALYSIS 1.1 OPERATING RESULTS

The operating highlights of the Local Government Council for the year in comparison with 2020 are as shown below:

	2020	2019
	<del>₦</del>	<del>₦</del>
Internally Generated Revenue	4,860,415	2,846,868
Statutory Allocation	<u>2,040,839,477</u>	<u>1,262,083,682</u>
Total Recurrent Revenue	2,045,699,892	1,264,930,549
Personnel cost	1,585,438,566	902,527,658
Overheads	<u>421,451,104</u>	<u>415,075,337</u>
Total Recurrent Expenditure	<u>2,006,889,670</u>	<u>1,317,602,995</u>
Surplus/(Deficit)	38,810,223	(52,672,446)

### 1.1.0 REVENUE PROFILE

#### 1.1.1 AUDIT COMMENTS

##### K. Statutory allocation

The Council recorded a significant increase in statutory allocation received from ₦1.26 billion in 2019 to ₦2.04 billion in 2020, resulting to an increase of ₦778.7 million or 61%.

Statutory allocations received in the year exceed the budgeted statutory allocations of ₦1.83 billion by 11.7% and account for 99.7% of the total revenue of the Local Government Council in the year under review.

##### L. Internally generated revenue

The internally generated revenue of the Council was ₦4.86 million in 2020 as against ₦2.85 million in 2019.

We advise that all available revenue generating sources should be harnessed and adequate internal control system should be put in place to address possible leakages especially regarding internally generated revenue.

### 1.2.0 EXPENDITURE

#### 1.2.1 Recurrent expenditure

The total recurrent expenditure of the Council was ₦2.00 billion in the year under review as against ₦1.31 billion 2019.

Personnel cost was ₦1.58 billion representing 79 % of the total recurrent expenditure in the year under review.

#### 1.2.2 Capital expenditure

The capital expenditure in the year was ₦ 4.78 million, details are as highlighted in appendix 1. Capital expenditure was very low considering the capital expenditure budget of ₦ 686.67 million. Most of the revenue of the local Council was spent on recurrent expenditure.

Management is advised to ensure balancing expenditure between recurrent and capital expenditure.

## 2.0 INTERNAL CONTROL WEAKNESSES AND OTHER OBSERVATION

### 2.1.0 AUDIT COMMENTS

#### 2.1.1 BANK TRANSACTIONS

##### g) E-PAYMENTS

We observed that most of the e-payment transactions payment vouchers make reference to bank statements as the only supporting documents without the necessary mandates duly signed by the authorized signatories of the Council.

##### h) FIDELITY BANK LOAN/OVERDRAFT

We observed monthly Loan/Overdraft transactions recorded in the cash book of the Council without the necessary details of the Loan/overdraft facilities, such as the interest and principal repayments and the total facility utilized by the Council in the year.

##### i) BANK RECONCILIATION STATEMENTS.

Monthly bank reconciliation statements were not prepared in the year under review. We observed that there are difference between the cash book balance and the bank statement which should be reconciled. The practice of not doing monthly reconciliation may lead to possible loss of funds.

#### 2.1.2 MAINTENANCE OF THE CASH BOOK

We observed that the cash books were not properly maintained. In some months, e-payments transactions were not recorded in the cash book and the monthly totaling of the cash book was not correctly done. The closing cash book balance is not correct.

#### 2.1.2 RECOMMENDATIONS

We advise that the cash book should be updated to record all transactions of the Council and the monthly balancing of the cash book should be correctly done.

### 2.2.0 DEPOSITS

### 2.2.1 AUDIT COMMENTS

The Council has a deposit liability of ₦ 3.24 million in the year under review, consisting of contract deductions and salary deductions accumulating over the years.

We advise that the deductions should be remitted to the relevant authorities.

### 2.3.0 FIXED ASSETS REGISTER

#### 2.3.1 AUDIT COMMENTS

We observed that the Council does not maintain a Fixed Asset Register in line with the requirements of the IPSAS accrual basis of accounting being adopted. It becomes necessary to have records of all fixed assets/capital expenditure of the Local Government.

#### 2.3.2 IMPLICATIONS

Verification of assets acquired by the council becomes very difficult and possible loss of assets is inevitable since there is no Register.

#### 2.3.3 RECOMMENDATIONS

Management should ensure having in place the Fixed Assets Register.

### 2.4.0 TRAINING OF ACCOUNTING STAFF

#### 2.4.1 AUDIT COMMENTS

We observed that the council accounting staff needs special training to meet up with the current challenges in the maintenance of books of accounts especially on IPSAS chart of account and the new form of reporting in the public sector.

#### 2.4.2 IMPLICATION

This will ensure effective and efficient management of accounting system and procedure in the Local Government Council. It will also enhance effective management decision making.

### 2.4.3 RECOMMENDATION

We advise that the Local government council should organize continuous training program for its staff.

*Appendix1*

#### SHIRA LOCAL GOVERNMENT COUNCIL

#### FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

#### SCHEDULE OF CAPITAL EXPENDITURE

S/N	DETAILS	AMOUNT (N)
1.	Rehabilitation of hand pump	76,000
2.	Joint project	<u>4,700,000</u>
		<u>4,776,000</u>

**TAFAWA BALEWA LOCAL GOVERNMENT COUNCIL**

The Auditor General for Local Governments,  
Office of the Auditor General for Local Governments,  
Bauchi,  
Bauchi State.

Dear Sir,

**TAFAWA BALEWA LOCAL GOVERNMENT COUNCIL**

**MATTERS ARISING FROM THE AUDIT OF THE COUNCIL'S ACCOUNTS FOR THE  
YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

We are pleased to inform you that we have completed the audit of Tafawa Balewa Local Government Council's Accounts for the year ended 31<sup>st</sup> December, 2020.

During the course of the audit, certain matters concerning the Council's Accounting, Internal control procedures and operations came to our notice which we would like to point out to you. These relate principally to areas

where we feel that the systems, procedures and operations could be improved upon.

The recommendations we suggest will give rise to one or more of the following advantages:

1. The internal control procedures will be more effective,
2. The Accounting Records will be more reliable,
3. There will be reduced risk of errors or fraud and
4. There will be general improvement in the Operations.

#### 1.0 Summary of Operations

Below is the summary of the Council's Operations during the year under review.

	2020	2019
1.1 <u>Revenue</u>	₦	₦
Govt. Share of FAAC	2,207,679,786	1,704,160,006
Internally Generated Revenue	<u>1,718,900</u>	<u>4,122,608</u>
<i>Total Revenue</i>	<u>2,209,398,686</u>	<u>1,708,282,614</u>
1.2 <u>Less: Operating Expenses</u>		
Personnel Cost	2,104,509,240	1,418,992,969
Overhead Cost	<u>83,341,995</u>	<u>180,690,911</u>



*Surplus for the Year*

2,187,851,235

1,599,683,880

21,547,451

108,598,734

### 1.3 Operational Overview.

Total revenue increased from N1,708,282,614 in 2019 to N2,209,398,686 in 2020. Expenditure also increased from N1,599,683,880 in 2019 to N2,187,851,235 in 2020. The overall results showed an excess of Income over Expenditure in the two years: N21,547,451 in 2020 and N108,598,734 in 2019. The Council was able to operate within the limitations of available resources during the period.

### 2.0 Accounting Books and Records

#### 2.1 Poor processing and Filing of Payment Vouchers

##### a) Missing Payment Vouchers

We were unable to trace some of the payments vouchers as follows:

<u>No</u>	<u>Date</u>	<u>P.V No</u>	<u>Cheque No.</u>	<u>Amount (N)</u>	<u>Nature of Payment</u>	<u>Remarks</u>
1	5/6/20	22	33642413	100,000	PDP monthly allowances	PV could not be traced.
2	5/6/20	23	33642413	50,000	Chairman Aides	PV could not be traced.

##### b) Payments not Acknowledged by Payees

The following payments were not acknowledged by the payees:-

- Payment of 29/7/20 on PV No. 42 for N160,000 for Councilors' monthly allowance (list of beneficiaries not attached and payment not acknowledged).
- Payment of 29/7/20 on PV No. 44 for N35,000 made to sundry persons (list of beneficiaries not attached and payment not acknowledged).

No satisfactory reasons could be adduced for these lapses.

We recommend that Management should review the system and ensure that all lapses are overhauled.

## 2.2 Draft Financial Statements (LT Form 16)

The Council could not present to us its draft financial position as at 31<sup>st</sup> December, 2020.

We recommend that deliberate efforts be made by the Council to comply with the Local Government Financial Regulations Act that emphasizes the need for every Council to prepare and report its financial position as at 31<sup>st</sup> December of every financial year.

## 2.3 Bank Reconciliation Statements

Bank Reconciliation Statements were not prepared by the Council on a monthly basis. In the absence of such reconciliations, errors or fraud arising from banking transactions are not likely to be easily detected.

We recommend that bank reconciliation statements be prepared on a monthly basis so that errors or fraud arising from banking transactions can be easily detected and corrected.

## 2.4 Fixed Assets Register/Office Inventories

It was observed that fixed Assets Register and Office Inventories were not maintained by the Council. These records are designed to ensure

that all non-current assets movable and immovable owned by the Council are secured and properly safeguarded.

We recommend that a fixed assets register and Office Inventories be introduced by the Council.

## 2.5 Deposits N32,855,915

Deposits representing deductions to be remitted to different Agencies stood at N32,855,915 as at year end. These deductions are expected to be remitted to the appropriate Agencies as soon as they are made. No satisfactory reason could be given for the failure to do so.

We recommend that deductions should be remitted to the appropriate Agencies in compliance with the extant laws regulating such deductions. Failure to do this may attract penalties.

## 3.0 Other Matters

### 3.1 Internal Audit Report

All efforts to get the Internal Audit Report for the period from the Internal Auditor proved abortive. We were therefore left with no choice but to conclude that internal audit checks were not carried out on the controls and processes of the Council for the period under review.

We recommend that the Internal Auditor should discharge his responsibility of ensuring effective internal control system in the Council and to produce periodic reports on his operations to Management from time.

### 3.2 Accounting Orientation/ Refreshers Seminars

It was observed that most of the accounting staff have not received any form of training in recent times to equip them in the performance

of their accounting duties. Consequently, their efficiency and effectiveness are greatly hampered due to their limitations.

We recommend that accounting orientation or refreshers seminars be organised for accounting and auditing staff of the Council. This is necessary

to sharpen their accounting knowledge, skills and principles to bring about effectiveness and efficiency in the performance of their accounting duties.

#### 4.0 Conclusion

We shall be pleased to discuss further with you any matter mentioned in this letter and any action that has been taken or is envisaged.

In the meantime, may we express our appreciation for the cooperation extended to us by members of staff of the Council.

Yours faithfully,

John Ejeheri

For: Lawyer Ejeheri & Co.

**TORO LOCAL GOVERNMENT COUNCIL**

The Auditor General for Local Government,  
Office of the Auditor General for Local Governments,  
PMB 0130, Bauchi,  
Bauchi State.

Dear Sir,

**TORO LOCAL GOVERNMENT COUNCIL**

**MATTERS ARISING FROM THE AUDIT OF THE COUNCIL'S ACCOUNTS FOR THE  
YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020**

We are pleased to inform you that we have completed the audit of Toro Local Government Council's Accounts for the year ended 31<sup>st</sup> December, 2020.

During the course of the audit, certain matters concerning the Council's Accounting, Internal control procedures and operations came to our notice which we would like to point out to you. These relate principally to areas where we feel that the systems, procedures and operations could be improved upon.

The recommendations we suggest will give rise to one or more of the following advantages:

1. The internal control procedures will be more effective,

2. The Accounting Records will be more reliable,
3. There will be reduced risk of errors or fraud and
4. There will be general improvement in the Operations.

### 1.0 Summary of Operations

Below is the summary of the Council's Operations during the year under review.

	2020	2019
	₦	₦
1.1 <u>Revenue</u>		
Govt. Share of FAAC	3,065,234,881	1,970,769,513
Internally Generated Revenue	<u>6,206,700</u>	<u>14,382,529</u>
<i>Total Revenue</i>	<u>3,071,441,581</u>	<u>1,985,152,042</u>
1.2 <u>Less: Operating Expenses</u>		
Personnel Cost	2,528,670,115	1,789,840,543
Overhead Cost	<u>477,400,594</u>	<u>178,994,139</u>
	<u>3,006,070,709</u>	<u>1,968,834,682</u>
<i>Surplus for the Year</i>	<u>65,370,870</u>	<u>16,317,360</u>

### 1.3 Operational Overview.

Total revenue increased from 1,985,152,042 in 2019 to N3,071,441,581 in 2020. The expenditure also increased from N1,968,834,682 in 2019 to N3,006,070,709 in 2020. The overall results

showed an excess of income over expenditure in the two years: N65,370,872 in 2020 as against N16,317,360 in 2019. The Council was able to operate within the limitations of available resources during the period.

## 2.0 Accounting Books and Records

### 2.1 Cash Book

It was observed that the Council maintained a single column cash book for all its bank accounts. Under the circumstance, it was difficult to ascertain the different bank accounts balances at the end of each month for the purpose of preparing bank reconciliation statements.

Secondly, the cash book was not closed for the month of September, 2020 in order to extract the closing balance to be carried forward to the following month.

We recommend that the Director of Finance and Accounts should make deliberate efforts to ensure that the controls and supervision of the cash book and other related accounting records are effectively exercised. Different cash book should be maintained for each of the bank accounts operated by the Council.

### 2.2 Bank Reconciliation Statements

The Council did not prepare bank reconciliation statements for any of the months during the period. Errors, excessive bank charges or fraud arising from banking transactions are not likely to be easily detected under the circumstances.

We recommend that bank reconciliation statements be prepared on a monthly basis for each of the bank accounts.

### 2.3 Advances

Staff advances in 2019 amounting to N26,478,229 which have been long outstanding were yet to be retired and brought forward to 2020. It was further observed that during the year, additional advances of N3,900,000 were granted bringing the total of advances to N30,378,229 in 2020. No satisfactory explanation could be given for these abnormalities.

We recommend that deliberate efforts be made to ensure that all outstanding advances are retired as soon as possible. Secondly, in accordance with prudential accounting practice, new advances should not be granted when the earlier ones have not been retired.

#### 2.4 Deposits

The following deposits which have been outstanding and brought forward from previous years were yet to be remitted to the appropriate Agencies.

	N
– BIRS – PAYE	465,944
– BIRS – 5% CPD	1,017,597
– FIRS – WHT	15,375
– FIRS – VAT	<u>7,095,750</u>
<i>Total</i>	<u>8,594,666</u>

We recommend that deductions should be remitted to the appropriate Agencies as soon as they are made in compliance with the extant laws regulating such deductions. Failure to do this may attract penalties.



## 2.5 Draft Financial Statements (LT/Form 16)

Draft financial statements to be produced by every Local Government Council showing the financial position of the Council as at the end of the year could not be made available to us. This financial statement is very important as it enables the Council to determine its effectiveness in operations vis-à-vis the budgetary allocations, monitoring and controls during the year.

We recommend that deliberate efforts be made to comply with the Local Government Financial Regulations so that Draft Financial Statements showing the Council's financial position as at 31<sup>st</sup> December each year are produced.

## 2.6 Fixed Assets Register

No fixed Assets Register was maintained by the Council to record the fixed assets owned by it. It is therefore difficult to ascertain the fixed assets of the Council showing the nature, cost, location etc.

We recommend that this Register be maintained by the Council for effective control over its assets.

## 3.0 Other Matters

### 3.1 Internal Audit Report

All efforts to get the Internal Audit Report for the period from the Internal Auditor proved abortive. We were therefore left with no choice but to conclude that internal audit checks were not carried out on the controls and processes of the Council for the period under review.

### 3.2 Accounting Orientation/ Refreshers Seminars

It was observed that most of the accounting staff have not received any form of training in recent times to equip them in the performance of their accounting duties. Consequently, their efficiency and effectiveness are greatly hampered due to their limitations.

We recommend that accounting orientation or refreshers seminars be organised for accounting and auditing staff of the Council. This is necessary to sharpen their accounting knowledge, skills and principles to bring about effectiveness and efficiency in the performance of their accounting duties.

### 4.0 Conclusion

We shall be pleased to discuss further with you any matter mentioned in this letter and any action that has been taken or is envisaged.

In the meantime, may we express our appreciation for the cooperation extended to us by members of staff of the Council.

Yours faithfully,

John Ejeheri

For: Lawyer Ejeheri & Co.

## **WARJI LOCAL GOVERNMENT COUNCILS**

**TA** Tijani Abdulkadir & Co

(Chartered Accountants)

2A Stable Plaza Murtala Muhammad Way, Bauchi.

Tel: 08027375720, 08076354545 [e-mail:tijanilkadir2@yahoo.com](mailto:tijanilkadir2@yahoo.com)

The Auditor General,  
Office of the Auditor General for Local Governments,  
Bauchi State.

Dear Sir,

### **MANAGEMENT REPORT ON THE AUDITED FINANCIAL STATEMENTS OF WARJI LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020.**

We are pleased to inform you that we have completed the audit of the Local Government Council's Financial Statements for the aforementioned period.

Note that our coverage and procedures used during the audit were designed to assist the Local Government Council in strengthening the Internal Control System

and may not reveal all weaknesses in the system which a special review might unveil; therefore, all weaknesses are not limited to those highlighted in this report.

Our findings and suggested recommendations are hereunder presented:

#### Summary of Operations:

The operating highlights of the Local Government Council for the year in comparison with 2020 are as shown below:

Description	2020	2019
	₦	₦
Internally Generated Rev	1,802,525	694,000
Statutory Allocations	1,615,695,589	905,257,689
Other Receipts	294,828,494	0
Total Recurrent Revenue	<u>1,912,326,608</u>	<u>902,951,689</u>
Personnel Cost	1,423,819,463	735,560,112
Overhead Cost	417,713,823	167,574,853
Total Recurrent Expenditure	<u>1,841,533,286</u>	<u>903,134,965</u>
Surplus/(Deficit)	<u>70,793,321</u>	<u>(183,276)</u>

## 1. Revenue Profile

### 1.1 Statutory allocation

The Council recorded a significant increase in statutory allocation received from ₦0.9billion in 2019 to ₦1.6billion in 2020, resulting into an increase of about ₦700 million which was 79% increase.

Statutory allocations accounted for 84% of the total revenue of the Local Government Council in the year under review.

## 1.2 Internally Generated Revenue

The internally generated revenue of the Council increased from ₦0.7 million in 2019 to ₦1.8 million in 2020.

### Recommendation

The Chairman and the entire management of the Local Government should ensure that numerous potential revenue sources available to the Council are harnessed forthwith and to equally ensure adequate internal control system are in place to address possible leakages especially regarding the internally generated revenue.

## 2.1 Recurrent expenditure

The total recurrent expenditure of the Council was ₦1.8 billion in the year under review as against ₦0.9 billion in 2019.

Personnel cost was ₦1.4 billion representing 77% of the total recurrent expenditure of ₦1.8 billion in the year under review.

## 2.2 Capital expenditure

The capital related expenditure in the year was ₦68.9million, this was low compared to the total revenue within the year under review. Invariably, most of the revenue of the local Council was spent on recurrent expenditure.

### Recommendation

Management is advised to ensure balancing expenditure between recurrent and capital expenditure.

## 22. Bank Reconciliation Statements.

Despite the preparation of the monthly reconciliation, we observed that reconciling items were not promptly addressed by making the necessary postings in the cash book.

### Recommendations

The Council should ensure that all reconciling items are promptly addressed and the necessary postings done. The remittance in transit should be resolved within 14 days with the respective bank.

## 4. Payment Vouchers

Payment vouchers for the year under review were not completely available for audit check, thereby making it difficult to confirm if the necessary supporting documents to all the expenditures are available.

### Recommendations

We advise that the council management should ensure that:

- ☐ Payment vouchers are raised for all transactions and that the necessary supporting documents are attached to the respective payment vouchers.
- ☐ Payment vouchers should be securely and serially filed monthly for future reference.

## 23. Advances and Deposits

We noticed unretired Advances and Deposits of ₦3,770,000 and ₦89,929,580 respectively for the Local Government as at 31<sup>st</sup> December 2020, the amounts that cannot be well substantiated during our enquiry on the matters with the custodian

of the LG's Financial records. This could lead to doubt on the credibility of the financial records.

### Recommendations

The Local Govt Chairman should give directive to necessary stakeholders on the prompt retirement of working advances and for the value of deposits to be properly reconciled.

### 24. Non -Implementation of IPSAS Accrual in keeping and presentation of Financial Records

Contrary to the pronouncement of FAAC Technical Sub-Committee of 13<sup>th</sup> June 2011 on the nationwide adoption and implementation of IPSAS Accrual on all Government Financial reporting, the Local Govt Council was yet to adopt the IPSAS Accrual Accounting Basis.

The onus of IPSAS Accrual is to guarantee effective stewardship on public fund and it is in accordance with best acceptable International Standards.

### Recommendation

The Auditor General for Local Government should liaise with the Permanent Secretary Ministry for Local Government and Chieftaincy Affairs towards ensuring continuous sensitization and trainings on how to fully adopt and implement the IPSAS Accrual Accounting Basis for the state to be continuously relevant in the committee of states.

## 25. No Asset Register

Asset Register was not maintained by the Local Govt, a register that contains details information about the Council's Non-Current Asset (Fixed Asset). It is a memorandum book to record the particulars of Fixed Assets such as:

- Original cost
- Date of acquisition
- Dates and cost of subsequent addition or improvement
- Basis upon which depreciation is charged and amount provided each year
- Net book value of the Assets
- Name of manufacturers/suppliers and
- Location of the Assets

### Recommendations

The Auditor General for Local Govts should encourage the Local Government's Management to keep register of all assets of the council and to keep/maintain necessary books of Account without further procrastination.

## 5. Investments

₦ 13,517,885

We noticed that the value of investment on the record of WARJI Local Government included investment in the defunct Savannah Bank, and that of First Inland Bank.

Kindly See the Schedule below: Schedule of Investment

Name of Company	₦
Savannah Bank	500,000.00
Yankari Savings and Loans	1,269,741.00
Jaiz Plc	4,304,528.00
Fin Bank (former Inland Bank Plc)	3,308,759.00
Access Bank Nig Plc	3,480,800.00
Zenith Bank Plc	<u>654,058.00</u>



TOTAL

13,517,886.00

### Recommendations

The Local Govt Chairman should direct the necessary stakeholders at the Local Govt to confirm/track these investments towards reactivating the treasury/investment management function in order to ensure realization of due return on Investments to the council.

### Conclusion

The required attentions on the aforementioned lapses and implementation of suggested recommendations are necessary for the Local Govt Council's continuous success and they must be put in place as soon as practicable.

If there is any other matter you may wish to know on this report, we shall be too glad to oblige. Meanwhile, we seized this opportunity to express our profound gratitude to the entire management and staff of the Local Govt Council for the support given to us during the Audit exercise.

Thank you.

For: TIJANI ABDULKADIR & CO (Chartered Accountants)

## **ZAKI LOCAL GOVERNMENT COUNCIL**

The Auditor General,  
Office of the Auditor General for Local Government,  
Bauchi State.

Dear Sir,

**MANAGEMENT REPORT ON THE AUDITED FINANCIAL STATEMENTS**  
**OF ZAKI LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED**  
**31ST DECEMBER, 2020.**

We are pleased to inform you that we have completed the audit of Zaki Local Government Council for the year ended 31<sup>st</sup> December, 2020.

Our audit was conducted in accordance with the guidelines established by the International Auditing Standard and Generally Accepted Accounting Practice.

During the course of our audit, we came across certain matters which we consider necessary to bring to your attention.

This comprises weaknesses in the Internal Control System and other general observations in the system as a whole.

It is important to mention that the weaknesses reported in this report may not necessarily be exhaustive but those that came to our notice during the course of the normal audit.

We take this opportunity to express our profound gratitude to the Chairman, the Management and the entire staff of Zaki Local Government Council for their co- operation during the year of our audit exercise.

Yours faithfully,

For: ABDULKADEER MAHMOUD & CO.

(Chartered Accountants)

## MANAGEMENT REPORT

The Management report which summarizes financial analysis and internal control assessment as well as other observation is herewith presented into two broad parts;

- Financial Analysis
- Internal control weaknesses and other observations.

### 7.0 FINANCIAL ANALYSIS

#### 1.1 OPERATING RESULTS

The operating highlights of the Local Government Council for the year in comparison with 2020 are as shown below:

	2020	2019
	<del>₦</del>	<del>₦</del>
Internally Generated Revenue	4,767,394	5,409,126
Other Receipts	371,406,743	-
Statutory Allocation	<u>1,875,669,689</u>	<u>1,487,351,337</u>
Total Recurrent Revenue	2,251,844,127	1,492,760,462
Personnel cost	1,912,957,344	994,919,155
Overheads	<u>301,313,767</u>	<u>377,480,905</u>
Total Recurrent Expenditure	<u>2,214,271,111</u>	<u>1,372,400,060</u>
Surplus/(Deficit)	37,573,016	120,360,402

### 1.1.0 REVENUE PROFILE

#### 1.1.1 AUDIT COMMENTS

##### **M. Statutory allocation**

The Council recorded a significant increase in statutory allocation received from ₦1.49 billion in 2019 to ₦1.87 billion in 2020, resulting to an increase of ₦388.3 million or 26%.

Statutory allocations received in the year represents 106.6% of the budgeted statutory allocations of ₦1.768 billion and account for 83.3% of the total revenue of the Local Government Council in the year under review.

##### **N. Internally generated revenue**

The internally generated revenue of the Council decreased from ₦5.41 million in 2019 to ₦4.77 million in 2020.

We advise that all available revenue generating sources should be harnessed and adequate internal control system should be put in place to address possible leakages especially regarding internally generated revenue.

### 1.2.0 EXPENDITURE

#### 1.2.1 Recurrent expenditure

The total recurrent expenditure of the Council was ₦2.21 billion in the year under review as against ₦1.37 billion 2019.

Personnel cost was ₦1.91 billion representing 86.36 % of the total recurrent expenditure in the year under review.

#### 1.2.2 Capital expenditure

The capital related expenditure in the year was ₦ 42.54 million, details are as highlighted in appendix 1. Capital expenditure was very low considering the capital expenditure budget of ₦ 261.19 million. Most of the revenue of the local Council was spent on recurrent expenditure.

Management is advised to ensure balancing expenditure between recurrent and capital expenditure.

## 2.0 INTERNAL CONTROL WEAKNESSES AND OTHER OBSERVATION

### 2.1.1 AUDIT COMMENTS

#### BANK TRANSACTIONS

##### j) E-PAYMENTS

We observed that most of the e-payment transactions payment vouchers make reference to bank statements as the only supporting documents without the necessary mandates duly signed by the authorized signatories of the Council.

##### k) FIDELITY BANK LOAN/OVERDRAFT

We observed monthly Loan/Overdraft transactions recorded in the cash book of the Council without the necessary details of the Loan/overdraft facilities, such as the interest and principal repayments and the total facility utilized by the Council in the year.

##### l) BANK RECONCILIATION STATEMENTS.

Monthly bank reconciliation statements were not prepared in the year under review. We observed that there are difference between the cash book balance and the bank statement which should be reconciled. The practice of not doing monthly reconciliation may lead to possible loss of funds

### 2.1.2 RECOMMENDATION

Management is advised to ensure monthly reconciliation of all bank accounts maintained by the Council.

### 2.2.0 DEPOSITS

#### 2.2.1 AUDIT COMMENTS

The Council has a deposit liability of ₦ 2.43 million in the year under review, consisting of contract deductions and salary deductions accumulating over the years.

We advise that the deductions should be remitted to the relevant authorities.

### 2.3.0 FIXED ASSETS REGISTER

#### 2.3.1 AUDIT COMMENTS

We observed that the Council does not maintain a Fixed Asset Register in line with the requirements of the IPSAS accrual basis of accounting being adopted. It becomes necessary to have records of all fixed assets/capital expenditure of the Local Government.

#### 2.3.2 IMPLICATIONS

Verification of assets acquired by the council becomes very difficult and possible loss of assets is inevitable since there is no Register.

#### 2.3.3 RECOMMENDATIONS

Management should ensure having in place the Fixed Assets Register.

#### 2.4.0 TRAINING OF ACCOUNTING STAFF

##### 2.4.1 AUDIT COMMENTS

We observed that the council accounting staff needs special training to meet up with the current challenges in the maintenance of books of accounts especially on IPSAS chart of account and the new form of reporting in the public sector.

##### 2.4.2 IMPLICATION

This will ensure effective and efficient management of accounting system and procedure in the Local Government Council. It will also enhance effective management decision making.

##### 2.4.3 RECOMMENDATION

We advise that the Local government council should organize continuous training program for its staff.

*Appendix1*

ZAKI LOCAL GOVERNMENT COUNCIL

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

SCHEDULE OF CAPITAL EXPENDITURE

S/N	DETAILS	AMOUNT (₦)
1.	Renovation of building	25,000,000
2.	Renovation of Dispensary	1,250,000
3.	Construction/provision of electricity	2,796,300
4.	Construction of Water facilities	3,749,999
5.	Joint project	<u>9,744,200</u>
		<u>42,540,999</u>



ALG/FIN/S/7/VOL.1



27<sup>th</sup> September, 2021

The Secretary to the State Government,  
Bauchi State,

**SUBMISSION OF AUDITOR GENERAL CONSOLIDATED ANNUAL REPORT OF THE  
BAUCHI STATE  
LOCAL GOVERNMENT COUNCILS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020:**

I am directed to forward herewith, copies of the Auditor General Annual report for the year ended 31<sup>st</sup> December, 2020 for your action.

2. The report contains the outstanding observations raised on Financial Statement of each of the Local Government Councils.
3. Submitted for further necessary action, please.

NAFIU MOHAMMED AZARE  
FOR: AUDITOR GENERAL FOR LOCAL GOVERNMENTS  
BAUCHI STATE

ALG/FIN/S/7/VOL.1

27<sup>th</sup> September, 2021

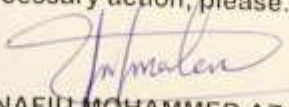
The Clerk to the House,  
Bauchi State of Assembly,  
Bauchi.

OFFICE OF THE CLERK  
BAUCHI STATE HOUSE OF  
ASSEMBLY  
RECEIVED  
SIGN: *HL*  
DATE: 29/9/2021

**SUBMISSION OF AUDITOR GENERAL CONSOLIDATED ANNUAL REPORT OF THE  
BAUCHI STATE  
LOCAL GOVERNMENT COUNCILS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2020:**

I am directed to forward herewith, copies of the Auditor General Annual report for the year ended 31<sup>st</sup> December, 2020 for your action.

2. The report contains the outstanding observations raised on Financial Statement of each of the Local Government Councils.
3. Submitted for further necessary action, please.

  
NAFIU MOHAMMED AZARE  
FOR: AUDITOR GENERAL FOR LOCAL GOVERNMENTS  
BAUCHI STATE