

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams:

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Our Ref: AGLG/S/1/VOL.III/737

Your Ref:

(All communications to be addressed to the Auditor-General for Local Governments)



OFFICE OF THE AUDITOR-GENERAL
FOR LOCAL GOVERNMENTS
NO. 8 OKPON STREET
P.M.B 1025
UYO
AKWA IBOM STATE

Date: 24th September, 2020

His Excellency
The Governor of Akwa Ibom State
Governor's Office
Uyo



SUBMISSION OF AUDITOR'S-GENERAL REPORT ON THE ACCOUNTS OF THE THIRTY-ONE LOCAL GOVERNMENT COUNCILS FOR 2018 FINANCIAL YEAR

I wish to respectfully submit herewith five (5) copies of the Auditor's-General for Local Governments Report on the accounts of the thirty-one Local Governments for the year ended 31st December, 2018 for His Excellency's perusal.

I thank His Excellency for his support which has brought us this far.


Francis Udofa Okon
Auditor-General for Local Governments

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams:

Telephone:

Our Ref: AGLG/S/204/VOL.I/302

Your Ref:

(All communications to be addressed to the Auditor-General for Local Governments)



OFFICE OF THE AUDITOR-GENERAL
FOR LOCAL GOVERNMENTS
NO. 8 OKPON STREET
P.M.B 1025
UYO
AKWA IBOM STATE

Date: 24th September, 2020

The Clerk
Akwa Ibom State House of Assembly
Udo Udoma Avenue
Uyo

SUBMISSION OF AUDITOR'S-GENERAL FOR LOCAL GOVERNMENTS REPORT ON THE ACCOUNTS OF THE THIRTY-ONE LOCAL GOVERNMENT COUNCILS FOR 2018 FINANCIAL YEAR

In compliance with Section 9, Subsection 3 of the Audit Law, CAP 17, Laws of Akwa Ibom State of Nigeria, 2000, I submit herewith twenty-six (26) copies of the Report of the Auditor-General for Local Governments on the accounts of the thirty-one Local Government Councils for the year ended 31st December, 2018 for consideration by the House.

Thank you.


Francis Udofa Okon
Auditor-General for Local Governments

26 Copies



D/clerk

25/09/2020



AKWA IBOM STATE OF NIGERIA

**REPORT OF THE AUDITOR –GENERAL
FOR LOCAL GOVERNMENTS**

ON THE

**ACCOUNTS OF THE THIRTY – ONE LOCAL
GOVERNMENTS OF AKWA IBOM STATE
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

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INTRODUCTION

The accounts of the thirty-one (31) Local Governments of Akwa Ibom State for the year ended 31st December, 2018 have been audited under my direction in accordance with Section 9 (3) of the Audit Law, CAP 17, the Laws of Akwa Ibom State of Nigeria, 2000, Vol.1 as amended.

2. The audit involved examination of the books, records, procedures and the systems of the Councils and audit of the Financial Statements prepared by the Directors of Finance of the respective Local Government Councils.

My comments on the audit are here presented.

3. SUBMISSION OF ACCOUNTS

Section 9 Sub-section 1 of Akwa Ibom State Audit Law 2000 requires Local Governments to submit their accounts for audit three months following the end of the financial year.

However, none of the Local Governments in the state met this deadline for the submission of 2018 accounts. The actual submissions were done between March, 2019 and June, 2020. It is worthy of note that this is the first time all Local Governments in the state submitted accounts for any given financial year, even though most of the accounts were poorly prepared.

All Local Government Councils have been advised to comply with the legal requirement on submission of accounts.

4. BOOK-KEEPING

The standard of book-keeping across the thirty-one (31) Local Government Councils was generally not perfect. There were lapses:

Abstracts and ledgers were not posted up-to-date as expected. There were omissions and misposting.

Preparation of up-to-date bank reconciliation statements was neglected.

Failure to properly handover books and records of account upon the retirement or transfer of scheduled officers was rampant.

The lapses did not however, invalidate the 'true and fair view' of the Financial Statements as they were duly addressed during the audit.

Recommendations

1. Training and re-training of Accounts Personnel in the Unified Local Government Service.
2. Automation of the accounting system of Local Governments.
3. Enforcement of extant rules on handing/taking over on the exit of officers.
4. Directors of Finance to step up supervision of their Departments.

5. INTERNAL CONTROL SYSTEM

Instances of non-adherence to internal control procedures stipulated by the Model Financial Memoranda (FM), circulars and other rules were observed across the board. The Internal checks and balances mechanism was not effective to enforce compliance.

Appropriate actions were taken to rectify the observed infractions.

RECOMMENDATIONS

However to ensure effectiveness of the system at all times, the following recommendations are made:

- (i) Directors of Finance and other Heads of Department are enjoined to always abide by the provisions of the Model Financial Memoranda and other regulations to enthrone transparency and accountability in the Local Government System.
- (ii) Internal Auditors of Local Government Councils should be trained on Internal Audit Functions and Modalities.

6. TRAINING ON INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARDS (IPSAS)

The Finance and Accounts Staff of Local Government Councils in Akwa Ibom State should be continually trained on the practical application of IPSAS reporting framework to ensure effectiveness and efficiency in its implementation.

7. APPROPRIATIONS:

The Local Government Councils in Akwa Ibom State budgeted a total sum of ₦72,716,153,463.12 (Seventy-Two Billion, Seven Hundred and Sixteen Million,

One Hundred and Fifty Three Thousand, Four Hundred and Sixty Three Naira, Twelve kobo) for their services in 2018 financial year as follows:

			₦
(i)	Consolidated Revenue Fund Charges	- -	29,116,850,000.00
(i)	Personnel Cost	- - - -	10,700,127,050.12
(iii)	Overhead Cost	- - - -	6,564,070,000.00
(iv)	Capital Expenditure	- - - -	<u>26,335,106,413.00</u>
Total			<u>72,716,153,463.12</u>

8. PROPOSED SOURCES OF FUNDING THE 2018 BUDGET

The Thirty One (31) Local Government Councils proposed the following sources for funding the 2018 budget:

		₦
(1)	Internally Generated Revenue	2,062,099,650.00
(2)	Statutory Allocation	<u>65,505,000,000.00</u>
		<u>67,567,099,650.00</u>

HIGHLIGHTS OF FINANCIAL PERFORMANCE

9. REVENUE:

The Councils' total budgeted revenue for year 2018 was ₦67,567,099,650.00 whereas ₦16,949,933,175.41 or 25% was actually collected.

The breakdown is as follows-

REVENUE ITEM	BUDGET 2018 ₦	ACTUAL 2018 ₦	% Performance
Internal Generated Revenue (IGR):-			
Taxes	182,406,000.00	25,191,200.00	13.8
Rate	366,541,500.00	136,164,000.00	37.1
Local License, Fees and Fines	504,023,317.00	61,405,473.00	12
Earnings from Commercial Undertaking	309,860,167.00	111,999,766.00	36
Rent on Local Govt Property	117,861,500.00	10,918,100.00	9.3
Interest and Dividend	12,158,000.00	50,000.00	0.4
Grants	307,200,000.00	220,000.00	0.1
Miscellaneous	262,049,166.00	108,140,792.81	41.3
Total IGR	2,062,099,650.00	454,817,331.81	22
Statutory Allocation	<u>65,505,000,000.00</u>	<u>16,495,115,843.60</u>	<u>25.2</u>
Grand Total	67,567,099,650.00	16,949,933,175.41	25

The Councils' Internally Generated Revenue (IGR) performance at 22% of Budget for the year 2018 was very poor and portrays over reliance on the statutory allocation from the Federation Account. The Councils should ensure that all revenue resources are properly harnessed. The actual Statutory Allocations of ₦16,495,115,843.60 was the net amount distributed to the Local Government Councils after approved deductions by the State Local Government Joint Account Allocation Committee. The actual receipt was 25.2% of the budgeted sum of ₦67,567,099,650.00. Details are shown in Notes 1 and 2.

10. EXPENDITURE:

The total actual expenditure of the Councils was ₦17,388,005,370.74 or 24% of the budget of ₦72,716,153,463.12

The breakdown is as follows:

S/N	DESCRIPTION	BUDGET 2018 A ₦	ACTUAL 2018 B ₦	VARIANCE 2018 A-B ₦	% Perfor mance
1	Consolidated Revenue Fund Charges	29,116,850,000.00	1,866,680,383.05	27,250,169,616.95	6.4
2.	Personnel Cost	10,700,127,050.12	10,339,309,367.67	360,817,682.45	96.6
3.	Overhead Cost	6,564,070,000.00	3,564,966,702.68	2,999,103,297.32	54.3
4.	Capital Expenditure	26,335,106,413.00	1,617,048,917.34	24,718,057,495.66	6.1
	Total	72,716,153,463.12	17,388,005,370.74	55,328,148,092.38	23.9

On the whole, expenditures on all the subheads were within budget. However, eleven Local Government Councils overshot their personnel budgets during the year under review.

Capital expenditure was low at 6.1% of budget and 9.3% of total expenditure.

Generally, Expenditure across the Local Government Councils in 2018 was distorted because of non-retirement of current year and retirement of the previous years' advances in the current year. Councils should enforce prompt retirement of advances to ensure that expenditures are reported in the appropriate periods. Details of expenditures are shown in Notes 3, 4, 5 and 6.

HIGHLIGHTS OF FINANCIAL POSITION

11. CASH AND BANK BALANCES:

The total Cash and Bank balances was ~~₦~~611,034,984.54 as at 31st December, 2018 as follows:

	₦
Cash in Hand	133,569,329.07
Cash at Bank	477,465,655.47
Total	<u>611,034,984.54</u>

It was observed that some Council's bank balances were not reconciled as required by FM 19.23. Councils must ensure that bank reconciliation is given due priority to safeguard public funds. Details of the balances are in Note 9.

12. ADVANCES

Outstanding Advances for the thirty-one local Government Councils in Akwa Ibom State for year 2018 stood at ~~₦~~35,410,178,694.36. The Impersonal Advances should be retired. Salary/Special and Motor Vehicle advance which appeared to have been abandoned should be recovered from the salaries of the beneficiaries. Details of advances are in Note 10.

13. DEPOSITS

Deposit balances which represents obligations to third parties as at 31st December, 2018 totaled ~~₦~~8,488,432,016.12. The Councils must ensure prompt remittance of the balances to the rightful claimants. Details of the balances are in Note 11.

14. CONSOLIDATED REVENUE FUND BALANCE: ₦27,532,781,662.78

The sum of ₦27,532,781,662.78 (Twenty Seven Billion, Five Hundred and Thirty Two Million, Seven Hundred and Eighty One Thousand, Six Hundred and Sixty Two Naira, Seventy Eight Kobo) was the Consolidated Revenue Fund balances for the thirty one (31) Local Government Councils in Akwa Ibom State as

at 31st December, 2018. One Local Government ended up with negative reserve which is being looked into. The breakdown of the amount is shown in Note 12.

15. INSPECTION REPORTS

Audit Inspection Reports for the financial year, 2018 have been issued to individual Local Governments. The observations, queries and recommendations therein are under correspondence.

16. ACKNOWLEDGEMENT

I thank the Management and staff of the thirty-one (31) Local Government Councils for their cooperation during the audit.

I also thank all staff of the Office of the Auditor-General for Local Governments, Akwa Ibom State, for their hardwork and dedication to duty which have made this report possible.

I equally thank the Governor of Akwa Ibom State, His Excellency, Mr. Udom Emmanuel, for supporting us to discharge our statutory responsibilities.

Finally I appreciate, the Speaker and Members of the Akwa Ibom State House of Assembly, who through the Public Accounts Committee have done so much to assist us.

Francis Udofa Okon, FCA
Auditor-General for Local Governments
Akwa Ibom State

Responsibility For Financial Statements

The Financial Statements of the Local Government Councils of Akwa Ibom State have been prepared by the respective Directors of Finance in accordance with the Provisions of the Model Financial Memoranda.

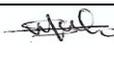
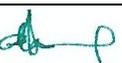
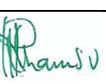
The Financial Statements comply with the International Public Sector Accounting Standards (IPSAS) Cash Basis.

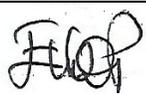
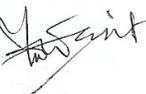
The Managements of the Local Government Councils are responsible for establishing and maintaining a system of internal controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and have properly recorded the use of all public financial resources by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

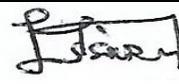
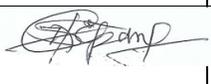
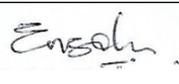
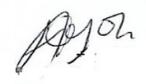
To the best of our knowledge, the system of internal controls have operated adequately throughout the period under review.

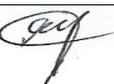
We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the IPSAS Cash Basis and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of the Local Government Councils as at 31st December, 2018 and their operations for the period ended on that date.

S/N	LOCAL GOVT. AREAS	NAMES OF DIRECTORS OF FINANCE	SIGN	NAMES OF CHAIRMEN OF COUNCILS	SIGN.
1	Abak	Mr. Wilson E. Wilson Uyah		Hon. Barr. Imo Williams	
2	Eastern Obolo	Mr. Idongesit J. Udodiong		Hon. Victoria George Tallick	
3	Eket	Mrs. Faith S. Nyoho		Hon. Frank Archibong	
4	Esit Eket	Eld. Udo S. Edemeka		Rt. Hon. Iniobong R. Nnamso	
5	Essien Udim	Pst. Dianabasi A. Eshiett		Hon. Raphael Isobara	

6	Etim Ekpo	Mr. Okokon O. Ekpenyong		Rt. Hon. Udeme Eduo	
7	Etinan	Mr. Udo Udo Isong		Hon. Cletus Asukwo Ekpo	
8	Ibeno	Mrs. Joanna NseAbasi Akpan		Hon. Sunday Iseokobo	
9	Ibesikpo Asutan	Mr. Utibe E. Etim		Rt. (Hon.) Sylvester E. George	
10	Ibiono Ibom	Pst. Victor John		Hon. EkomAbasi S. Akpan	
11	Ika	Mr. Edet N. Ekop		Rt. Hon. Anthony G. Udousung	
12	Ikono	Mr. Aniekan O. Dan		Hon. Itoro P. Columba	
13	Ikot Abasi	Mr. Nyeneime Umoh		Hon. David D. Eshiet	
14	Ikot Ekpene	Mr. Idongesit T. Udoh		Rt. Hon. Unyime Etim	
15	Ini	Mr. Edet Effiong Ukosin		Hon. Israel Idaisin	
16	Itu	Mr. Aniefiok N. Udonte		Hon. Barr. Etetim Onuk	

17	Mbo	Akparawa Offiong Otu		Rt. Hon. Asuquo E. Eyo	
18	Mkpat Enin	Dcns. Eno Umana Etor		Hon. Ekanem A. Brown	
19	Nsit Atai	Mr. Ini Arthur Akpan		Rt. Hon. Lady Emem Ibanga	
20	Nsit Ibom	Mrs. Mfon C. Ekanem		Rt. Hon. Eric Akpan	
21	Nsit Ubium	Mrs. Eno U. Etor		Hon (Eld.) Udemeobong S. Bassey	
22	Obot Akara	Mr. Uwem K. Essien		Hon. (Etubom) Anietie UdoUdo	
23	Okobo	Mrs. Rita A. Equere		Hon. Ubuo E. Ubuo	
24	Onna	Mr. Christian H. Akpan		Rt. Hon. Imo S. Attat	
25	Oron	Mrs. Enobong S. Andrews		Rt. Hon. Anthony B. Etim	
26	Oruk Anam	Mr. Aniefiok I. Oyoh		Rt. Hon. Ubong S. Idiong	
27	Udung Uko	Mr. Okon Edet Effiong		Hon. Okon Edet Oku	
28	Ukanafun	Mr. Iniobong J. Udoh		Rt. Hon. Uko Okon Idiong	

29	Uruan	Mr. Saviour A. Okon		Rt. Hon. Henry Isaiah Udofia	
30	Urue Offong/ Oruko	Mr. Nyaknobong J. Etuk		Hon. Umanah Edet Efombruh	
31	Uyo	Mr. Anietie O. Akpakpan		Eld. (Hon.) Imoh A. Okon	

STATEMENT OF OPINION OF THE AUDITOR-GENERAL

Pursuant to Section 9 (3) of the Audit Law, CAP 17, Laws of Akwa Ibom State of Nigeria 2000, VOL. I, as amended, I have audited the Financial Statements of the Thirty-One (31) Local Government Councils of Akwa Ibom State for the year ended 31st December, 2018.

RESPONSIBILITY OF DIRECTORS OF FINANCE AND THE AUDITOR-GENERAL

The Directors of Finance of the respective Local Governments are responsible for the preparation of the Financial Statements of the Local Government Councils for each financial year in compliance with the Finance (Control and Management) Law, CAP 50, Laws of Akwa Ibom State of Nigeria, 2000 VOL.3 as amended, Financial Memoranda and other relevant laws and regulations.

In preparing the Financial Statements, the Directors of Finance are expected to select suitable accounting policies and apply them consistently. The Financial Statements should be prepared on a going concern basis. The Directors of Finance are also responsible for ensuring that proper Books of Accounts are kept and that internal control procedures are maintained in order to safeguard the assets, detect and prevent fraud and other irregularities.

It is my responsibility as the Auditor-General for Local Governments to form and express an independent opinion, based on my audit, on the Financial Statements prepared by the Directors of Finance.

BASIS OF OPINION

I conducted my audit in compliance with the relevant laws of the Federal Republic of Nigeria and in accordance with Public Sector Auditing Standards. These standards require that I plan and perform the audit to obtain reasonable assurance that the Financial Statements are free from material misstatements. An audit includes examination, on a test basis, of evidence supporting the amounts and disclosures in the Financial Statements. It also includes an assessment of the Accounting Principles used and

significant judgements made by the Directors of Finance in the preparation of the Financial Statements and an evaluation of the overall adequacy of the presentation of information in the Financial Statements. I planned and performed such audit procedures so as to obtain all the information and explanations, which I considered necessary for the purpose of my audit.

The audit provided me with a reasonable basis for an independent opinion.

OPINION

In my opinion, the Financial Statements, which are in agreement with the books and returns, give a true and fair view of the financial position of the thirty-one (31) Local Government Councils for the year ended 31st December, 2018.



Francis Udofa Okon, FCA
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474

AUDIT CERTIFICATE

I have examined the Financial Statements of all the thirty-one (31) Local Government Councils of Akwa Ibom State for the year ended 31st December, 2018 in accordance with Section 9 (3) of Akwa Ibom State Audit Law, 1997.

I have obtained all the information and explanations that I required for my audit.

In my opinion, the Financial Statements which is in compliance with IPSAS Cash Basis give a true and fair view of the consolidated financial position of the thirty-one (31) Local Government Councils for the year ended 31st December 2018.



Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
September, 2020.

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

- (i) **Basis of Preparation of Financial Statements**
The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.
- (ii) **Accounting Period**
A period of twelve months covering 1st January – 31st December, 2018
- (iii) **Reporting Currency:**
The reporting currency is the Nigerian Naira.
- (iv) **Basis of Consolidation**
The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.
- (v) **Statutory Revenue**
Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the Councils after all statutory deductions are recognized in the accounts.
- (vi) **Internally Generated Revenue:**
This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.
- (vii) **Payments**
These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.
- (viii) **Cash Balances:**
This includes cash in hand, at bank and cash equivalents at the end of the financial year.
- (ix) **Advances**
These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.
- (x) **Deposits**
These are unremitted deductions and unpaid obligations to third parties on the reporting date.

AKWA IBOM STATE LOCAL GOVERNMENT COUNCILS
STATEMENT NO. 1
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST
DECEMBER, 2018

CASH FLOW FROM OPERATING ACTIVITIES	NOTES	ACTUAL 2018 ₦	ACTUAL 2017 ₦
RECEIPTS:			
Statutory Allocation	1	16,495,115,843.60	10,443,201,975.93
OTHERS: Derivation	1	-	-
Value Added Tax	1	-	-
State Allocation	1	-	-
Excess Crude	1	-	-
Stabilization	1	-	-
Taxes	2	25,919,200.00	42,149,846.52
Rates	2	136,164,000.00	113,203,005.38
Local License, fines and fees	2	61,405,473.00	63,310,104.14
Earning from Commercial Undertakings	2	111,999,766.00	56,456,436.00
Rent on Local Government Property	2	10,918,100.00	13,610,800.00
Interest & Dividends Receivable	2	50,000.00	274,000.00
Grants	2	220,000.00	313,000.00
Miscellaneous	2	108,140,792.81	71,796,960.83
TOTAL RECEIPTS		16,949,933,175.41	10,804,316,128.80
PAYMENTS:			
Consolidated Rev. Fund Charges:			
Political/Public Office Holders	3	1,828,546,483.03	655,769,914.62
Pensions/Training Fund/Traditional Rulers Council	3	-	-
Funding of Primary Education	3	-	-
Internal Debt Serving	3	38,133,900.00	1,400,000.00
Total Consolidated Revenue Fund Charges		1,866,680,383.05	657,169,914.62
Personnel Costs	4	10,339,309,367.67	8,631,613,049.30
Overhead Costs	5	3,564,966,702.68	1,193,145,593.04
TOTAL PAYMENTS		15,770,956,453.40	10,481,928,556.96
Net Cash Flow From Operating Activities A		1,178,976,722.01	322,387,571.84
CASH FLOW FROM INVESTING ACTIVITIES			
Capital Expenditure	6	1,617,048,917.34	1,066,994,122.84
Net Cash Flow From Investing Activities B		(1,617,048,917.34)	(1,066,994,122.84)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceed from Internal Loans		-	-
Net Cash Flow From Financing Activities		-	-
Movement in other Cash equivalent Accounts			
Increase/decrease in other Cash Assets	7	(257,701,252.25)	1,064,137,705.69
Increase/decrease in other Liabilities	8	306,088,908.15	282,060,476.79
Total Cash Flow From other Cash equivalent Accounts C		47,387,655.90	1,346,198,182.48
Net Cash Flow For The Year(A +B+C)		(389,684,539.43)	601,591,631.48
Cash and its equivalent as at 1 st January,2018	9	1,000,719,523.97	399,127,892.49
Cash and its equivalent as at 31st December,2018	9	611,034,984.54	1,000,719,523.97

**AKWA IBOM STATE LOCAL GOVERNMENT COUNCILS
STATEMENT NO. 2**

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	Notes	2018 ₦	2017 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	133,569,329.07	188,790,988.65
Cash at Bank	9	477,465,655.47	811,928,535.32
TOTAL LIQUID ASSETS		611,034,984.54	1,000,719,523.97
Investment & Other Cash Assets:			
Advances	10	<u>35,410,178,694.36</u>	<u>35,152,477,442.11</u>
TOTAL ASSETS		<u>36,021,213,678.90</u>	<u>36,153,196,966.08</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		27,532,781,662.78	27,970,853,858.11
OTHER LIABILITIES			
Deposits	11	8,488,432,016.12	8,182,343,107.97
TOTAL LIABILITIES		<u>36,021,213,678.90</u>	<u>36,153,196,966.08</u>

**AKWA IBOM STATE LOCAL GOVERNMENT COUNCILS
STATEMENT NO. 3**

**CONSOLIDATED STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE
YEAR ENDED 31ST DECEMBER, 2018.**

ACTUAL 2017 ₦	DESCRIPTION	INITIAL BUDGET 2018 ₦	SUPP- BUDGET 2018 ₦	FINAL BUDGET 2018 ₦	ACTUAL 2018 ₦	VAR %
28,715,460,409.11	Opening Balances				27,970,853,858.11	
	Add Revenue:					
42,149,846.52	Taxes	182,406,000.00	-	182,406,000.00	25,191,200.00	(86)
113,203,005.38	Rates	366,541,500.00	-	366,541,500.00	136,164,000.00	(63)
63,310,104.14	Local License, fines and fees	504,023,317.00	-	504,023,317.00	61,405,473.00	(88)
56,456,436.00	Earning from commercial undertakings	309,860,167.00	-	309,860,167.00	111,999,766.00	(64)
13,610,800.00	Rent on Local Govt. Property	117,861,500.00	-	117,861,500.00	10,918,100.00	(91)
274,000.00	Interest & Dividends Receivable	12,158,000.00	-	12,158,000.00	50,000.00	(99)
313,000.00	Grants	307,200,000.00	-	307,200,000.00	220,000.00	(99)
71,796,960.83	Miscellaneous	262,049,166.00	-	262,049,166.00	108,140,792.81	(59)
361,114,152.87	Sub. Total IGR	2,062,099,650.00	-	2,062,099,650.00	454,817,331.81	(78)
10,443,201,975.93	Statutory Allocation	46,710,000,000.00	-	46,710,000,000.00	16,495,115,843.60	(65)
-	Derivation	7,900,000,000.00	-	7,900,000,000.00	-	(100)
-	Value Added Tax	9,960,000,000.00	-	9,960,000,000.00	-	(100)
-	State Allocation	935,000,000.00	-	935,000,000.00	-	(100)
-	Excess Crude	-	-	-	-	
-	Stabilization	-	-	-	-	
10,443,201,975.93	Sub Total Statutory Allocation	65,505,000,000.00	-	65,505,000,000.00	16,495,115,843.60	(75)
39,519,776,537.91	TOTAL REVENUE	67,567,099,650.00	-	67,567,099,650.00	44,920,787,033.52	(34)
	EXPENDITURE					
	Consolidated Rev. Fund Charges:					
655,769,914.62	Political/Public Office Holders	2,340,910,000.00	-	2,340,910,000.00	1,828,546,483.05	22
-	Pensions/Training Fund/Traditional Rulers Council	6,404,000,000.00	-	6,404,000,000.00	-	100
-	Funding of Primary Education	19,980,000,000.00	-	19,980,000,000.00	-	100
-	Admin Charges	43,000,000.00	-	43,000,000.00	-	100
1,400,000.00	Internal Debt Servicing	349,000,000.00	-	349,000,000.00	38,133,900.00	89
657,169,914.62	Sub Total CRFC	29,116,850,000.00	-	29,116,850,000.00	1,866,680,383.05	94
8,631,613,049.30	Personnel Costs	10,700,127,050.12	-	10,700,127,050.12	10,339,309,367.67	3
1,193,145,593.04	Overhead Costs	6,564,070,000.00	-	6,564,070,000.00	3,564,966,702.68	46
10,481,928,556.96	Total Recurrent Expenditure	46,381,047,050.12	-	46,381,047,050.12	15,770,956,453.40	66
29,037,847,980.95	Operating Balance	21,186,052,599.88	-	21,186,052,599.88	29,149,830,580.12	94
1,066,994,122.84	Transfer to Capital Dev. Fund	26,335,106,413.00	-	26,335,106,413.00	1,617,048,917.34	94
27,970,853,858.11	CLOSING BALANCE				27,532,781,662.78	

AKWA IBOM STATE LOCAL GOVERNMENT COUNCILS
STATEMENT NO. 4
CONSOLIDATED STATEMENT OF CAPITAL DEVELOPMENT FUND FOR
THE YEAR ENDED 31ST DECEMBER, 2018.

ACTUAL 2017 ₦	DESCRIPTION	INITIAL BUDGET 2018 ₦	SUPP- BUDGET 2018 ₦	FINAL BUDGET 2018 ₦	ACTUAL 2018 ₦	VAR %
1,066,994,122.84	Transfer from Consolidated Rev. Fund A	26,335,106,413.00		26,335,106,413.00	1,617,048,917.34	94
	Less Capital Expenditure :					
405,014,411.73	ECONOMIC SECTOR	7,538,507,213.00		7,538,507,213.00	403,981,443.62	95
140,906,420.00	SOCIAL SECTOR	5,315,436,000.00		5,315,436,000.00	177,577,340.00	97
104,084,150.00	ENVIRONMENTAL/REG. DEV.	2,704,396,000.00	-	2,704,396,000.00	111,969,095.74	96
416,989,141.11	GENERAL ADMINISTRATION	10,727,767,200.00	-	10,727,767,200.00	923,521,037.98	91
1,066,994,122.84	Total Expenditure B	26,335,106,413.00	-	26,335,106,413.00	1,617,048,917.34	94
	Closing Balance A-B	0		0	0	

AKWA IBOM STATE LOCAL GOVERNMENT COUNCILS
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2018
NOTES TO THE ACCOUNTS

NOTE 2		STATUTORY REVENUE		
S/N	Name of LGC	Budget ₦	Actual ₦	% Performance
1	Abak	1,930,000,000.00	527,292,300.89	27.3
2	Eastern Obolo	1,880,000,000.00	402,630,899.31	21.4
3	Eket	1,880,000,000.00	545,873,524.26	29
4	Esit Eket	2,180,000,000.00	440,732,571.71	20.2
5	Essien Udim	2,280,000,000.00	611,228,788.28	26.8
6	Etim Ekpo	2,030,000,000.00	585,938,507.28	28.8
7	Etinan	2,130,000,000.00	552,918,750.85	26
8	Ibeno	1,830,000,000.00	527,736,888.06	28.8
9	Ibesikpo-Asutan	2,030,000,000.00	571,786,735.62	28.2
10	Ibiono-Ibom	2,130,000,000.00	471,165,447.66	22.1
11	Ika	1,880,000,000.00	353,859,505.85	18.8
12	Ikono	2,130,000,000.00	568,351,293.20	26.7
13	Ikot Abasi	1,830,000,000.00	566,183,741.85	30.9
14	Ikot Ekpene	2,735,000,000.00	638,064,893.45	23.3
15	Ini	2,490,000,000.00	620,325,690.73	24.9
16	Itu	2,180,000,000.00	565,379,181.16	25.9
17	Mbo	2,080,000,000.00	467,483,541.28	22.5
18	Mkpat Enin	2,080,000,000.00	433,240,224.29	20.8
19	Nsit Atai	1,730,000,000.00	446,882,952.44	25.8
20	Nsit Ibom	1,980,000,000.00	551,836,090.92	27.9
21	Nsit Ubium	1,880,000,000.00	528,098,574.03	28.1
22	Obot Akara	2,630,000,000.00	550,379,448.11	20.9
23	Okobo	2,430,000,000.00	567,657,862.70	23.4
24	Onna	1,780,000,000.00	571,689,648.11	32.1
25	Oron	2,130,000,000.00	510,420,786.59	24
26	Oruk Anam	2,160,000,000.00	560,737,887.27	26
27	Udung Uko	1,860,000,000.00	433,090,998.41	23.3
28	Ukanafun	2,330,000,000.00	543,813,304.36	23.3
29	Uruan	2,130,000,000.00	581,243,292.74	27.2
30	Urue-Offong/Oruko	1,980,000,000.00	480,519,662.94	24.3
31	Uyo	2,780,000,000.00	718,552,849.25	25.8
	Total	65,505,000,000.00	16,495,115,843.60	25.2

NOTE 2		INTERNALLY GENERATED REVENUE		
S/N	Name of LGC	Budget ₦	Actual ₦	%age Performance
1	Abak	20,000,000.00	16,423,680.00	82
2	Eastern Obolo	11,000,000.00	306,000.00	2.8
3	Eket	158,360,000.00	66,924,207.52	42.3
4	Esit Eket	45,000,000.00	2,113,955.00	4.7
5	Essien Udim	15,000,000.00	4,982,562.28	33.2
6	Etim Ekpo	20,000,000.00	794,890.00	4
7	Etinan	49,750,000.00	7,118,592.00	14.3
8	Ibeno	150,000,000.00	60,499,810.00	40.3
9	Ibesikpo-Asutan	50,000,000.00	5,388,090.00	10.8
10	Ibiono-Ibom	15,000,000.00	25,847,447.07	172.3
11	Ika	36,947,150.00	513,850.00	1.4
12	Ikono	25,000,000.00	3,621,870.00	14.5
13	Ikot Abasi	234,300,000.00	7,903,130.00	3.4
14	Ikot Ekpene	75,000,000.00	30,123,543.94	40.2
15	Ini	22,000,000.00	4,241,070.00	19.3
16	Itu	45,600,000.00	44,493,250.00	97.6
17	Mbo	147,000,000.00	4,289,330.46	2.9
18	Mkpat Enin	20,000,000.00	43,346,603.31	216.7
19	Nsit Atai	25,000,000.00	1,623,836.80	6.5
20	Nsit Ibom	20,000,000.00	1,123,900.00	5.6
21	Nsit Ubium	26,000,000.00	1,337,500.00	5.1
22	Obot Akara	35,000,000.00	3,117,110.00	8.9
23	Okobo	40,000,000.00	2,565,495.00	6.4
24	Onna	40,000,000.00	2,785,100.00	7
25	Oron	25,000,000.00	11,720,628.39	46.9
26	Oruk Anam	22,000,000.00	3,766,032.04	17.1
27	Udung Uko	27,142,500.00	821,520.00	3.02
28	Ukanafun	20,000,000.00	5,914,500.00	29.6
29	Uruan	22,000,000.00	6,695,475.00	30.4
30	Urue-Offong/Oruko	60,000,000.00	2,635,450.00	4.4
31	Uyo	560,000,000.00	81,778,853.00	14.6
	Total	2,062,099,650.00	454,817,281.81	22.10

AKWA IBOM STATE LOCAL GOVERNMENT COUNCILS
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2018
NOTES TO THE ACCOUNTS

NOTE 3 CONSOLIDATED REVENUE FUND CHARGES

S/N	Name of LGC	Budget ₦	Actual ₦	Variance ₦
1	Abak	980,000,000.00	64,803,976.46	915,196,023.54
2	Eastern Obolo	695,000,000.00	60,855,055.76	634,144,944.24
3	Eket	960,000,000.00	66,582,832.99	893,417,167.01
4	Esit Eket	940,000,000.00	61,311,941.72	878,688,058.28
5	Essien Udim	1,080,000,000.00	53,482,573.55	1,026,517,426.45
6	Etim Ekpo	930,000,000.00	20,619,564.71	909,380,435.29
7	Etinan	1,045,000,000.00	54,380,733.97	990,619,266.03
8	Ibena	770,000,000.00	62,252,500.00	707,747,500.00
9	Ibesikpo-Asutan	1,030,000,000.00	47,768,925.02	982,231,074.98
10	Ibiono-Ibom	980,000,000.00	93,942,716.02	886,057,283.98
11	Ika	1,000,000,000.00	54,354,678.30	945,645,321.70
12	Ikono	1,040,000,000.00	58,640,497.70	981,359,502.30
13	Ikot Abasi	535,000,000.00	59,409,112.38	475,590,887.62
14	Ikot Ekpene	1,370,000,000.00	64,864,669.95	1,305,135,330.05
15	Ini	1,084,000,000.00	60,230,634.42	1,023,769,365.58
16	Itu	1,080,000,000.00	61,617,357.66	1,018,382,642.34
17	Mbo	940,000,000.00	26,918,263.12	913,081,736.88
18	Mkpat Enin	930,000,000.00	72,531,203.75	857,468,796.25
19	Nsit Atai	635,000,000.00	68,291,771.90	566,708,228.10
20	Nsit Ibom	985,000,000.00	61,893,846.50	923,106,153.50
21	Nsit Ubium	730,000,000.00	61,617,357.64	668,382,642.36
22	Obot Akara	775,000,000.00	58,994,051.77	716,005,948.23
23	Okobo	683,300,000.00	62,977,982.18	620,322,017.82
24	Onna	890,000,000.00	72,286,662.35	817,713,337.65
25	Oron	1,023,000,000.00	59,645,176.49	963,354,823.51
26	Oruk Anam	1,140,000,000.00	71,177,212.98	1,068,822,787.02
27	Udung Uko	810,000,000.00	61,649,779.81	748,350,220.19
28	Ukanafun	820,000,000.00	56,164,673.91	763,835,326.09
29	Uruan	905,000,000.00	63,637,365.66	841,362,634.34
30	Urue-Offong/Oruko	840,000,000.00	59,201,416.55	780,798,583.45
31	Uyo	1,491,550,000.00	64,575,847.83	1,426,974,152.17
	Total	29,116,850,000.00	1,866,680,383.05	27,250,169,616.95

AKWA IBOM STATE LOCAL GOVERNMENT COUNCILS
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2018
NOTES TO THE ACCOUNTS

NOTE 4 PERSONNEL COSTS

S/N	Name of LGC	Budget N	Actual N	Variance N
1	Abak	360,000,000.00	319,491,952.17	40,508,047.83
2	Eastern Obolo	249,148,760.42	209,187,066.96	39,961,693.46
3	Eket	350,000,000.00	307,441,932.36	42,558,067.64
4	Esit Eket	300,000,000.00	260,802,533.92	39,197,466.08
5	Essien Udim	400,000,000.00	430,024,621.58	(30,024,621.58)
6	Etim Ekpo	430,000,000.00	387,233,288.93	42,766,711.07
7	Etinan	380,000,000.00	324,326,345.43	55,673,654.57
8	Ibeno	320,000,000.00	284,863,354.37	35,136,645.63
9	Ibesikpo-Asutan	359,268,890.00	378,720,757.03	(19,451,867.03)
10	Ibiono-Ibom	280,000,000.00	280,914,396.35	(914,396.35)
11	Ika	260,000,000.00	221,291,294.98	38,708,705.02
12	Ikono	370,000,000.00	372,306,443.57	(2,306,443.57)
13	Ikot Abasi	300,000,000.00	350,870,386.05	(50,870,386.05)
14	Ikot Ekpene	470,000,000.00	466,834,926.79	3,165,073.21
15	Ini	426,000,000.00	417,066,912.57	8,933,087.43
16	Itu	379,981,999.70	378,241,894.41	1,740,105.29
17	Mbo	290,000,000.00	288,827,121.10	1,172,878.90
18	Mkpat Enin	300,000,000.00	251,638,927.33	48,361,072.67
19	Nsit Atai	260,000,000.00	235,416,469.91	24,583,530.09
20	Nsit Ibom	335,000,000.00	388,543,033.26	(53,543,033.26)
21	Nsit Ubium	320,000,000.00	305,236,663.04	14,763,336.96
22	Obot Akara	363,358,190.00	370,129,309.75	(6,771,119.75)
23	Okobo	390,727,400.00	381,541,608.27	9,185,791.73
24	Onna	350,000,000.00	362,292,052.79	(12,292,052.79)
25	Oron	320,000,000.00	317,019,703.19	2,980,296.81
26	Oruk Anam	360,000,000.00	370,756,713.62	(10,756,713.62)
27	Udung Uko	250,000,000.00	206,910,808.95	43,089,191.05
28	Ukanafun	310,000,000.00	306,732,354.05	3,267,645.95
29	Uruan	360,000,000.00	372,565,119.27	(12,565,119.27)
30	Urue-Offong/Oruko	350,000,000.00	269,840,795.95	80,159,204.05
31	Uyo	500,000,000.00	522,240,609.72	(22,240,609.72)
	Total	10,693,485,240.12	10,339,309,397.67	354,175,842.45

AKWA IBOM STATE LOCAL GOVERNMENT COUNCILS
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2018
NOTES TO THE ACCOUNTS

NOTE 5: OVERHEAD COSTS

S/N	Name of LGC	Budget ₦	Actual ₦	Variance ₦
1	Abak	150,000,000.00	146,870,581.78	3,129,418.22
2	Eastern Obolo	200,000,000.00	56,140,530.06	143,859,469.94
3	Eket	250,000,000.00	152,269,066.21	97,730,933.79
4	Esit Eket	200,000,000.00	160,685,551.46	39,314,448.54
5	Essien Udim	200,000,000.00	129,272,202.83	70,727,797.17
6	Etim Ekpo	205,520,000.00	112,159,221.40	93,360,778.60
7	Etinan	200,000,000.00	100,635,150.50	99,364,849.50
8	Ibeno	200,000,000.00	283,456,844.00	(83,456,844.00)
9	Ibesikpo-Asutan	200,000,000.00	78,076,930.01	121,923,069.99
10	Ibiono-Ibom	200,000,000.00	117,472,136.37	82,527,863.63
11	Ika	150,000,000.00	83,121,937.40	66,878,062.60
12	Ikono	200,000,000.00	118,761,735.02	81,238,264.98
13	Ikot Abasi	180,000,000.00	140,813,359.47	39,186,640.53
14	Ikot Ekpene	210,000,000.00	102,000,747.82	107,999,252.18
15	Ini	272,000,000.00	106,021,267.04	165,978,732.96
16	Itu	200,000,000.00	81,617,058.13	118,382,941.87
17	Mbo	200,000,000.00	91,471,822.98	108,528,177.02
18	Mkpat Enin	214,110,000.00	119,083,250.00	95,026,750.00
19	Nsit Atai	180,000,000.00	98,699,985.28	81,300,014.72
20	Nsit Ibom	262,000,000.00	63,941,340.00	198,058,660.00
21	Nsit Ubium	200,000,000.00	79,376,973.00	120,623,027.00
22	Obot Akara	200,000,000.00	79,575,760.18	120,424,239.82
23	Okobo	234,690,000.00	80,342,777.00	154,347,223.00
24	Onna	220,000,000.00	83,464,615.45	136,535,384.55
25	Oron	245,550,000.00	130,854,141.00	114,695,859.00
26	Oruk Anam	200,200,000.00	94,139,105.40	106,060,894.60
27	Udung Uko	200,000,000.00	113,654,198.60	86,345,801.40
28	Ukanafun	200,000,000.00	93,488,697.01	106,511,302.99
29	Uruan	200,000,000.00	147,913,562.47	52,086,437.53
30	Urue-Offong/Oruko	200,000,000.00	110,579,275.57	89,420,724.43
31	Uyo	390,000,000.00	209,006,879.24	180,993,120.76
	Total	6,564,070,000.00	3,564,966,702.68	2,999,103,297.32

AKWA IBOM STATE LOCAL GOVERNMENT COUNCILS
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2018
NOTES TO THE ACCOUNTS

NOTE 6 : CAPITAL EXPENDITURE

S/N	Name of LGC	Budget ₦	Actual ₦	Variance ₦
1	Abak	610,500,000.00	16,152,000.00	594,348,000.00
2	Eastern Obolo	916,100,000.00	9,548,000.00	906,552,000.00
3	Eket	1,325,000,000.00	45,694,000.00	1,279,306,000.00
4	Esit Eket	906,000,000.00	9,616,109.00	896,383,891.00
5	Essien Udim	866,000,000.00	6,041,000.00	859,959,000.00
6	Etim Ekpo	643,400,000.00	-	643,400,000.00
7	Etinan	706,000,000.00	28,197,000.00	677,803,000.00
8	Ibena	840,500,000.00	712,269,398.74	128,230,601.26
9	Ibesikpo-Asutan	641,000,000.00	45,932,000.00	595,068,000.00
10	Ibiono-Ibom	795,500,000.00	1,160,000.00	794,340,000.00
11	Ika	971,000,000.00	18,509,050.00	952,490,950.00
12	Ikono	666,000,000.00	20,970,000.00	645,030,000.00
13	Ikot Abasi	756,000,000.00	35,572,027.90	720,427,972.10
14	Ikot Ekpene	971,000,000.00	14,144,000.00	956,856,000.00
15	Ini	780,500,000.00	36,818,000.00	743,682,000.00
16	Itu	701,000,000.00	18,897,000.00	682,103,000.00
17	Mbo	847,585,213.00	5,310,000.00	842,275,213.00
18	Mkpat Enin	937,367,000.00	16,116,000.00	921,251,000.00
19	Nsit Atai	791,000,000.00	44,635,000.00	746,365,000.00
20	Nsit Ibom	540,000,000.00	13,521,427.00	526,478,573.00
21	Nsit Ubium	877,000,000.00	1,840,000.00	875,160,000.00
22	Obot Akara	970,500,000.00	10,796,150.00	959,703,850.00
23	Okobo	1,483,554,200.00	37,288,000.00	1,446,266,200.00
24	Onna	581,000,000.00	226,141,002.72	354,858,997.28
25	Oron	705,500,000.00	56,119,600.00	649,380,400.00
26	Oruk Anam	737,000,000.00	2,000,000.00	735,000,000.00
27	Udung Uko	691,500,000.00	30,052,327.98	661,447,672.02
28	Ukanafun	1,161,000,000.00	59,134,104.00	1,101,865,896.00
29	Uruan	837,500,000.00	40,642,220.00	796,857,780.00
30	Urue-Offong/Oruko	720,100,000.00	23,790,000.00	696,310,000.00
31	Uyo	1,359,000,000.00	30,143,500.00	1,328,856,500.00
	Total	26,335,106,413.00	1,617,048,917.34	24,718,057,495.66

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2018 ₦		2017 ₦	
2018Advances	35,410,178,694.36	2017Advances	35,152,477,442.11
2017Advances	35,152,477,442.11	2016Advances	34,088,339,736.42
	(257,701,252.25		(1,064,137,705.69)

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2018 ₦		2017 ₦	
2018 Deposits	8,488,432,016.12	2017 Deposits	8,182,343,107.97
2017 Deposits	8,182,343,107.97	2016 Deposits	7,900,282,631.18
	306,088,908.15		282,060,476.79

NOTE 9: CONSOLIDATED CASH & BANK BALANCES

S/N.	NAME OF LOCAL GOVT.	CASH IN HAND ₦	CASH AT BANK ₦	TOTAL ₦
1	Abak	102,482.27	10,952,639.43	11,055,121.70
2	Eastern Obolo	5,604.82	11,572,424.83	11,578,029.65
3	Eket	222,460.36	12,167,408.48	12,389,868.84
4	Esit Eket	1,033,086.79	28,994,956.75	30,028,043.54
5	Essien Udim	170.32	26,055,583.00	26,055,753.32
6	Etim Ekpo	4,013,723.18	22,311,875.24	26,325,598.42
7	Etinan	757.84	40,309,488.34	40,310,246.18
8	Ibeno	32,520.00	25,709,145.13	25,741,665.13
9	Ibesikpo Asutan	721,296.28	9,334,553.63	10,055,849.91
10	Ibiono Ibom	413,560.00	9,085,342.65	9,498,902.65
11	Ika	92,618.55	3,995,237.57	4,087,856.12
12	Ikono	8,555.37	21,925,629.71	21,934,185.08
13	Ikot Abasi	60,450.00	17,576,780.63	17,637,230.63
14	Ikot Ekpene	-	15,864,621.31	15,864,621.31
15	Ini	1,915,200.17	9,963,899.22	11,879,099.39
16	Itu	154,154.66	20,742,247.20	20,896,401.86
17	Mbo	25,397,819.95	6,582,206.30	31,980,026.25
18	Mkpat Enin	39,992,269.63	21,435,367.43	61,427,637.06
19	Nsit Atai	92,436.22	9,574,655.33	9,667,091.55
20	Nsit Ibom	397,382.69	13,411,561.71	13,808,944.40
21	Nsit Ubium	26,057,952.40	15,583,262.20	41,641,214.60
22	Obot Akara	5,965,915.03	17,978,731.90	23,944,646.93
23	Okobo	3,851,304.38	10,759,337.51	14,610,641.89
24	Onna	12,000.00	11,669,193.78	11,681,193.78
25	Oron	376,434.51	8,4193,780.19	8,570,214.70
26	Oruk Anam	100,760.00	16,274,782.79	16,375,542.79
27	Udung Uko	7,208,917.54	8,737,595.33	15,946,512.87
28	Ukanafun	4,530,533.69	19,177,367.75	23,707,901.44
29	Uruan	1,609,816.96	11,158,206.79	12,768,023.75
30	Urueoffong/Oruko	9,029,466.71	7,4695,085.60	16,724,552.31
31	Uyo	169,678.75	12,672,687.74	12,842,366.49
		133,569,329.07	477,465,655.47	611,034,984.54

NOTE 10: CONSOLIDATED ADVANCES

S/N	NAME OF LOCAL GOVT.	PURCHASE ₦	IMPREST ₦	TOURING ₦	SAL/SPECIAL ₦	MOT/VEHI ₦	UPKEEP ₦	MISC. ₦	TOTAL ₦
1	Abak	248,236,882.33	111,435,200.00	19,988,362.00	105,000.00	-	-	-	379,765,444.33
2	Eastern Obolo	1,086,621,710.19	310,933,256.00	148,715,744.40	4,468,518.79	-	15,235,400.00	420,130,250.00	1,986,104,879.38
3	Eket	1,377,937,370.24	127,822,150.00	104,004,187.20	5,074,665.00	7,367,249.29	-	-	1,622,205,621.73
4	Esit Eket	460,239,607.00	112,965,500.00	49,192,850.00	4,975,649.00	7,010,000.00	-	-	634,383,606.00
5	Essien Udim	1,196,136,299.60	119,998,650.00	61,575,260.00	1,463,616.87	-	-	-	1,379,173,826.47
6	Etim Ekpo	544,016,609.91	215,264,440.00	89,006,381.00	391,382,291.93	-	-	-	1,239,669,722.84
7	Etinan	735,413,735.83	134,115,900.00	84,524,691.97	8,206,993.00	32,471,514.00	-	-	994,732,834.80
8	Ibena	436,781,687.50	18,050,200.00	(20,530,180.00)	14,408,103.24	-	-	-	448,709,810.74
9	Ibesikpo Asutan	762,984,884.50	109,795,607.00	90,757,357.00	45,450,517.00	-	-	-	1,008,988,365.50
10	Ibiono Ibom	835,384,110.00	156,368,361.00	93,649,908.00	870,000.00	-	-	-	1,086,272,379.00
11	Ika	844,821,727.00	194,706,854.00	135,380,535.00	525,300.00	6,980,000.00	-	-	1,182,414,416.00
12	Ikono	792,781,203.00	142,791,483.00	104,905,013.00	5,692,962.06	-	-	-	1,046,170,661.06
13	Ikot Abasi	1,039,722,821.76	179,474,393.00	106,866,470.00	5,258,216.00	84,165.00	-	-	1,331,406,065.76
14	Ikot Ekpene	834,567,129.18	178,033,200.00	125,667,690.00	19,117,223.00	-	-	-	1,157,385,242.18
15	Ini	839,520,529.00	209,645,510.00	123,474,615.00	9,262,000.00	-	19,240,000.00	-	1,201,142,654.00
16	Itu	360,145,271.10	74,045,320.00	45,786,724.50	1,498,179.56	67,627.73	-	193,922.07	481,737,044.96
17	Mbo	678,361,988.27	255,155,132.44	199,908,963.70	2,520,774.83	3,551,731.32	-	-	1,139,498,590.56
18	Mkpat Enin	1,739,275,172.74	165,782,500.00	47,941,230.00	1,269,000.00	-	-	-	1,954,267,902.74
19	Nsit Atai	952,560,953.76	122,702,440.80	86,951,053.50	1,122,053.85	14,197,045.26	-	-	1,177,533,547.17
20	Nsit Ibom	543,581,661.59	140,761,724.70	43,103,362.40	3,318,566.06	-	-	-	730,765,314.75
21	Nsit Ubium	1,587,979,954.95	184,269,980.88	171,334,338.25	1,506,250.00	57,581,380.40	-	91,679.27	2,002,763,583.75
22	Obot Akara	1,099,031,299.29	117,166,510.00	79,159,757.50	1,687,400.00	9,600,383.30	-	-	1,306,645,350.09
23	Okobo	1,018,156,213.72	206,344,919.00	98,706,776.70	8,593,532.68	841,870.85	-	-	1,332,643,312.95
24	Onna	487,516,124.05	252,528,120.00	160,237,970.00	2,903,221.00	37,800,099.00	-	16,155,000.00	957,140,534.05
25	Oron	330,304,784.94	34,290,100.00	2,351,700.00	769,293.00	4,543,150.00	1,015,000.00	-	366,540,627.94
26	Oruk Anam	1,242,331,483.98	210,732,000.00	101,610,449.00	22,387,208.00	61,919,125.00	15,745,000.00	20,452,275.00	1,675,177,540.98
27	Udung Uko	715,970,264.00	263,435,730.00	141,689,087.34	1,146,400.00	-	-	-	1,122,241,481.34
28	Ukanafun	531,057,481.14	81,716,200.00	101,840,600.00	132,387,379.00	2,400,000.00	-	1,330,000.00	850,731,660.14
29	Uruan	778,884,956.78	209,094,863.00	109,018,879.24	13,583,000.00	65,946,960.00	-	-	1,176,528,659.02
30	Urue Offong/Oruko	438,269,830.00	251,080,926.56	196,846,375.90	2,331,780.69	54,367,179.08	17,051,950.00	213,324,793.62	1,173,272,835.85
31	Uyo	958,547,642.50	182,675,148.10	102,286,253.18	3,342,826.96	9,639,400.55	-	7,673,906.99	1,264,165,178.28
	Total	25,497,141,389.85	5,073,182,319.48	3,001,249,005.78	716,627,921.52	376,368,880.78	66,257,350.00	679,351,826.95	35,410,178,694.36

NOTE 11: CONSOLIDATED DEPOSIT BALANCES AS AT 31st DECEMBER, 2018

S/N.	NAME OF LOCAL GOVT.	Amount ₦
1	Abak	118,415,132.27
2	Eastern Obolo	164,350,372.85
3	Eket	410,435,716.40
4	Esit Eket	279,9447,509.10
5	Essien Udim	283,921,229.81
6	Etim Ekpo	486,655,785.31
7	Etinan	366,313,005.25
8	Ibeno	684,639,866.50
9	Ibesikpo Asutan	330,488,909.14
10	Ibiono Ibom	154,768,200.96
11	Ika	262,894,080.89
12	Ikono	43,803,674.18
13	Ikot Abasi	302,560,972.30
14	Ikot Ekpene	359,734,954.09
15	Ini	323,286,304.95
16	Itu	164,355,935.57
17	Mbo	86,763,400.59
18	Mkpat Enin	107,171,212.43
19	Nsit Atai	304,063,157.97
20	Nsit Ibom	152,200,057.98
21	Nsit Ubium	143,460,160.12
22	Obot Akara	437,299,582.19
23	Okobo	313,732,063.64
24	Onna	287,515,080.98
25	Oron	165,310,553.44
26	Oruk Anam	175,826,671.76
27	Udung Uko	164,221,639.50
28	Ukanafun	249,517,321.09
29	Uruan	223,947,712.28
30	Urueoffong/Oruko	485,912,087.97
31	Uyo	454,919,664.61
	Total	8,488,432,016.12

NOTE 12: CONSOLIDATED PUBLIC FUND BALANCES FOR THE YEAR ENDED 31ST DECEMBER, 2018

S/N.	NAME OF LOCAL GOVT.	AMOUNT ₦
1	Abak	272,405,433.76
2	Eastern Obolo	1,833,332,536.18
3	Eket	1,224,159,774.17
4	Esit Eket	384,464,140.44
5	Essien Udim	1,121,308,349.98
6	Etim Ekpo	779,339,535.95
7	Etinan	668,730,075.73
8	Ibeno	(210,188,390.63)
9	Ibesikpo Asutan	688,555,306.27
10	Ibiono Ibom	941,003,080.69
11	Ika	923,608,191.23
12	Ikono	1,024,301,171.96
13	Ikot Abasi	1,046,482,324.09
14	Ikot Ekpene	813,514,909.40
15	Ini	889,735,448.44
16	Itu	338,277,511.25
17	Mbo	1,084,715,216.22
18	Mkpat Enin	1,908,524,327.37
19	Nsit Atai	883,137,480.75
20	Nsit Ibom	592,374,201.17
21	Nsit Ubium	1,900,944,638.23
22	Obot Akara	893,290,414.83
23	Okobo	1,033,521,891.20
24	Onna	681,306,646.85
25	Oron	209,800,289.20
26	Oruk Anam	1,515,726,412.01
27	Udung Uko	973,966,354.71
28	Ukanafun	624,922,240.49
29	Uruan	965,348,970.49
30	Urueoffong/Oruko	704,085,300.19
31	Uyo	822,087,880.16
	Total	27,532,781,662.78

ABAK LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

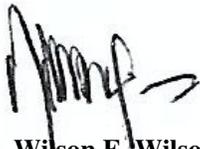
These Financial Statements have been prepared by the Director of Finance of Abak Local Government Council in accordance with the Provisions of the Model Financial Memoranda. The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls 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 International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Abak Local Government Council as at 31st December, 2018 and its operations for the year ended on that date.



Mr. Wilson E. Wilson Uyah
Director of Finance
Date: 10/06/2019



Hon. Barr. Imo Williams
Chairman
Date: 10/06/2019

AUDIT CERTIFICATE

The Executive Chairman
Abak Local Government Council
Abak

AUDIT CERTIFICATE ON THE ACCOUNTS OF ABAK LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Abak Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Abak Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

ABAK LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

(i) **Basis of Preparation of Financial Statements**

The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.

(ii) **Accounting Period**

A period of twelve months covering 1st January – 31st December, 2018

(iii) **Reporting Currency:**

The reporting currency is the Nigerian Naira.

(iv) **Basis of Consolidation**

The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.

(v) **Statutory Revenue**

Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.

(vi) **Internally Generated Revenue:**

This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.

(vii) **Payments**

These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.

(viii) **Cash Balances:**

This includes cash in hand, at bank and cash equivalents at the end of the financial year.

(ix) **Advances**

These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.

(x) **Deposits**

These are unremitted deductions and unpaid obligations to third parties on the reporting date.

ABAK LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

CASHFLOW FROM OPERATING ACTIVITIES	Notes	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
RECEIPTS:				
Statutory Allocation	1	1,400,000,000.00	527,292,300.89	366,699,680.55
OTHERS: Derivation	1	200,000,000.00	-	-
Value Added Tax	1	300,000,000.00	-	-
State Allocation	1	30,000,000.00	-	-
Excess Crude	1	-	-	-
Stabilization	1	-	-	-
Taxes	2	200,000.00	8,500.00	19,000.00
Rates	2	3,500,000.00	5,443,000.00	716,500.00
Local License fines & fees	2	4,800,000.00	5,564,680.00	1,430,770.00
Earning from Commercial undertaking	2	7,095,000.00	5,247,500.00	581,840.00
Rent on Local Govt. Property	2	2,015,000.00	50,000.00	3,000,000.00
Interest and Dividends Receivable	2	-	50,000.00	-
Grants	2	-	-	-
Miscellaneous	2	2,390,000.00	60,000.00	-
TOTAL RECEIPTS		1,950,000,000.00	543,715,980.89	372,447,790.55
PAYMENTS:				
Consolidated Revenue Fund Charges:				
Political/Public Office Holders	3	70,000,000.00	64,803,976.46	20,745,491.68
Pension/Training Fund/Traditional Rulers Council	3	200,000,000.00	-	-
Funding of Primary Education	3	700,000,000.00	-	-
Internal Debt Servicing	3	10,000,000.00	-	-
Total Consolidated Revenue Fund Charges		980,000,000.00	64,803,976.46	20,745,491.68
Personnel Costs	4	360,000,000.00	319,491,952.17	320,184,494.50
Overhead Costs	5	150,000,000.00	146,870,581.78	22,697,463.63
TOTAL PAYMENTS		1,490,000,000.00	531,166,510.41	363,627,449.81
Net Cashflow from Operating activities (A)		460,000,000.00	12,549,470.48	8,820,340.74
CASHFLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	610,500,000.00	16,152,000.00	-
Net Cashflow From Investing Activities (B)			(16,152,000.00)	-
CASHFLOW FROM FINANCING ACTIVITIES				
Proceed from External Loans			-	-
Net Cashflow From Financing Activities			-	-
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7		(29,289,500.00)	18,677,579.67
Increase/ Decrease in other Liabilities	8		6,506,835.50	7,549,292.55
Total Cash flow from other Cash equivalents Accounts (C)			(22,782,664.50)	26,226,872.22
Net Cashflow For the Year (A+B+C)			(26,385,194.02)	35,047,212.96
Cash and its equivalents as at 1st January, 2018	9		37,440,315.72	2,393,102.76
Cash and its equivalents as at 31 ST December, 2018	9		11,055,121.70	37,440,315.72

ABAK LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	NOTES	2018 ₦	2017 ₦
ASSETS:			
Liquid Assets:			
Cash in Hand	9	102,482.27	-
Cash at Bank	9	10,952,639.43	37,440,315.72
TOTAL LIQUID ASSETS:		11,055,121.70	37,440,315.72
Investments and Other Cash Assets:			
Advances	10	379,765,444.33	350,475,944.33
TOTAL ASSETS		<u>390,820,566.03</u>	<u>387,916,260.05</u>
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		272,405,433.76	276,007,963.28
OTHER LIABILITIES			
Deposits	11	118,415,132.27	111,908,296.77
TOTAL LIABILITIES		<u>390,820,566.03</u>	<u>387,916,260.05</u>

ABAK LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2018

Actual 2017 N	Description	Initial Budget 2018 N	Supp-Budget 2018 N	Final Budget 2018 N	Actual 2018 N	Var. %
267,187,622.54	Opening Balance				276,007,963.28	
	ADD REVENUE:					
366,699,680.55	Statutory Allocation	1,400,000,000.00	-	1,400,000,000.00	527,292,300.89	(62)
	Derivation	200,000,000.00	-	200,000,000.00		(100)
	Value Added Tax	300,000,000.00	-	300,000,000.00		(100)
	State Allocation	30,000,000.00	-	30,000,000.00		(100)
	Excess Crude	-	-	-		-
	Stabilization	-	-	-		-
366,699,680.55	Sub Total Statutory Allocations	1,930,000,000.00	-	1,930,000,000.00	527,292,300.89	(72)
19,000.00	Taxes	200,000.00	-	200,000.00	8,500.00	(96)
716,500.00	Rates (Tenement)	3,500,000.00	-	3,500,000.00	5,443,000.00	(56)
1,430,770.00	Local License fines & fees	4,800,000.00	-	4,800,000.00	5,564,680.00	(16)
581,840.00	Earning from Commercial undertaking	7,095,000.00	-	7,095,000.00	5,247,500.00	(26)
3,000,000.00	Rent on Local Govt. Property	2,015,000.00	-	2,015,000.00	50,000.00	(98)
	Interest & Dividends Receivable	-	-	-	-	-
	Grants	-	-	-	50,000.00	(100)
	Miscellaneous	2,390,000.00	-	2,390,000.00	60,000.00	(97)
5,748,110.00	Sub Total IGR	20,000,000.00	-	20,000,000.00	16,423,680.00	(18)
639,635,413.09	TOTAL REVENUE	1,950,000,000.00	-	1,950,000,000.00	819,723,944.17	(58)
	EXPENDITURE:					
	Consolidated Revenue Fund Charges:					
20,745,491.68	Political/Public Office Holders	70,000,000.00	-	70,000,000.00	64,803,976.46	7.4
	Pensions/Training Fund/Traditional Rulers Council	200,000,000.00	-	200,000,000.00	-	100
	Funding of Primary Education	700,000,000.00	-	700,000,000.00	-	100
	Internal Debt Servicing	10,000,000.00	-	10,000,000.00	-	100
20,745,491.68	Sub Total CRFC	980,000,000.00	-	980,000,000.00	64,803,976.46	82
320,184,494.50	Personnel Costs	360,000,000.00	-	360,000,000.00	319,491,952.17	11
22,697,463.63	Overhead Costs	150,000,000.00	-	150,000,000.00	146,870,581.78	2.
363,627,449.81	TOTAL EXPENDITURE	1,490,000,000.00	-	1,490,000,000.00	531,166,510.41	65
276,007,963.28	Operating Balance	460,000,000.00	-	460,000,000.00	288,557,433.76	
	APPRIOPRATION/TRANSFERS					
-	Transfer to Capital Dev. Fund	610,500,000.00	-	610,500,000.00	16,152,000.00	97
276,007,963.28	Closing Balance				272,405,433.76	

ABAK LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 4

**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2018**

Actual 2017 N	Description	Initial Budget 2018 N	Supp-Budget 2018 N	Final Budget 2018 N	Actual 2018 N	Var. %
	Transfer from Consolidated Rev. Fund A	610,500,000.00	-	610,500,000.00	16,152,000.00	97
	Less Capital Expenditure:					
-	ECONOMIC SECTOR	214,585,000.00	-	214,585,000.00	3,050,000.00	99
-	SOCIAL SECTOR	86,160,000.00	-	86,160,000.00	200,000.00	99
-	ENVIRONMENTAL/REGIONAL DEV.	163,600,000.00	-	163,600,000.00	150,000.00	99
	GENERAL ADMINISTRATION	146,155,000.00	-	146,155,000.00	12,752,000.00	91
	Total Expenditure B	610,500,000.00	-	610,500,000.00	16,152,000.00	97
	Closing Balance A- B	0	0	0	0	

NOTES TO THE ACCOUNTS

NOTE 1: STATUTORY ALLOCATION

Months	2018 ₦	2017 ₦
January	35,933,398.68	27,198,194.40
February	35,785,971.10	27,514,695.26
March	35,426,572.00	29,365,262.80
April	40,921,437.97	29,444,393.56
May	43,344,461.74	27,368,839.64
June	44,570,654.43	28,210,458.81
July	47,781,514.40	30,735,322.69
August	47,887,882.53	28,949,882.05
September	49,552,145.93	46,287,458.71
October	45,278,779.18	30,349,794.39
November	66,614,204.26	28,455,882.46
December	34,195,278.67	32,819,495.78
TOTAL	527,292,300.89	366,699,680.55

NOTE 2: INTERNALLY GENERATED REVENUE

Head	Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
1001	Taxes	200,000.00	8,500.00	19,000.00
1002	Rates	3,500,000.00	5,443,000.00	716,500.00
1003	Local License fees and fines	4,800,000.00	5,564,680.00	1,430,770.00
1004	Earnings from Comm. Undertakings	7,095,000.00	5,247,500.00	581,840.00
1005	Rent on Local Government property	2,015,000.00	50,000.00	3,000,000.00
1006	Miscellaneous	-	-	-
1007	Grants	-	50,000.00	-
1008	Miscellaneous	2,390,000.00	60,000.00	-
	Total	20,000,000.00	16,423,680.00	5,748,110.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICE HOLDERS

Description	Budget 2018 N	Actual 2018 N	Actual 2017 N
Office of the Executive Chairman	4,106,500.00	3,808,099.71	20,745,491.68
Office of the V/Chairman	2,986,500.00	3,576,437.28	-
Office of the Supervisor	21,630,000.00	10,470,574.85	-
Office of the Special Advisers	9,958,500.00	8,073,696.28	-
Office of the Secretary	2,842,500.00	3,390,889.09	-
Legislative/General Council	28,476,000.00	35,484,279.25	-
Total	70,000,000.00	64,803,976.46	20,745,491.68

NOTE 4: PERSONNEL COSTS

Head	Description	Budget 2018 N	Actual 2018 N	Actual 2017 N
2004	Administration	100,899,880.00	83,795,003.41	68,887,105.02
2005	Finance and Supplies	55,934,700.00	49,555,931.73	43,805,000.45
2006	Education	38,472,130.00	31,408,699.01	63,565,087.80
2007	Health and Social Services	123,306,110.00	121,959,651.38	110,756,728.46
2008	Agric & Natural Resources	7,194,710.00	5,387,059.20	5,329,413.23
2009	Works and Housing	25,462,690.00	20,309,115.94	18,647,653.23
2010	Budget, Planning & Research	-	-	-
2011	Traditional Ruler's Council	8,729,780.00	7,076,491.50	9,193,506.31
	Total	360,000,000.00	319,491,952.17	320,184,494.50

NOTE 5: OVERHEAD COSTS

Head	Description	Budget 2018 N	Actual 2018 N	Actual 2017 N
2001A	Office of the Chairman	27,650,000.00	30,641,000.00	12,000,000.00
2001B	Office of the Vice Chairman	5,000,000.00	4,605,000.00	-
2002A	Office of the Secretary	3,580,000.00	3,565,000.00	-
2002B	Office of the Supervisors	4,700,000.00	4,517,000.00	560,000.00
2002C	Office of the Special Advisers	4,000,000.00	4,065,000.00	-
2003A	Legislative Arm/General Council	5,000,000.00	5,590,000.00	-
2003B	Office of the Leader	5,000,000.00	3,530,000.00	-
2003C	The Office of the Deputy Leader	4,000,000.00	2,520,000.00	-
2003D	Office of the Majority Leader	3,300,000.00	2,100,000.00	-
2003E	Office of the Dep. Majority Leader	3,300,000.00	3,200,000.00	-
2003F	Office of the Chief Whip	3,300,000.00	3,980,000.00	-
2003G	Office of the Dep. Chief Whip	3,300,000.00	1,700,000.00	-
2003H	Office of the Clerk	2,000,000.00	1,340,000.00	-
2004A	Office of the HOS L/G	3,150,000.00	3,795,000.00	15,000.00
2004B	General Administration	3,100,000.00	2,390,000.00	928,091.72
2005	Finance and Supplies	2,900,000.00	2,680,000.00	-
2006	Education	1,950,000.00	1,500,000.00	100,000.00
2007	Health and Social Services	2,450,000.00	1,740,000.00	-
2008	Agriculture	1,400,000.00	2,459,000.00	10,000.00
2009	Works and Housing	2,600,000.00	1,160,000.00	10,000.00
2010	Budget, Planning & Research	2,800,000.00	2,500,000.00	-
2011	Traditional Rulers Council	1,280,000.00	2,750,000.00	-
2012	Miscellaneous	55,190,000.00	54,543,581.78	9,074,371.85
	Total	150,000,000.00	146,870,581.78	22,697,463.63

NOTE 6: CAPITAL EXPENDITURE

Description	Budget 2018 N	Actual 2018 N	Actual 2017 N
Economic Sector	214,585,000.00	3,050,000.00	-
Social Sector	86,160,000.00	200,000.00	-
Environmental Sector	163,600,000.00	150,000.00	-
Administrative Sector:			
General Administration (Executive)	112,655,000.00	11,282,000.00	-
General Administration (Legislative)	33,500,000.00	1,470,000.00	-
Total	610,500,000.00	16,152,000.00	-

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2018 N		2017 N	
2018 Advances	379,765,444.33	2017 Advances	350,355,944.33
2017 Advances	350,355,944.33	2016 Advances	369,153,524.00
	(29,409,499.97)		18,797,579.67

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2018 N		2017 N	
2018 Deposits	118,415,132.27	2017 Deposits	11,908,296.77
2017 Deposits	111,908,296.77	2016 Deposits	104,359,004.22
	6,506,835.50		7,549,292.55

NOTE 9: CASH AND BANK BALANCES

Description	2018 N	2017 N
Cash in hand	102,482.27	-
Cash at Bank:		
Zenith Bank	6,615,484.43	31,156,175.20
UBA PLC	14,337.50	5,743,433.02
Access Bank	43,609.80	43,609.80
Skye Bank	71,114.04	71,114.04
Akwa Savings	11,366.54	11,366.54
Union Bank	9,222.12	9,222.12
Diamond Bank	4,187,505.00	405,395.00
Sub Total	10,952,639.43	37,440,315.72
Total	11,055,121.70	37,440,315.72

NOTE 10: ADVANCES

Detail	2018 N	2017 N
Purchases Advance	248,236,882.33	225,452,382.33
Imprest Advance	111,435,200.00	107,670,200.00
Touring Advance	19,988,362.00	17,228,362.00
Salary Advance	105,000.00	105,000.00
Motor Vehicle	-	-
Others	-	-
TOTAL	379,765,444.33	350,355,944.33

NOTE 11: DEPOSITS

Detail	2018 N	2017 N
PAYE Tax	52,176.27	772,609.12
NULGE Dues-State/Branch	2,217,952.29	1,903,604.69
NANNM	626,129.68	480,146.71
Pension Fund	1,504,164.73	1,504,164.73
Others	114,014,709.30	107,247,771.52
TOTAL	118,415,132.27	111,908,296.77

EASTERN OBOLO LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Eastern Obolo Local Government Council in accordance with the Provisions of the Model Financial Memoranda. The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls 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 International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Eastern Obolo Local Government Council as at 31st December, 2018 and its operations for the year ended on that date.



Mr. Idongesit J. Udodiong
Director of Finance
5th August, 2019



Hon. Victoria George Tallick
Chairman
5th August, 2019

AUDIT CERTIFICATE

The Executive Chairman
Eastern Obolo Local Government Council
Okoroete.

AUDIT CERTIFICATE ON THE ACCOUNTS OF EASTERN OBOLO LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Eastern Obolo Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Eastern Obolo Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

EASTERN OBOLO LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

- (i) **Basis of Preparation of Financial Statements**
The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.
- (ii) **Accounting Period**
A period of twelve months covering 1st January – 31st December, 2018
- (iii) **Reporting Currency:**
The reporting currency is the Nigerian Naira.
- (iv) **Basis of Consolidation**
The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.
- (v) **Statutory Revenue**
Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.
- (vi) **Internally Generated Revenue:**
This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.
- (vii) **Payments**
These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.
- (viii) **Cash Balances:**
This includes cash in hand, at bank and cash equivalents at the end of the financial year.
- (ix) **Advances**
These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.
- (x) **Deposits**
These are unremitted deductions and unpaid obligations to third parties on the reporting date.

EASTERN OBOLO LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

Description	Notes	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
Receipts:				
Statutory Allocation	1	1,300,000,000.00	402,630,899.31	228,404,695.96
Other Description	1	300,000,000.00	-	-
Value Added Tax	1	250,000,000.00	-	-
State Allocation	1	30,000,000.00	-	-
Excess Crude	1	-	-	-
Stabilization	1	-	-	-
Taxes	2	650,000.00	-	-
Rates	2	3,100,000.00	250,000.00	-
Local License fines and fees	2	3,350,000.00	-	-
Earning from Commercial undertaking	2	600,000.00	-	-
Rent on Local Govt. Property	2	800,000.00	3,000.00	-
Interest & Dividends Receivable	2	-	-	-
Grants	2	-	-	-
Miscellaneous	2	2,500,000.00	53,000.00	200,810.00
TOTAL RECEIPTS		1,891,000,000.00	402,936,899.31	228,605,505.96
PAYMENTS				
Consolidated Rev Fund Charge				
Political Public Office Holders	3	65,000,000.00	60,855,055.76	19,842,803.40
Pension Training/Traditional Rulers Council	3	200,000,000.00	-	-
Funding of Primary Education	3	400,000,000.00	-	-
Internal Debt Servicing	3	30,000,000.00	-	-
Total Consolidated Revenue Fund Charges	3	695,000,000.00	60,855,055.76	19,842,803.40
Personal Costs	4	249,148,760.42	209,187,066.96	152,580,624.27
Overhead Costs	5	200,000,000.00	56,140,530.06	28,368,692.83
TOTAL PAYMENTS		1,144,148,760.42	326,182,652.78	200,792,120.50
Net Cashflow from Operating Activities A		746,851,239.58	76,754,246.53	27,813,385.46
CASHFLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	916,100,000.00	9,548,000.00	300,000.00
Net Cashflow From Investing Activities B			(9,548,000.00)	(300,000.00)
CASHFLOW FROM FINANCING ACTIVITIES				
Proceed from External Loans				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7		(84,620,471.00)	(4,151,165.10)
Increase/ Decrease in other Liabilities	8		307,518.82	565,450.91
Total Cash flow from other Cash equiv. Accounts C			(84 312 952.18)	(3,585,714.19)
Net Cashflow For the Year (A+B+C)			(17,106,705.65)	23,927,671.27
Cash and its equivalents as at 1st January, 2018	9		28,684,735.30	4,757,064.03
Cash and its equivalents as at 31st Dec, 2018	9		11,578,029.65	28,684,735.30

EASTERN OBOLO LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2

STATEMENT OF ASSETS& LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	NOTES	2018 ₦	2017 ₦
ASSETS:			
Liquid Assets:			
Cash in Hand	9	5,604.82	1,469.93
Cash at Bank	9	11,572,424.83	28,683,265.37
TOTAL LIQUID ASSETS:		11,578,029.65	28,684,735.30
Investments and Other Cash Assets:			
Advances	10	1,986,104,879.38	1,901,484,408.38
TOTAL ASSETS		<u>1,997,682,909.03</u>	<u>1,930,169,143.68</u>
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		1,833,332,536.18	1,766,126,289.65
OTHER LIABILITIES			
Deposits	11	164,350,372.85	164,042,854.03
TOTAL LIABILITIES		<u>1,997,682,909.03</u>	<u>1,930,169,143.68</u>

EASTERN OBOLO LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2018

Actual 2017 ₦	Description of Items	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
1,738,612,904.19	Operating Balances				1,766,126,289.65	
-	Add Revenue					
228,404,695.96	Statutory Allocation	1,300,000,000.00	-	1,300,000,000.00	402,630,899.31	(69)
-	Derivation	300,000,000.00	-	300,000,000.00	-	(100)
-	Value Added Tax	250,000,000.00	-	250,000,000.00	-	(100)
-	State Allowance	30,000,000.00	-	30,000,000.00	-	(100)
-	Excess Crude	-	-	-		
-	Stabilization	-	-	-		
228,404,695.00	Sub-Total Statutory Allocation	1,880,000,000.00	-	1,880,000,000.00	402,630,899.31	(75)
-	Taxes	650,000.00	-	650,000.00		(100)
-	Rates	3,100,000.00	-	3,100,000.00	250,000.00	(92)
-	Local License fines and fees	3,350,000.00	-	3,350,000.00	-	(100)
-	Earning from commercial undertaking	600,000.00	-	600,000.00	-	(100)
-	Rent on Local Govt. Property	800,000.00	-	800,000.00	3,000.00	(99)
-	Interest & Dividends Receivable	-	-	-	-	
-	Grants	-	-	-	-	
-	Miscellaneous	2,500,000.00	-	2,500,000.00	53,000.00	(98)
200,810,000.00	Sub. Total IGR	11,000,000.00	-	11,000,000.00	306,000.00	(97)
1,967,218,410.15	TOTAL REVENUEE	1,891,000,000.00	-	1,891,000,000.00	2,169,063,188.96	(15)
	EXPENDITURE					
	Consolidated Rev. Fund Charges					
19,842,803.40	Political/Public Office Holders	65,000,000.00	-	65,000,000.00	60,855,055.76	6
-	Pensions/Training Fund/TRC	200,000,000.00	-	200,000,000.00	-	100
-	Funding of Primary Education	400,000,000.00	-	400,000,000.00	-	100
-	Internal Debt Servicing	30,000,000.00	-	30,000,000.00	-	100
19,842,803.40	Sub. Total CRFC	695,000,000.00	-	695,000,000.00	60,855,055.76	91
152,580,624.27	Personnel Costs	249,148,760.42	-	249,148,760.42	209,187,066.96	16
28,368,692.83	Overhead Costs	200,000,000.00	-	200,000,000.00	56,140,530.06	72
200,792,120.50	TOTAL EXPENDITURE	1,144,148,760.42	-	1,144,148,760.42	326,182,652.78	71
1,766,426,289.65	Operating Balance	746,851,239.58	-	746,851,239.58	1,842,880,536.18	
300,000.00	Transfer to Capital Dev. Fund	916,100,000.00	-	916,100,000.00	9,548,000.00	98
1,766,126,289.65	CLOSING BALANCE				1,833,332,536.18	

EASTERN OBOLO LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2018

Actual 2017 N	Descriptions	Initial Budget 2018 N	Supp-Budget 2018 N	Final Budget 2018 N	Actual 2018 N	Var. %
300,000.00	Transfer from Consolidated Rev. Fund A	916,100,000.00	-	916,100,000.00	9,548,000.00	98
	Less Capital Expenditure:					
-	ECONOMIC SECTOR	257,500,000.00	-	257,500,000.00	-	100
300,000.00	SOCIAL SECTOR	131,300,000	-	131,300,000	380,000,000.00	99
-	ENVIRONMENTAL /REG.DEV.	85,800,000.00	-	85,800,000.00	9,018,000.00	89
			-			
-	GENERAL ADMINISTRATION	441,500,000.00	-	441,500,000.00	150,000.00	99
300,000.00	Total Expenditure B	916,100,000.00	-	916,100,000.00	9,548,000.00	98.68
	Closing Balance A-B	0	0	0	0	

EASTERN OBOLO LOCAL GOVERNMENT COUNCIL

NOTES TO THE ACCOUNTS

NOTE 1: STATUTORY ALLOCATION

Months	2018 N	2017 N
January	26,684,705.10	-
February	26,609,287.88	18,968,298.80
March	26,512,961.10	16,177,358.74
April	31,015,812.00	19,784,711.28
May	32,720,903.41	16,657,387.53
June	33,661,250.89	18,469,006.71
July	37,207,109.15	22,380,851.28
August	37,254,885.73	2,238,676.59
September	38,539,149.11	20,026,010.24
October	42,972,255.66	19,631,171.52
November	46,654,549.26	17,490,851.13
December	22,797,030.02	56,580,372.14
Total	402,630,899.31	228,404,695.96

NOTE 2: INTERNALLY GENERATED REVENUE

Head	Description	Budget 2018 N	Actual 2018 N	Actual 2017 N
1001	Taxes	650,000.00	-	-
1002	Rates	3,100,000.00	250,000.00	-
1003	Local license, fees and fines	3,350,000.00	-	-
1004	Earnings from Com. Undertaking	600,000.00	-	-
1005	Rent on Local Govt. Properties	800,000.00	3,000.00	-
1006	Interest on Dividends	-	-	-
1007	Grants	-	-	-
1008	Miscellaneous	2,500,000.00	53,000.00	200,810.00
	Total IGR	11,000,000.00	306,000.00	200,810.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICE HOLDERS

Description	Budget 2018 N	Actual 2018 N	Actual 2017 N
Office of the Executive Chairman	3,600,000.00	3,808,099.20	19,842,603.40
Office of the Chairman	3,400,000.00	3,519,013.08	-
Office of the Supervisors	15,000,000.00	18,807,130.75	-
Office of the Special Advisers	9,000,000.00	-	-
Office of the Secretary	3,000,000.00	2,365,736.55	-
Legislative of General Council	31,000,000.00	32,355,076.18	-
Total	65,000,000.00	60,855,055.76	19,842,8032.40

NOTE 4: PERSONNEL COSTS

Head	Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
2004	Administration	63,550,941.56	58,233,756.63	36,524,186.21
2005	Finance and Supplies	39,131,135.66	32,099,587.56	20,247,803.44
2006	Social Development, Information Youth. Sports & Culture	31,529,296.54	25,505,162.16	19,222,138.01
2007	Primary Health Care	84,404,242.14	73,056,676.03	49,020,866.20
2008	Agriculture and Natural Resources	8,232,329.64	5,342,688.59	3,755,098.19
2009	Works and Housing Lands & Survey	15,944,176.46	11,276,330.22	9,496,346.29
2010	Traditional Rulers Office	-	-	-
2011	Budget, Planning, Research and Statistics	6,356,638.42	3,672,865.77	3,511,720.68
	Others including Leave Grants	-	-	10,762,465.17
	Total	249,148,760.42	209,187,066.96	152,580,624.27

Note 5: OVERHEAD COSTS

Head	Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
2001A	Office of the Executive Chairman	32,800,000.00	16,435,000.00	6,500,000.00
2001B	Office of the Vice Chairman	7,600,000.00	3,540,000.00	1,000,000.00
2002A	Office of the Secretary	4,000,000.00	1,600,000.00	440,000.00
2002B	Office of the Supervisors	7,000,000.00	620,000.00	700,000.00
2002C	Office of the Special Advisers	5,600,000.00	550,000.00	-
2003A	Office of the Legislative/General Council	16,900,000.00	8,210,000.00	-
2003B	Office of the Leader	6,740,000.00	1,200,000.00	-
2003C	Office of the Deputy Leader	4,050,000.00	20,000.00	-
2003D	Office of the Majority Leader	3,500,000.00	-	-
2003E	Office of the Minority Leader	-	-	20,000.00
2003F	Office of the Chief Whip	3,600,000.00	-	-
2003G	Office of Deputy Chief Whip	3,500,000.00	-	10,000.00
2003H	Office of the Clerk	2,850,000.00	549,000.00	-
2004A	Office of the Head of Local Government Services	3,900,000.00	100,000.00	-
2004B	Office of the Administration and General Office	3,320,000.00	795,000.00	2,790,000.00
2005	Finance and Supplies	3,600,000.00	1,094,000.00	1,430,000.00
2006	Education, Information & Sports	1,850,000.00	-	530,000.00
2007	Health	2,240,000.00	-	-
2008	Agricultural Natural Resources	2,050,000.00	4,222,030.06	40,000.00
2009	Work and Transport	3,000,000.00	-	20,000.00
2010	Budget, Planning, Research & Statistics	2,000,000.00	370,000.00	430,000.00
2011	Traditional Rulers Council	2,000,000.00	-	-
2012	Miscellaneous	78,400,000.00	16,835,500.00	14,458,692.83
	Total	200,000,000.00	56,140,530.06	28,368,692.83

Note 6: CAPITAL EXPENDITURE

Description	Budget 2018 N	Actual 2018 N	Actual 2017 N
Economic Sector	257,500,000.00	-	-
Social Sector	131,300,000.00	2,898,000.00	300,000.00
Environmental Sector	85,800,000.00	6,500,000.00	-
Administration Sector			
General Administration (Executive)	306,700,000.0	-	-
General Administration (Legislature)	134,800,000.00	150,000.00	-
Total	916,100,000.00	9,548,000.00	300,000.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2018 N		2017 N	
2018 Advances	1,986,104,879.38	2017 Advances	1,901,484,408.38
2017 Advance	1,901,484,408.38	2016 Advance	1,897,333,243.28
	(84,620,471.00)		(4,151,165.10)

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2018 N		2017 N	
2018 Deposit	164,350,372.85	2017 Deposit	164,042,854.03
2017 Deposits	164,042,854.03	2016 Deposits	163,477,403.12
	(307,518.82)		(565,450.91)

NOTE 9: CASH AND BANK BALANCES

DESCRIPTION	2018 N	2017 N
Cash	5,604.82	1,469.93
Bank:		
Zenith Bank A/C 1014517193	9,342,024.27	18,428,719.25
Skye Bank	79,000.00	79,000.00
Access Bank	8,167.73	8,167.73
FCMB -0799562010	1,998,315.02	1,998,315.02
FCMB – 101304026	69,649.70	69,649.70
ACCESS (FMR DIAMOND) 0027369790	19,421.27	8,044,417.86
DIAMOND – 0028989500	21,191.18	20,340.15
UBA -1011456574	34,339.83	34,339.83
UBA – 1015887620	315.83	315.83
Sub-Total	11,572,424.83	28,683,265.37
Total	11,578,029.65	28,684,735.30

Note10: ADVANCES

Detail	2018 N	2017 N
Purchase	1,086, 621,710.19	1,045,953,845.09
Imprest	310,933,256.00	278,000,356.00
Touring	148,715,744.40	137,762,788.50
Salary/Special	4,468,518.79	4,468,518.79
Upkeep	15,235,400.00	15,235,400.00
Other Advances	420,130,250.00	20,130,250.00
Total	1,986,104,879.38	1,901,484,408.38

Note 11: DEPOSITS

Detail	2018 N	2017 N
PAYE Tax	8,722,100.87	8,722,777.87
NULGE Dues State/Branch	1,394,087.73	1,293,000.87
NANNM	2,343,759.48	2,343,759.48
VAT	8,814,990.18	8,814,990.18
Withholding Tax	9,878,709.03	9,878,709.03
Pension Deduction	13,059,076.99	-
Others	120,137,648.67	132,989,616.60
Total	164,350,372.85	164,042,854.03

EKET LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

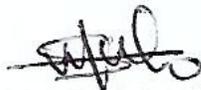
These Financial Statements have been prepared by the Director of Finance of Eket Local Government Council in accordance with the Provisions of the Model Financial Memoranda. The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

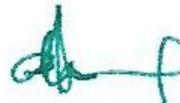
The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls has operated adequately throughout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

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Eket Local Government Council as at 31st December, 2018 and its operations for the year ended on that date.



Mrs. Faith S. Nyoho
Director of Finance
14/06/2019



Hon. Frank Archibong
Chairman
14/06/2019

AUDIT CERTIFICATE

The Executive Chairman
Eket Local Government Council
Eket.

AUDIT CERTIFICATE ON THE ACCOUNTS OF EKET LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Eket Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Eket Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

EKET LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

(i) **Basis of Preparation of Financial Statements**

The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.

(ii) **Accounting Period**

A period of twelve months covering 1st January – 31st December, 2018

(iii) **Reporting Currency:**

The reporting currency is the Nigerian Naira.

(iv) **Basis of Consolidation**

The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.

(v) **Statutory Revenue**

Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.

(vi) **Internally Generated Revenue:**

This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.

(vii) **Payments**

These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.

(viii) **Cash Balances:**

This includes cash in hand, at bank and cash equivalents at the end of the financial year.

(ix) **Advances**

These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.

(x) **Deposits**

These are unremitted deductions and unpaid obligations to third parties on the reporting date.

EKET LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

CASHFLOW FROM OPERATING ACTIVITIES	Notes	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
RECEIPTS				
Statutory Allocation	1	1,500,000,000.00	545,873,524.26	338,806,167.30
OTHERS: Derivation	1	-	-	-
Valued and Added Tax	1	350,000,000.00	-	-
State Allocation	1	30,000,000.00	-	-
Excess Crude	1	-	-	-
Stabilization	1	-	-	-
Taxes	2	33,500,000.00	700.00	400.00
Rates	2	57,650,000.00	39,060,000.00	19,707,236.38
Local License Fines and Fees	2	20,970,000.00	1,514,510.00	716,370.00
Earning From Commercial Undertaking	2	15,210,000.00	25,393,500.00	475,000.00
Rent on Local Govt. Property	2	3,000,000.00	200,000.00	341,000.00
Interest and Dividend Receivable	2	1,820,000.00	-	-
Grant	2	-	-	-
Miscellaneous	2	26,210,000.00	755,497.52	31,405,007.36
TOTAL RECEIPTS		2,038,360,000.00	612,797,731.78	391,451,181.04
PAYMENTS				
Consolidated Revenue Fund Charge				
Political/ Public Office Holders	3	100,000,000.00	66,582,832.99	20,206,527.16
Pensions/ Training Fund/ Traditional Rulers Council	3	200,000,000.00	-	-
Funding Of Primary Education	3	650,000,000.00	-	-
Internal Debt Servicing	3	10,000,000.00	-	-
Total Consolidated Revenue Fund Charges		960,000,000.00	66,582,832.99	20,206,527.16
Personnel Costs	4	350,000,000.00	307,441,932.36	280,361,034.31
Overhead Costs	5	250,000,000.00	152,269,066.21	77,894,561.57
TOTAL PAYMENTS		1,560,000,000.00	526,293,831.56	378,462,123.04
Net Cash Flow from Operating Activities A		478,360,000.00	86,503,900.22	12,989,058.00
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	1,325,000,000.00	45,694,000.00	110,750,200.00
Net Cash Flow From Investing Activities B			(45,694,000.00)	(110,750,200.00)
CASHFLOW FROM FINANCING ACTIVITIES				
Proceed from External Loans				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7		(46,209,537.33)	107,689,800.00
Increase/ Decrease in other Liabilities	8		400,129.79	3,294,422.05
Total Cash flow from other Cash equiv. Accounts C			(45,809,407.54)	110,984,222.05
Net Cashflow For the Year (A+B+C)			(4,999,507.32)	13,223,080.05
Cash and its equivalents as at 1st January, 2018	9		17,389,376.16	4,166,269.11
Cash and its equivalents as at 31st Dec, 2018	9		12,389,868.84	17,389,376.16

EKET LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	NOTES	2018 ₦	2017 ₦
ASSETS:			
Liquid Assets:			
Cash in Hand	9	222,460.36	17,769.83
Cash at Bank	9	12,167,408.48	17,371,606.33
TOTAL LIQUID ASSETS:		12,389,868.84	17,389,376.16
Investments and Other Cash Assets:			
Advances	10	1,622,205,621.73	1,575,996,084.40
TOTAL ASSETS		1,634,595,490.57	1,593,385,460.56
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		1,224,159,774.17	1,183,349,873.95
OTHER LIABILITIES			
Deposits	11	410,435,716.40	410,035,586.61
TOTAL LIABILITIES		1,634,595,490.57	1,593,385,460.56

**EKET LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 3**

**STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2018**

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
1,281,111,015.95	Opening Balance				1,183,349,873.95	
	Add revenue:					
338,806,167.30	Statutory Allocation	1,500,000,000.00	-	1,500,000,000.00	545,873,524.26	(64)
-	Derivation	-	-	-	-	-
-	Valued Added Tax	350,000,000.00	-	350,000,000.00	-	(100)
-	State Allocation	30,000,000.00	-	30,000,000.00	-	(100)
-	Excess Crude	-	-	-	-	-
-	Stabilization	-	-	-	-	-
338,806,167.30	Sub Total Statutory Allocation	1,880,000,000.00	-	1,880,000,000.00	545,873,524.26	(70.9)
400.00	Taxes	33,500,000.00	-	33,500,000.00	700.00	(99.9)
19,707,236.38	Rates	57,650,000.00	-	57,650,000.00	39,060,000.00	(32.2)
716,370.00	Local License, Fines And Fees	20,970,000.00	-	20,970,000.00	1,514,510.00	(92.8)
475,000.00	Earning From Commercial Undertaking	15,210,000.00	-	15,210,000.00	25,393,500.00	66
341,000.00	Rent On Local Govt. Property	3,000,000.00	-	3,000,000.00	200,000.00	(93)
	Interest & Dividends Receivable	1,820,000.00	-	1,820,000.00	-	(100)
	Grants	-	-	-	-	-
31,405,007.36	Miscellaneous	26,210,000.00	-	26,210,000.00	755,497.52	(97)
52,645,013.74	Sub. Total IGR	158,360,000.00	-	158,360,000.00	66,924,207.52	(58)
1,672,562,196.99	TOTAL REVENUE	2,038,360,000.00	-	2,038,360,000.00	1,796,147,605.73	(11.9)
	EXPENDITURE					
-	Consolidated Rev. Fund Charges	-	-	-	-	
20,206,527.16	Political/Public Office Holders	100,000,000.00	-	100,000,000.00	66,582,832.99	92
-	Pension/Training Fund/Traditional Rulers Council	200,000,000.00	-	200,000,000.00	-	100
-	Funding Of Primary Education	650,000,000.00	-	650,000,000.00	-	100
-	Internal Debt Servicing	10,000,000.00	-	10,000,000.00	-	100
20,206,527.16	Sub Total CRFC	960,000,000.00	-	960,000,000.00	66,582,832.99	93
280,361,034.31	Personnel Costs	350,000,000.00	-	350,000,000.00	307,441,932.36	12.1
77,894,561.57	Overhead Costs	250,000,000.00	-	250,000,000.00	152,269,066.21	39
378,462,123.04	TOTAL EXPENDITURE	1,560,000,000.00	-	1,560,000,000.00	526,293,831.56	67
1,294,100,073.95	Operating Balance	478,360,000.00	-	478,360,000.00	1,269,853,774.17	
110,750,200.00	Transfer to Capital Dev. Fund	1,325,000,000.00	-	1,325,000,000.00	45,694,000.00	96.5
1,183,349,873.95	Closing Balance				1,224,159,774.17	

EKET LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2018

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	VAR %
110,750,200.00	Transfer from Consolidated Rev. Fund A	1,325,000,000.00	-	1,325,000,000.00	45,694,000.00	96.5
	Less Capital Expenditure					
7,790,000.00	ECONOMIC SECTOR	190,000,000.00	-	190,000,000.00	10,720,000.00	94
33,456,000.00	SOCIAL SECTOR	195,000,000.00	-	195,000,000.00	1,150,000.00	99
42,370,000.00	ENVIRONMENTAL/REGIONAL DEVELOPMENT	225,000,000.00	-	225,000,000.00	9,907,000.00	96
27,134,200.00	GENERAL ADMINISTRATION	715,000,000.00	-	715,000,000.00	23,917,000.00	97
110,750,200.00	Total Expenditure B	1,325,000,000.00	-	1,325,000,000.00	45,694,000.00	97
	Closing Balance	0	-	0	0	

EKET LOCAL GOVERNMENT COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATUTORY ALLOCATION

Months	2018 ₦	2017 ₦
January	-	26,552,183.33
February	36,439,035.49	28,687,007.97
March	36,023,998.58	25,569,983.72
April	35,941,951.16	28,908,215.49
May	41,024,092.32	25,332,819.07
June	43,539,834.77	27,874,222.95
July	44,818,159.73	32,164,370.43
August	47,930,273.43	26,968,003.87
September	47,280,443.94	29,439,101.19
October	50,733,767.71	29,016,553.01
November	60,743,385.74	26,569,454.66
December	101,077,181.50	31,724,251.61
Total	545,873,524.26	338,806,167.30

NOTE 2: INTERNALLY GENERATED REVENUE

Head	Sub Head	Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
1001	1-11	Taxes	33,500,000.00	700.00	400.00
1002	1-7	Rates	57,650,000.00	39,060,000.00	19,707,236.38
1003	1-97	Local Licenses, Fines & Fees	20,970,000.00	1,514,510.00	716,370.00
1004	1-9	Earning from Commercial Undertaking	15,210,000.00	25,393,500.00	475,000.00
1005	1-3	Rent on Local Govt. Property	3,000,000.00	200,000.00	341,000.00
1006	1-6	Interest and Dividends	1,820,000.00	-	-
1007	1-3	Grants	-	-	-
1008	1-9	Miscellaneous	26,210,000.00	755,497.52	31,405,007.36
		Total	158,360,000.00	66,924,207.52	52,645,013.74

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICE HOLDERS

	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
Office of the Executive Chairman	4,000,000.00	3,762,087.69	2,559,009.40
Office of the Vice Chairman	3,200,000.00	3,021,295.86	-
Office of the Supervisors	8,800,000.00	18,782,764.44	15,525,512.56
Office of the Special Advisers	13,000,000.00	-	-
Office of the Secretary	3,000,000.00	4,386,861.62	2,122,005.20
Legislative/General Council	38,000,000.00	36,629,823.38	-
Total	70,000,000.00	66,582,832.99	20,206,527.16

NOTE 4: PERSONNEL COSTS

Head/ Subhead	Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
2004	Administration	90,205,000.00	85,052,011.31	80,228,324.57
2005	Finance and Supplies	35,675,240.00	55,366,843.56	54,783,265.31
2006	Social Development, Information, Youth Sport & Culture	30,143,000.00	28,184,222.45	26,285,025.21
2007	Primary Health Care	85,072,190.00	100,767,087.85	84,440,987.70
2008	Agriculture and Natural Resources	11,526,050.00	8,754,777.34	8,084,332.40
2009	Works And Housing, Land & Survey	40,971,180.00	18,550,386.56	17,407,574.00
2010	Traditional Rulers Office	25,707,300.00	-	-
2011	Budget, Planning, Research and Statistics	30,700,040.00	10,766,603.29	9,131,525.19
	Total	350,000,000.00	307,441,932.36	280,361,034.31

NOTE 5: OVERHEAD COSTS

Head	Description	Budget 2018 ₦	Actual 2016 ₦	Actual 2017 ₦
2001A	Office of the Chairman	28,000,000.00	28,413,000.00	11,415,000.00
2001B	Office of the Vice Chairman	9,400,000.00	5,860,000.00	200,000.00
2002A	Office of the Secretary	5,000,000.00	2,595,000.00	1,720,000.00
2002B	Office of the Supervisors	9,000,000.00	4,162,000.00	300,000.00
2002C	Office of the Special Advisers	6,000,000.00	978,000.00	4,022,550.00
2003A	General Council	31,000,000.00	23,510,000.00	80,000.00
2003B	Office of the Leader	5,000,000.00	1,650,000.00	-
2003C	Office of the Deputy Leader	3,500,000.00	965,000.00	-
2003D	Office of the Majority Leader	3,000,000.00	752,000.00	-
2003E	Office of the Dep. Majority Leader	2,500,000.00	622,000.00	-
2003F	Office of the Chief Whip	3,000,000.00	450,000.00	-
2003G	Office of the Dep. Chief Whip	2,500,000.00	222,500.00	-
2003H	Office of the Clerk	2,000,000.00	4,251,000.00	590,000.00
2004A	Head of Local Govt. Service	6,000,000.00	3,910,799.27	716,000.00
2004B	Administration Department	7,200,000.00	4,020,635.00	3,079,400.00
2005	Finance/Supplies Department	6,500,000.00	4,515,096.35	3,829,409.22
2006	Education information & Sport	3,000,000.00	351,500.00	256,000.00
2007	Medical and Health Department	6,000,000.00	1,674,284.56	2,284,000.00
2008	Agricultural and Natural Resources	2,900,000.00	782,000.00	625,000.00
2009	Works and Housing Department	3,800,000.00	4,514,850.00	801,000.00
2010	Budget, Planning, Research & Statistic	3,100,000.00	1,066,500.00	420,000.00
2011	Traditional Rulers Office	1,600,000.00	1,740,000.00	395,000.00
2012	Miscellaneous	100,000,000.00	55,262,901.03	47,161,202.35
	Total	250,000,000.00	152,269,066.21	77,894,561.57

NOTE 6: CAPITAL EXPENDITURE

Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
Economic Sector	190,000,000.00	10720,000.00	7,790,000.00
Social Sector	195,000,000.00	1,150,000.00	33,456,000.00
Environmental Sector	225,000,000.00	9,907,000.00	42,370,000.00
Administration Sector:			
General Administration (Executive)	565,000,000.00	22,727,000.00	-
General Administration (Legislature)	150,000,000.00	1,190,000.00	27,134,200.00
TOTAL	1,325,000,000.00	45,694,000.00	110,750,200.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2018		2017	
₦		₦	
2018 Advances	1,622,205,621.73	2017 Advances	1,575,996,084.40
2017 Advances	1,575,996,084.40	2016 Advances	1,683,685,884.40
	(46,209,537.33)		107,689,800.00

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2018		2017	
₦		₦	
2018 Deposits	410,435,716.40	2017 Deposits	410,035,586.61
2017 Deposits	410,035,586.61	2016 Deposits	406,741,164.56
	400,129.79		3,294,422.05

NOTE 9: CASH AND BANK BALANCES

Description	Account Numbers	2018	2017
		₦	₦
Cash		222,460.36	17,769.83
Cash at Bank:			
(i) Diamond Bank	0024071337	36,959.36	8,393,495.16
(ii) Diamond Bank	0074223973	369,464.68	58,521.38
(iii) Zenith Bank	1010999843	5,382,457.76	655,000.00
(iv) Zenith Bank	1014517179	5,886,126.93	7,267,903.59
(v) UBA	1007338026	130,674.80	801,644.07
(vi) Heritage bank	6001956679	361,724.95	-
(vii) Zenith Bank	1013181696	-	(133,000.79)
(viii) ECO Bank	0063321392	-	5,445.36
(viii) Skye Bank	4040013579	-	189,730.56
TOTAL		12,389,868.84	17,389,376.16

NOTE 10: ADVANCES

Detail	2018	2017
	₦	₦
Purchases	1,377,937,370.24	1,342,985,832.91
Imprest	127,822,150.00	117,494,150.00
Touring	104,004,187.20	103,574,187.20
Salary/Special	5,074,665.00	5,074,665.00
Motor Vehicle	7,367,249.29	6,867,249.29
TOTAL	1,622,205,621.73	1,575,996,084.40

NOTE 11: DEPOSITS

Detail	2018	2017
	₦	₦
PAYE Tax	-	-
NULGE Dues State/ Branch	-	2,251,122.20
NANNM	61,874.18	-
Vat	1,095,000.00	1,095,000.00
Withholding Tax	840,000.00	840,000.00
Pension Deductions	235,080,496.00	235,080,496.00
Others	173,358,346.22	170,768,968.41
Total	410,435,716.40	410,035,586.61

ESIT EKET LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Esit Eket Local Government Council in accordance with the Provisions of the Model Financial Memoranda. The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls 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 International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Esit Eket Local Government Council as at 31st December, 2018 and its operations for the year ended on that date.



Udo S. Edemeka
Director of Finance
Date: 26/07/2019



Hon. Iniobong R. Nnamso
Chairman
Date: 26/07/2019

AUDIT CERTIFICATE

The Executive Chairman
Esit Eket Local Government Council
Uquo.

AUDIT CERTIFICATE ON THE ACCOUNTS OF ESIT EKET LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Esit Eket Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Esit Eket Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

ESIT EKET LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

- (i) **Basis of Preparation of Financial Statements**
The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.
- (ii) **Accounting Period**
A period of twelve months covering 1st January – 31st December, 2018
- (iii) **Reporting Currency:**
The reporting currency is the Nigerian Naira.
- (iv) **Basis of Consolidation**
The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.
- (v) **Statutory Revenue**
Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.
- (vi) **Internally Generated Revenue:**
This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.
- (vii) **Payments**
These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.
- (viii) **Cash Balances:**
This includes cash in hand, at bank and cash equivalents at the end of the financial year.
- (ix) **Advances**
These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.
- (x) **Deposits**
These are unremitted deductions and unpaid obligations to third parties on the reporting date.

ESIT EKET LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2018

CASHFLOW FROM OPERATING ACTIVITIES	Notes	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
RECEIPTS				
Statutory Allocation	1	1,500,000,000.00	440,732,571.71	303,436,190.26
OTHERS: Derivation	1	350,000,000.00	-	
Value Added Tax	1	300,000,000.00	-	
State Allocation	1	30,000,000.00		
Excess Crude	1	-		
Stabilization	1	-		
Taxes	2	5,500,000.00	140,000.00	200,000.00
Rates	2	3,650,000.00	-	320,000.00
Local License, Fines and Fees	2	4,110,000.00	465,155.00	-
Earnings from commercial undertaking	2	19,133,000.00	493,900.00	753,400.00
Rent on Local Govt. Property	2	3,000,000.00	60,000.00	7,000.00
Interest and Dividends Receivable	2	400,000.00	-	-
Grants	2	5,000,000.00	-	-
Miscellaneous	2	4,207,000.00	954,900.00	269,150.00
TOTAL RECEIPTS		2,225,000,000.00	442,846,526.71	304,985,740.26
PAYMENTS:				
Consolidated Rev. Fund Charges:				
Political /Public Office Holders	3	70,000,000.00	61,311,941.72	20,410,810.74
Pensions/Training Funds/Traditional Rulers Council	3	200,000,000.00		
Funding of Primary Education	3	650,000,000.00		
Internal Debt Servicing	3	20,000,000.00		
Total Consolidated Revenue Fund Charges		940,000,000.00	61,311,941.72	20,410,810.74
Personnel Costs	4	300,000,000.00	260,802,533.92	252,186,899.80
Overhead Costs	5	200,000,000.00	160,685,551.46	21,228,513.00
TOTAL PAYMENTS		1,440,000,000.00	482,800,027.10	293,826,223.54
Net Cash Flow From Operating Activities A		785,000,000.00	(39,953,500.39)	11,159,516.72
CASHFLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	906,000,000.00	9,616,109.00	1,000,000.00
Net Cash Flow From Investing Activities B			(9,616,109.00)	(1,000,000.00)
CASHFLOW FROM FINANCING ACTIVITIES				
Proceed from External Loans				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7		(32,379,934.00)	(5,366,500.00)
Increase/ Decrease in other Liabilities	8		84,491,653.95	5,365,500.00
Total Cash flow from other Cash equiv. Accounts C			52,111,719.95	(1,000.00)
Net Cashflow For the Year (A+B+C)			2,542,110.56	10,158,516.72
Cash and its equivalents as at 1st January, 2018	9		27,485,932.98	17,327,416.26
Cash and its equivalents as at 31 st Dec, 2018	9		30,028,043.54	27,485,932.98

ESIT EKET LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	NOTES	2018 ₦	2017 ₦
ASSETS:			
Liquid Assets:			
Cash in Hand	9	1,033,086.79	826,930.00
Cash at Bank	9	28,994,956.75	26,659,002.98
TOTAL LIQUID ASSETS:		30,028,043.54	27,485,932.89
Investments and Other Cash Assets:			
Advances	10	634,383,606.00	602,003,672.00
TOTAL ASSETS		664,411,649.54	629,489,604.98
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		384,464,140.44	434,033,749.83
OTHER LIABILITIES			
Deposits	11	279,947,509.10	195,455,855.15
TOTAL LIABILITIES		664,411,649.54	629,489,604.98

ESIT EKET LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2018

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
423,874,233.11	Opening Balances				434,033,749.83	
	Add Revenue:					
303,436,190.26	Statutory Allocation	1,500,000,000.00	-	1,500,000,000.00	440,732,571.71	(71)
	Derivation	350,000,000.00	-	350,000,000.00	-	(100)
	Value Added Tax	300,000,000.00	-	300,000,000.00	-	(100)
	State Allocation	30,000,000.00	-	30,000,000.00	-	(100)
	Excess Crude	-	-	-	-	-
	Stabilization	-	-	-	-	-
303,436,190.26	Sub Total Statutory Allocation	2,180,000,000.00	-	2,180,000,000.00	440,732,571.71	(80)
200,000.00	Taxes	5,500,000.00	-	5,500,000.00	140,000.00	(97)
320,000.00	Rates	3,650,000.00	-	3,650,000.00	-	(100)
-	Local License, Fines and Fees	4,110,000.00	-	4,110,000.00	465,155.00	(89)
753,400.00	Earning from Commercial Undertaking	19,133,000.00	-	19,133,000.00	493,900.00	(97)
7,000.00	Rent on Local Govt. Property	3,000,000.00	-	3,000,000.00	60,000.00	(98)
-	Interest and Dividends Receivable	400,000.00	-	400,000.00	-	(100)
-	Grants	5,000,000.00	-	5,000,000.00	-	(100)
269,150.00	Miscellaneous	4,207,000.00	-	4,207,000.00	954,900.00	(77)
1,549,550.00	Sub. Total IGR	45,000,000.00	-	45,000,000.00	2,113,955.00	(80)
728,859,973.37	TOTAL REVENUE	2,225,000,000.00	-	2,225,000,000.00	876,880,276.54	(61)
	EXPENDITURE					
	Consolidated Rev. Fund Charges:					
20,410,810.74	Political/Public Office Holders	70,000,000.00	-	70,000,000.00	61,311,941.72	93
	Pensions/Training Funds/Traditional Rulers Council	200,000,000.00	-	200,000,000.00	-	100
	Funding of Primary Education	650,000,000.00	-	650,000,000.00	-	100
	Internal Debt Servicing	20,000,000.00	-	20,000,000.00	-	100
20,410,810.74	Sub Total CRFC	940,000,000.00	-	940,000,000.00	61,311,941.72	93
252,186,899.80	Personnel Costs	300,000,000.00	-	300,000,000.00	260,802,533.92	35
21,228,513.00	Overhead Costs	200,000,000.00	-	200,000,000.00	160,685,551.46	20
293,826,223.54	TOTAL EXPENDITURE	1,440,000,000.00	-	1,440,000,000.00	482,800,027.10	66
435,033,749.83	Operating Balance	785,000,000.00	-	785,000,000.00	394,080,249.44	50
1,000,000.00	Transfer to Capital Dev. Fund	906,000,000.00	-	906,000,000.00	9,616,109.00	99
434,033,749.83	CLOSING BALANCE				384,464,140.44	

ESIT EKET LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2018

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
1,000,000.00	Transfer from Consolidated Fund A	906,000,000.00	-	906,000,000.00	9,616,109.00	99
	Less Capital Expenditure					
-	ECONOMIC SECTOR	302,000,000.00	-	302,000,000.00	-	100
						100
-	SOCIAL SECTOR	224,000,000.00	-	224,000,000.00		100
						100
-	ENVIRONMENTAL/REG. DEV	120,000,000.00	-	120,000,000.00	-	100
1,000,000.00	GENERAL ADMINISTRATION	260,000,000.00	-	260,000,000.00	9,616,109.00	98
1,000,000.00	Total Expenditure B	906,000,000.00	-	906,000,000.00	9,616,109.00	99
	Closing Balance A-B	0	-	0	0	

ESIT EKET LOCAL GOVERNMENT COUNCIL

NOTES TO THE ACCOUNTS

NOTE 1- STATUTORY ALLOCATION

MONTHS	2018 ₦	2017 ₦
January	31,867,896.00	-
February	31,410,536.50	21,317,676.36
March	31,350,157.84	22,353,302.84
April	35,152,842.09	21,300,562.58
May	38,029,853.78	23,476,307.22
June	38,667,800.51	20,300,753.30
July	41,594,330.60	22,342,372.41
August	41,231,690.13	34,516,109.11
September	43,429,534.61	23,307,137.76
October	38,608,883.90	37,507,339.50
November	43,163,101.07	24,674,537.45
December	26,225,944.68	52,340,091.66
Total	440,732,571.71	303,436,190.24

NOTE 2: INTERNALLY GENERATED REVENUE

HEAD	DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
1001	Taxes	5,500,000.00	140,000.00	200,000.00
1002	Rates	3,650,000.00	-	320,000.00
1003	Local Licenses, Fines and Fees	4,110,000.00	465,155.00	-
1004	Earnings from commercial undertaking	19,133,000.00	493,900.00	753,400.00
1005	Rent on local government properties	3,000,000.00	60,000.00	7,000.00
1006	Interest on Dividends	400,000.00	-	-
1007	Grants	5,000,000.00	-	-
1008	Miscellaneous	4,207,000.00	954,900.00	269,150.00
	Total	45,000,000.00	2,113,955.00	1,549,550.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICE HOLDERS

DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
Office of the Executive Chairman	8,000,000.00	3,747,581.12	2,346,809.40
Office of the Vice Chairman	1,700,000.00	3,576,437.28	-
Office of the Supervisors	20,000,000.00	10,470,570.85	15,729,795.62
Office of the Special Advisers	3,600,000.00	7,828,782.90	-
Office of the Secretary	2,600,000.00	3,390,889.12	2,334,205.72
Legislative/General Council	20,540,000.00	28,819,212.60	-
TOTAL	56,440,000.00	61,311,942.72	20,410,810.74

NOTE 4: PERSONNEL COSTS

Head	DESCRIPTION	BUDGET 2018 N	ACTUAL 2018 N	ACTUAL 2017 N
2004	Administration	80,000,000.00	73,751,778.61	62,679,329.78
2005	Finance and Supplies	40,000,000.00	43,351,480.35	44,174,350.82
2006	Social Development, Information, Youth, Sports and Culture Education	37,000,000.00	30,911,570.52	47,565,857.54
2007	Primary Health Care	85,000,000.00	78,594,215.07	73,437,140.26
2008	Agriculture and Natural Resources	15,000,000.00	8,356,932.17	5,739,094.70
2009	Works and Housing, Lands and Survey	25,000,000.00	20,789,438.36	14,928,308.32
2010	Traditional Rulers Office	-	-	-
2011	Budget, Planning, Research and Statistics	18,000,000.00	5,038,118.84	3,662,818.38
	TOTAL	300,000,000.00	260,802,533.92	252,186,899.80

NOTE 5: OVERHEAD COSTS

Head	DESCRIPTION	BUDGET 2018 N	ACTUAL 2018 N	ACTUAL 2017 N
2001A	Office of the Executive Chairman	15,000,000.00	29,607,000.00	9,562,500.00
2001B	Office of the Vice Chairman	4,000,000.00	4,366,500.00	-
2002A	Office of the Secretary	4,000,000.00	331,000.00	110,000.00
2002B	Office of the Supervisors	8,000,000.00	5,664,000.00	1,449,000.00
2002C	Office of the Special Advisers	4,000,000.00	1,839,500.00	-
2003A	Office of the Legislative/General Council	5,000,000.00	15,717,500.00	-
2003B	Office of the Leader	3,000,000.00	2,492,000.00	-
2003C	Office of the Deputy Leader	3,000,000.00	2,820,000.00	-
2003D	Office of the Majority Leader	2,000,000.00	2,130,000.00	-
2003E	Office of the Deputy Majority Leader	2,000,000.00	1,100,000.00	-
2003F	Office of the Chief Whip	2,000,000.00	1,815,000.00	-
2003G	Office of the Deputy Chief Whip	-	-	-
2003H	Office of the Clerk	-	-	-
2004A	Office of the Head of Local Government Service	4,000,000.00	2,854,000.00	80,000.00
2004B	Office of the Administration & General Services	4,000,000.00	2,828,500.00	480,000.00
2005	Finance & Supplies	4,000,000.00	2,398,500.00	901,780.00
2006	Education, Information & Sports	4,000,000.00	540,000.00	150,000.00
2007	Health	6,000,000.00	3,700,000.00	153,000.00
2008	Agriculture and Natural Resources	3,000,000.00	480,000.00	175,000.00
2009	Works and transport	4,000,000.00	693,000.00	344,000.00
2010	Budget, Planning, Research & Statistics	4,000,000.00	205,000.00	30,000.00
2011	Traditional Rulers Council	7,000,000.00	2,635,000.00	-
2012	Miscellaneous	108,000,000.00	76,469,051.46	7,793,233.00
	TOTAL	200,000,000.00	160,685,551.46	21,228,513.00

NOTE 6: CAPITAL EXPENDITURE:

	BUDGET 2018 N	ACTUAL 2018 N	ACTUAL 2017 N
Economic Sector	302,000,000.00	-	-
Social Sector	224,000,000.00	-	-
Environmental Sector	120,000,000.00	-	-
Administration Sector			-
General Administration (Executive)	182,000,000.00	600,000.00	-
General Administration (Legislative)	78,000,000.00	9,016,109.00	1,000,000.00
TOTAL	906,000,000.00	9,616,109.00	1,000,000.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2018		2017	
₦		₦	
2018 Advances	634,383,606.00	2017 Advances	602,003,672.00
2017 Advances	602,003,672.00	2016 Advances	596,637,172.00
	(32,379,934.00)		(5,366,500.00)

NOTE 7: INCREASE/DECREASE IN OTHER LIABILITIES

2018		2017	
₦		₦	
2018 Deposits	279,947,509.10	2017 Deposits	195,455,855.15
2017 Deposits	195,455,855.15	2016 Deposits	190,090,355.15
	84,491,653.95		5,365,500.00

NOTE 9: CASH AND BANK BALANCES

Detail	2018	2017
	₦	₦
CASH	1,033,086.79	826,930.00
Diamond Bank- 0028076220	7,851,412.48	9,047,044.97
Akwa Savings	(14,034.43)	(14,034.43)
Zenith Bank - 1014518224	9,814,547.33	6,053,552.88
Zenith Bank 1	-	-
Access Bank A/c	2,303,030.43	2,303,030.43
Skye Bank	2,952,464.18	2,952,464.18
UBA	6,087,536.76	6,087,536.76
Sub-total Bank	28,994,956.75	26,659,002.89
Total	30,028,043.54	27,485,932.89

NOTE 10: ADVANCES

Detail	2018	2017
	₦	₦
i Purchase Advances	460,239,607.00	436,764,082.00
ii Imprest	112,965,500.00	105,177,500.00
iii Touring	49,192,850.00	48,076,441.00
iv Salary/ Special	4,975,649.00	4,975,649.009
v Motor Vehicle	7,010,000.00	7,010,000.00
vi Others	-	-
TOTAL	634,383,606.00	602,003,672.00

NOTE 11: DEPOSITS

Detail	2018	2017
	₦	₦
i. PAYE Tax	736,444.76	468,059.79
ii. NULGE Dues-State/Branch	2,586,648.11	44,370.43
iii. NANNM	1,504,387.51	1,277,367.88
iv. VAT	-	-
v. Withholding Tax	-	-
vi. Pension Deductions	4,638,334.42	4,638,334.42
vii. Others	270,481,694.30	189,027,722.63
Total	279,947,509.10	195,455,855.15

ESSIEN UDIM LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Essien Udim Local Government Council in accordance with the Provisions of the Model Financial Memoranda. The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls 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 International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Essien Udim Local Government Council as at 31st December, 2018 and its operations for the year ended on that date.



Mr. Usen, Udo Michael
Director of Finance
Date: 23/09/2019



Hon. Raphael Isobara
Chairman
Date: 23/09/2019

AUDIT CERTIFICATE

The Executive Chairman
Essien Udim Local Government Council
Afaha Ikot Ebak.

AUDIT CERTIFICATE ON THE ACCOUNTS OF ESSIEN UDIM LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Essien Udim Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Essien Udim local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

ESSIEN UDIM LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

(i) **Basis of Preparation of Financial Statements**

The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.

(ii) **Accounting Period**

A period of twelve months covering 1st January – 31st December, 2018

(iii) **Reporting Currency:**

The reporting currency is the Nigerian Naira.

(iv) **Basis of Consolidation**

The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.

(v) **Statutory Revenue**

Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.

(vi) **Internally Generated Revenue:**

This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.

(vii) **Payments**

These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.

(viii) **Cash Balances:**

This includes cash in hand, at bank and cash equivalents at the end of the financial year.

(ix) **Advances**

These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.

(x) **Deposits**

These are unremitted deductions and unpaid obligations to third parties on the reporting date.

ESSIEN UDIM LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

CASHFLOW FROM OPERATING ACTIVITIES	Notes	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
RECEIPTS				
Statutory Allocation	1	1,600,000,000.00	611,228,788.28	434,705,352.82
OTHERS: Derivation	1	300,000,000.00	-	-
Valued and Added Tax	1	350,000,000.00	-	-
State Allocation	1	30,000,000.00	-	-
Excess Crude	1	-	-	-
Stabilization	1	-	-	-
Taxes	2	500,000.00	-	-
Rates	2	1,800,000.00	630,000.00	60,000.00
Local License Fines and Fees	2	1,203,000.00	89,790.00	104,610.00
Earning From Commercial Undertaking	2	5,750,000.00	2,539,800.00	3,701,390.00
Rent on Local Govt. Property	2	1,252,000.00	755,000.00	269,000.00
Interest and Dividend Receivable	2	500,000.00	-	-
Grant	2	-	-	-
Miscellaneous	2	3,995,000.00	967,972.28	2,138,000.00
TOTAL RECEIPTS		2,295,000,000.00	616,211,350.56	440,978,352.82
PAYMENTS				
Consolidated Revenue Fund Charge			-	-
Political/ Public Office Holders	3	70,000,000.00	53,482,573.55	39,907,750.22
Pensions/ Training Fund/ Traditional Rulers Council	3	200,000,000.00	-	-
Funding Of Primary Education	3	800,000,000.00	-	-
Internal Debt Servicing	3	10,000,000.00	-	-
Total Consolidated Revenue Fund Charges		1,080,000,000.00	53,482,573.55	39,907,750.22
Personnel Costs	4	400,000,000.00	430,024,621.58	361,025,400.06
Overhead Costs	5	200,000,000.00	129,272,202.83	30,458,436.56
TOTAL PAYMENTS		1,680,000,000.00	612,779,397.96	431,391,586.84
Net Cash Flow from Operating Activities A		615,000,000.00	3,431,952.60	9,586,765.98
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	866,000,000.00	6,041,000.00	-
Net Cash Flow From Investing Activities B			(6,041,000.00)	(-)
Cash Flow From Financing Activities				
Proceed from External Loans				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7		5,378,140.88	(955,663.45)
Increase/ Decrease in other Liabilities	8		3,105,626.81	2,499,999.97
Total Cash flow from other Cash equiv. Accounts C			8,483,767.69	1,544,336.52
Net Cashflow For the Year (A+B+C)			5,874,720.29	11,131,102.50
Cash and its equivalents as at 1st January, 2018	9		20,181,033.03	9,049,930.53
Cash and its equivalents as at 31 ST Dec, 2018	9		26,055,753.32	20,181,033.03

ESSIEN UDIM LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	NOTES	2018	2017
		₦	₦
ASSETS:			
Liquid Assets:			
Cash in Hand	9	170.32	48,560.00
Cash at Bank	9	26,055,583.00	20,132,473.03
TOTAL LIQUID ASSETS:		<u>26,055,753.32</u>	<u>20,181,033.03</u>
Investments and Other Cash Assets:			
Advances	10	1,379,173,826.47	1,384,551,967.35
TOTAL ASSETS		<u>1,405,229,579.79</u>	<u>1,404,733,000.38</u>
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		1,121,308,349.98	1,123,917,397.38
OTHER LIABILITIES			
Deposits	11	283,921,229.81	280,815,603.00
TOTAL LIABILITIES		<u>1,405,229,579.79</u>	<u>1,404,733,000.38</u>

ESSIEN UDIM LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 3

**STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED
31ST DECEMBER, 2018**

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
1,114,330,631.40	Opening Balance				1,123,917,397.38	
	Add revenue:					
434,705,352.82	Statutory Allocation	1,600,000,000.00	-	1,600,000,000.00	611,228,788.28	(62)
-	Derivation	300,000,000.00	-	300,000,000.00	-	(100)
-	Valued Added Tax	350,000,000.00	-	350,000,000.00	-	(100)
-	State Allocation	30,000,000.00	-	30,000,000.00	-	(100)
-	Excess Crude	-	-	-	-	-
-	Stabilization	-	-	-	-	-
434,705,352.82	Sub Total Statutory Allocation	2,280,000,000.00	-	2,280,000,000.00	611,228,788.28	(73)
-	Taxes	500,000.00	-	500,000.00	-	(100)
60,000.00	Rates	1,800,000.00	-	1,800,000.00	630,000.00	(65)
104,610.00	Local License, Fines And Fees	1,203,000.00	-	1,203,000.00	89,790.00	(93)
3,701,390.00	Earning From Commercial Undertaking	5,750,000.00	-	5,750,000.00	2,539,800.00	(56)
269,000.00	Rent On Local Govt. Property	1,252,000.00	-	1,252,000.00	755,000.00	(40)
-	Interest & Dividends Receivable	500,000.00	-	500,000.00	-	(100)
-	Grants	-	-	-	-	-
2,138,000.00	Miscellaneous	3,995,000.00	-	3,995,000.00	967,972.28	(76)
6,273,000.00	Sub. Total IGR	15,000,000.00	-	15,000,000.00	4,982,562.28	(67)
1,555,308,984.22	TOTAL REVENUE	2,295,000,000.00	-	2,295,000,000.00	1,740,128,747.94	(24)
-	EXPENDITURE	-	-	-	-	
-	Consolidated Rev. Fund Charges	-	-	-	-	
39,907,750.22	Political/Public Office Holders	70,000,000.00	-	70,000,000.00	53,482,573.55	24
-	Pension/Training Fund/Traditional Rulers Council	200,000,000.00	-	200,000,000.00	-	-
-	Funding Of Primary Education	800,000,000.00	-	800,000,000.00	-	100
-	Internal Debt Servicing	10,000,000.00	-	10,000,000.00	-	100
39,907,705.22	Sub Total CRFC	1,080,000,000.00	-	1,080,000,000.00	53,482,573.55	94
361,025,400.06	Personnel Costs	400,000,000.00	-	400,000,000.00	430,024,621.58	(9)
30,458,436.56	Overhead Costs	200,000,000.00	-	200,000,000.00	129,272,202.83	35
431,391,586.84	TOTAL EXPENDITURE	1,680,000,000.00	-	1,680,000,000.00	612,779,397.96	64
1,123,917,397.38	Operating balance	615,000,000.00	-	615,000,000.00	1,127,349,349.98	
-	Transfer to Capital Dev Fund	866,000,000.00	-	866,000,000.00	(6,041,000.00)	99
1,123,917,397.38	CLOSING BALANCE				1,121,308,349.98	

ESSIEN UDIM LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 4

**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2018**

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
	Transfer from Consolidated Rev. Fund A	866,000,000.00	-	866,000,000.00	6,041,000.00	99
	Less Capital Expenditure					
-	ECONOMIC SECTOR	261,700,000.00	-	261,700,000.00	1,110,000.00	99
-	SOCIAL SECTOR	224,800,000.00	-	224,800,000.00	-	100
-	Environmental/Regional Development	61,000,000.00	-	61,000,000.00	300,000.00	99
-	GENERAL ADMINISTRATION	318,500,000.00	-	318,500,000.00	4,631,000.00	98
-	Total Expenditure B	866,000,000.00	-	866,000,000.00	6,041,000.00	99
-	Closing Balance A-B	0	-	0	0	

ESSIEN UDIM LOCAL GOVERNMENT COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATUTORY ALLOCATION

Detail	2018 ₦	2017 ₦
January	41,440,337.61	32,470,028.00
February	41,022,447.81	32,045,181.32
March	40,431,916.33	33,880,867.93
April	45,810,136.00	32,145,333.32
May	48,342,097.26	33,970,577.74
June	50,725,045.66	31,410,305.66
July	53,922,744.89	33,286,800.50
August	53,438,429.91	35,738,608.80
September	54,951,693.29	35,409,067.64
October	70,725,922.21	50,800,799.95
November	73,287,884.05	34,896,908.00
December	37,130,133.26	48,650,867.99
Total	611,228,788.28	434,705,352.82

NOTE 2: INTERNALLY GENERATED REVENUE

Head	Sub Head	Detail	Actual 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
1001	1-11	Taxes	500,000.00	-	-
1002	1-7	Rates	1,800,000.00	630,000.00	600,000.00
1003	1-97	Local Licenses, Fines & Fees	1,203,000.00	89,790.000	104,610.00
1004	1-9	Earning from Commercial Undertaking	5,750,000.00	2,539,800.00	3,701,390.00
1005	1-3	Rent on Local Govt. Property	1,252,000.00	755,000.00	269,000.00
1006	1-6	Interest and Dividends	500,000.00	-	-
1007	1-3	Grants	-	-	-
1008	1-9	Miscellaneous	3,995,000.00	967,972.28	2,138,000.00
		Total	15,000,000.00	4,982,562.28	6,273,000.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICE HOLDERS

Detail	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
Office of the Executive Chairman	3,500,000.00	3,512,898.18	2,600,000.00
Office of the Vice Chairman	3,000,000.00	3,299,194.08	2,120,000.00
Office of the Supervisors	13,000,000.00	6,264,820.93	2,060,000.00
Office of the Special Advisers	7,500,000.00	5,033,392.24	2,250,300.00
Office of the Secretary	3,000,000.00	2,602,310.23	2,172,200.00
Legislative/General Council	20,000,000.00	32,769,957.89	28,705,250.22
Total	50,000,000.00	53,482,573.55	39,907,705.22

NOTE 4 PERSONNEL COSTS

Head/ Subhead	Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
2004	Administration	96,124,480.00	125,330,214.06	82,680,780.00
2005	Finance and Supplies	54,133,540.00	63,466,345.05	46,170,200.00
2006	Social Development, Information, Youth Sport & Culture	67,967,040.00	62,962,352.81	50,550,160.06
2007	Primary Health Care	115,331,951.00	127,569,429.80	158,250,750.50
2008	Agriculture and Natural Resources	11,084,410.00	9,536,838.08	7,850,700.10
2009	Works And Housing, Land & Survey	36,227,540.00	33,204,946.57	13,222,859.40
2010	Budget, Planning, Research and Statistics	8,444,170.00	7,954,495.21	2,300,000.00
2011	Traditional Rulers Office	6,549,290.00	-	-
	Total	395,862,420.00	430,024,621.58	361,025,400.06

NOTE 5: OVERHEAD COSTS

HEAD	Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
2001A	Office of the Chairman	25,000,000.00	25,815,000.00	4,086,000.00
2001B	Office of the Vice Chairman	8,000,000.00	4,230,000.00	1,120,000.00
2002A	Office of the Secretary	4,200,000.00	785,500.00	100,000.00
2002B	Office of the Supervisors	4,500,000.00	1,048,000.00	210,000.00
2002C	Office of the Special Advisers	3,000,000.00	840,000.00	-
2003A	General Council	23,000,000.00	6,250,000.00	794,086.56
2003B	Office of the Leader	2,700,000.00	1,847,000.00	130,000.00
2003C	Office of the Deputy Leader	1,500,000.00	1,345,000.00	80,000.00
2003D	Office of the Majority Leader	1,500,000.00	1,270,000.00	120,000.00
2003E	Office of the Dep. Majority Leader	1,300,000.00	1,220,000.00	-
2003F	Office of the Chief Whip	1,500,000.00	1,220,000.00	-
2003G	Office of the Dep. Chief Whip	1,500,000.00	1,200,000.00	-
2003H	Office of the Clerk	-	55,000.00	1,300,000.00
2004A	Head of Local Govt. Service	5,000,000.00	5,772,000.00	2,250,000.00
2004B	Administration Department	4,500,000.00	1,128,700.00	2,300,000.00
2005	Finance/Supplies Department	4,000,000.00	6,788,880.00	2,750,000.00
2006	Education information & Sport	2,000,000.00	295,300.00	2,250,000.00
2007	Medical and Health Department	3,000,000.00	380,000.00	2,140,000.00
2008	Agricultural and Natural Resources	1,800,000.00	380,000.00	2,120,000.00
2009	Works and Housing Department	2,500,000.00	1,430,000.00	180,000.00
2010	Budget, Planning, Research & Statistic	3,000,000.00	310,000.00	80,000.00
2011	Traditional Rulers Office	1,400,000.00	-	260,000.00
2012	Miscellaneous	95,100,000.00	65,661,822.83	8,188,350.00
	Total	200,000,000.00	129,272,202.83	30,458,436.56

NOTE 6: CAPITAL EXPENDITURE

Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
Economic Sector	261,700,000.00	1,110,000.00	-
Social Sector	224,800,000.00	-	-
Environmental Sector	61,000,000.00	300,000.00	-
Administration Sector			
General Administration (Executive)	217,600,000.00	4,631,000.00	-
General Administration (Legislature)	100,900,000.00	-	-
Total	866,000,000.00	6,041,000.00	-

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2018 ₦		2017 ₦	
2018 Advances	1,379,173,826.47	2017 Advances	1,384,551,967.35
2017 Advances	1,384,551,967.35	2016 Advances	1,383,596,303.90
	5,378,140.88		(955,663.45)

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2018 ₦		2017 ₦	
2018 Deposits	283,921,229.81	2017 Deposits	280,815,603.00
2017 Deposits	280,815,603.00	2016 Deposits	278,315,603.03
	3,105,626.81		2,499,999.97

NOTE 9: CASH AND BANK BALANCES

Detail	2018 ₦	2017 ₦
Cash	170.32	48,560.00
Cash at Bank:		
(i) Zenith Bank A/C (Salary)	12,815,048.82	6,922,473.14
(ii) Zenith Bank A/C (Project)	29,194.67	20,221.67
(iii) Access Bank A/C No. 0021588241	21,561.29	-
(iv) Skye Bank	4,999,758.39	4,999,758.39
(v) Diamond Bank	7,660,590.53	7,660,590.53
(vi) Diamond Bank (Sure - P)	529,429.30	529,429.30
Sub Total Bank Balance	26,055,583.00	20,132,473.03
TOTAL	<u>26,055,753.32</u>	<u>20,181,033.03</u>

NOTE 10: ADVANCES

Detail	2018 ₦	2017 ₦
Purchases	1,196,136,299.60	1,201,181,630.50
Imprest	119,998,650.00	120,323,050.00
Touring	61,575,260.00	61,583,580.00
Salary/Special	1,463,616.87	1,463,706.85
Motor Vehicle	-	-
Others	-	-
Total	1,379,173,826.47	1,384,551,967.35

NOTE 11: DEPOSITS

Detail	2018 ₦	2017 ₦
PAYE Tax	(55,490.93)	70,037.39
NULGE Dues State/ Branch	(2,348,813.17)	(26,990.78)
NANNM	216,958.09	175,203.28
VAT	46,500.00	-
Withholding Tax	1,047,520.00	1,047,520.00
Pension Deductions	13,081,440.28	13,081,440.28
Others	271,933,115.54	265,968,392.88
Total	283,921,229.81	280,815,603.00

ETIM EKPO LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Etim Ekpo Local Government Council in accordance with the Provisions of the Model Financial Memoranda. The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls 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 International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Etim Ekpo Local Government Council as at 31st December, 2018 and its operations for the year ended on that date.



Mr. Okokon O. Ekpenyong
Director of Finance
Date: 14/08/2019



Rt. Hon. Udeme Eduo
Chairman
Date: 14/08/2019

AUDIT CERTIFICATE

The Executive Chairman
Etim Ekpo Local Government Council
Utu Etim Ekpo.

AUDIT CERTIFICATE ON THE ACCOUNTS OF ETIM EKPO LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Etim Ekpo Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Etim Ekpo Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

ETIM EKPO LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

(i) **Basis of Preparation of Financial Statements**

The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.

(ii) **Accounting Period**

A period of twelve months covering 1st January – 31st December, 2018

(iii) **Reporting Currency:**

The reporting currency is the Nigerian Naira.

(iv) **Basis of Consolidation**

The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.

(v) **Statutory Revenue**

Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.

(vi) **Internally Generated Revenue:**

This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.

(vii) **Payments**

These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.

(viii) **Cash Balances:**

This includes cash in hand, at bank and cash equivalents at the end of the financial year.

(ix) **Advances**

These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.

(x) **Deposits**

These are unremitted deductions and unpaid obligations to third parties on the reporting date.

ETIM EKPO LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

CASHFLOW FROM OPERATING ACTIVITIES	Notes	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
RECEIPTS:				
Statutory Allocation	1	1,500,000,000.00	585,938,507.28	383,203,852.29
OTHERS: Derivation	1	200,000,000.00		
Value Added Tax	1	300,000,000.00		
State Allocation	1	30,000,000.00		
Excess Crude	1	-		
Stabilization	1	-		
Taxes	2	500,000.00	-	-
Rates	2	2,000,000.00	-	-
Local License fines and fees	2	2,500,000.00	141,290.00	207,660.00
Earning from commercial undertaking	2	3,000,000.00	240,000.00	-
Rent on Local Govt. Property	2	1,000,000.00	130,000.00	3,000.00
Interest & Dividends Receivable	2	-	-	-
Grants	2	-	-	-
Miscellaneous	2	11,000,000.00	283,600.00	837,000.00
TOTAL RECEIPTS		2,050,000,000.00	586,733,397.28	384,251,512.29
PAYMENTS:				
Consolidated Rev. Fund Charges				
Political/Public Office Holders	3	70,000,000.00	20,619,564.71	20,410,810.74
Pensions/Training Fund/Traditional Rulers Council	3	150,000,000.00		
Funding of Primary Education	3	700,000,000.00		
Internal debt Servicing	3	10,000,000.00		
Total Consolidated Revenue Fund Charges		930,000,000.00	20,619,564.71	20,410,810.74
Personnel Costs	4	430,000,000.00	387,233,288.93	341,582,952.61
Overhead Costs	5	205,520,000.00	112,159,221.40	19,449,178.43
TOTAL PAYMENTS		1,565,520,000.00	520,012,075.04	381,442,941.78
Net Cash Flow from Operating Activities A		484,480,000.00	66,721,322.24	2,808,570.51
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	643,400,000.00	-	-
Net Cash Flow from Investing Activities B			-	-
CASH FLOW FROM FINANCIAL ACTIVITIES				
Proceed from External Loans				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7		(45,323,850.00)	(1,229,500.00)
Increase/ Decrease in other Liabilities	8		18,778,444.01	8,901,600.77
Total Cash flow from other Cash equiv. Accounts C			(26,545,405.99)	7,672,100.77
Net Cashflow For the Year (A+B+C)			40,175,916.21	10,480,671.28
Cash and its equivalents as at 1st January, 2018	9		(13,850,317.83)	(24,330,989.11)
Cash and its equivalents as at 31 st Dec, 2018	9		26,325,598.42	(13,850,317.83)

ETIM EKPO LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	NOTES	2018 ₦	2017 ₦
ASSETS:			
Liquid Assets:			
Cash in Hand	9	4,013,723.18	513,388.76
Cash at Bank	9	22,311,875.24	(14,363,706.59)
TOTAL LIQUID ASSETS:		26,325,598.42	(13,850,317.83)
Investments and Other Cash Assets:			
Advances	10	1,239,669,722.84	1,194,345,872.84
TOTAL ASSETS		<u>1,265,995,321.26</u>	<u>1,180,495,555.01</u>
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		779,339,535.95	712,618,213.71
OTHER LIABILITIES			
Deposits	11	486,655,785.31	467,877,341.30
TOTAL LIABILITIES		<u>1,265,995,321.26</u>	<u>1,180,495,555.01</u>

ETIM EKPO LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2018

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
709,809,643.20	Opening Balances				712,618,213.71	
	Add Revenue:					
383,203,852.29	Statutory Allocation	1,500,000,000.00	-	1,500,000,000.00	585,938,507.28	(79)
	Derivation	200,000,000.00	-	200,000,000.00	-	(100)
	Value Added Tax	300,000,000.00	-	300,000,000.00	-	(100)
	State Allocation	30,000,000.00	-	30,000,000.00	-	(100)
	Excess Crude	-	-	-	-	
	Stabilization	-	-	-	-	
383,203,852.29	Sub Total Statutory Allocation	2,030,000,000.00	-	2,030,000,000.00	585,938,507.28	(79)
-	Taxes	500,000.00	-	500,000.00	-	(100)
-	Rates	2,000,000.00	-	2,000,000.00	-	(100)
207,660.00	Local License fines and fees	2,500,000.00	-	2,500,000.00	141,290.00	(94)
-	Earning from Commercial Undertaking	3,000,000.00	-	3,000,000.00	240,000.00	(92)
3,000.00	Rent on Local Govt. Property	1,000,000.00	-	1,000,000.00	130,000.00	(87)
	Interest & Dividends Receivable	-	-	-	-	-
	Grants	-	-	-	-	-
837,000.00	Miscellaneous	11,000,000.00	-	11,000,000.00	283,600.00	(97)
1,047,660.00	Sub-Total IGR	20,000,000.00	-	20,000,000.00	794,890.00	(96)
1,094,061,155.49	TOTAL REVENUE	2,050,000,000.00	-	2,050,000,000.00	1,299,351,610.99	(79)
	EXPENDITURE					
	Consolidated Rev. Fund Charges:					
20,410,810.74	Political/Public Office Holders	70,000,000.00	-	70,000,000.00	20,619,564.71	71
	Pensions/Training Fund/T R C	150,000,000.00	-	150,000,000.00	-	100
	Funding of Primary Education	700,000,000.00	-	700,000,000.00	-	100
	Internal Debt Servicing	10,000,000.00	-	10,000,000.00	-	100
20,410,810.74	Sub Total CRFC	930,000,000.00	-	930,000,000.00	20,619,564.71	70
341,582,952.61	Personnel Costs	430,000,000.00	-	430,000,000.00	387,233,288.93	9
19,449,178.43	Overhead Costs	205,520,000.00	-	205,520,000.00	112,159,221.40	45
381,442,941.78	TOTAL EXPENDITURE	1,565,520,000.00	-	1,565,520,000.00	520,012,075.04	67
712,618,213.71	Operating Balance	484,480,000.00	-	484,480,000.00	779,339,535.95	
-	Transfer to Capital Dev fund	643,400,000.00	-	643,400,000.00	-	100
712,618,213.71	Closing Balance				779,339,535.95	

ETIM EKPO LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2018

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
	Transfer from Consolidated Rev. Fund A	643,400,000.00	-	643,400,000.00	-	
	Less Capital Expenditure					
-	ECONOMIC SECTOR	225,622,000.00	-	225,622,000.00	-	0
-	SOCIAL SECTOR	134,603,000.00	-	134,603,000.00	-	0
-	ENVIRONMENTAL/REG. DEV.	88,500,000.00	-	88,500,000.00		0
-	GENERAL ADMIN	194,675,000.00	-	194,675,000.00		
-	TOTAL Expenditure	643,400,000.00	-	643,400,000.00	-	0
	Closing Balance	0	-	0	0	0

**ETIM EKPO LOCAL GOVERNMENT COUNCIL
NOTES TO THE ACCOUNTS**

NOTE 1 – STATUTORY ALLOCATION

Detail	2018 ₦	2017 ₦
January	39,747,857.15	32,189,368.65
February	-	33,328,092.10
March	39,767,151.31	31,374,273.29
April	39,282,964.63	33,423,855.59
May	43,856,711.09	31,355,372.83
June	46,002,112.17	32,896,992.03
July	47,277,232.86	36,749,734.88
August	50,651,658.95	32,427,658.57
September	51,580,152.61	53,818,965.95
October	53,054,415.99	34,091,998.25
November	65,689,858.20	31,637,540.15
December	109,028,392.32	-
Total	585,938,507.28	383,203,852.29

NOTE 2: INTERNALLY GENERATED REVENUE

Head	Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
1001	Taxes	500,000.00	-	-
1002	Rates	2,000,000.00	-	-
1003	Local Licenses Fines and Fees	2,500,000.00	141,290.00	207,660.00
1004	Earnings from Commercial Undertaking	3,000,000.00	240,000.00	-
1005	Rent on Local Government Properties	1,000,000.00	130,000.00	3,000.00
1006	Interest on Dividends	-	-	-
1007	Grants	-	-	-
1008	Miscellaneous	11,000,000.00	283,600.00	837,000.00
	Total	20,000,000.00	794,890.00	1,047,660.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES:-POLITICAL OFFICE HOLDERS

Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
Office of the Executive Chairman	10,000,000.00	2,036,890.53	2,581,490.34
Office of the Vice Chairman	5,000,000.00	1,912,978.08	-
Office of the Supervisors	10,000,000.00	-	11,000,887.36
Office of the Special Advisers	9,000,000.00	-	4,494,227.32
Office of the Secretary	3,000,000.00	1,813,461.13	2,334,205.72
Legislative/General Council	33,000,000.00	14,856,294.97	-
Total	70,000,000.00	20,619,564.71	20,410,810.74

NOTE 4: PERSONNEL COSTS

Head	Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
2004	Administration	117,000,000.00	98,405,805.89	104,088,685.89
2005	Finance and Supplies	63,000,000.00	59,543,176.79	51,343,266.13
2006	Social Development, Information, Youth, Sports & Culture	43,000,000.00	31,106,997.71	27,774,271.52
2007	Primary Health Care	159,000,000.00	143,791,520.08	111,886,315.96
2008	Agriculture and Natural Resources	9,000,000.00	7,990,650.00	6,397,503.02
2009	Works and Housing, Lands & Survey	27,000,000.00	37,801,340.22	33,267,134.18
2010	Traditional Rulers Office	-	-	-
2010	Budget, Planning, Research and Statistics	12,000,000.00	8,593,798.24	6,825,775.91
	Total	430,000,000.00	387,233,288.93	341,582,952.61

NOTE 5: OVERHEAD COSTS

Head	Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
2001A	Office of the Executive Chairman	26,000,000.00	25,195,000.00	10,780,000.00
2001B	Office of the Vice Chairman	9,000,000.00	2,400,000.00	30,000.00
2002A	Office of the Secretary	9,700,000.00	790,000.00	1,115,000.00
2002B	Office of the Supervisors	9,500,000.00	245,000.00	1,629,000.00
2002C	Office of the Special Advisers	7,000,000.00	-	25,000.00
2003A	Office of the Legislative/General Council	6,000,000.00	8,905,000.00	-
2003B	Office of the Leader	5,400,000.00	1,340,000.00	-
2003C	Office of the Deputy Leader	6,000,000.00	1,100,000.00	-
2003D	Office of the Majority Leader	3,000,000.00	105,000.00	-
2003E	Office of the Deputy Majority Leader	2,000,000.00	-	-
2003F	Office of the Chief Whip	3,900,000.00	-	-
2003G	Office of the Deputy Chief Whip	1,800,000.00	-	-
2003H	Office of the Clerk	2,000,000.00	121,500.00	-
2004A	Office of the Head of Local Government Service	4,900,000.00	356,300.00	60,000.00
2004B	Office of the Administration & General Services	5,900,000.00	1,625,350.00	2,052,000.00
2005	Finance and supplies	8,800,000.00	481,750.00	2,028,000.00
2006	Education, Information & Sports	5,000,000.00	85,000.00	36,000.00
2007	Health	5,000,000.00	435,000.00	135,000.00
2008	Agricultural Natural Resources	4,820,000.00	97,500.00	25,000.00
2009	Works and Transport	5,000,000.00	2,724,000.00	66,000.00
2010	Budget, Planning, Research & Statistics	5,000,000.00	1,390,000.00	290,000.00
2011	Traditional Rulers Council	4,000,000.00	600,000.00	-
2012	Miscellaneous	65,800,000.00	64,162,821.40	1,177,378.43
	Total	205,520,000.00	112,159,221.40	19,449,178.43

NOTE 6: CAPITAL EXPENDITURE

Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
Economic Sector	225,622,000.00	-	-
Social Sector	134,603,000.00	-	-
Environmental Sector	88,500,000.00	-	-
Administration Sector			
General Administration (Executive)	91,675,000.00	-	-
General Administration (Legislature)	103,000,000.00	-	-
Total	643,400,000.00	-	-

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2018		2017	
₦		₦	
2018 Advances	1,239,669,722.84	2017 Advances	1,194,345,872.84
2017 Advances	1,194,345,872.84	2016 Advances	1,193,116,372.84
	(45,323,850.00)		(1,229,500.00)

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2018		2017	
₦		₦	
2018 Deposits	486,655,785.31	2017 Deposits	467,877,341.30
2017 Deposits	467,877,341.30	2016 Deposits	458,975,740.53
	18,778,444.01		8,901,600.77

NOTE 9: CASH AND BANK BALANCES

DESCRIPTION	2018	2017
	₦	₦
CASH	4,013,723.18	513,388.76
BANKS:		
First Bank	6,596.12	6,596.12
Zenith Bank A/C (Salary)	18,204,796.38	9,934,214.75
Zenith Bank A/c (Project)	2,840,985.04	(25,564,015.10)
Zenith Bank A/c	375,548.60	375,548.60
Skye Bank	883,949.10	883,949.10
Sub Total Bank Bal.	22,311,875.24	(14,363,706.59)
Total	26,325,598.42	(13,850,317.83)
10. ADVANCES	2018	2017
	₦	₦
i. Purchase Advances	544,016,609.91	520,289,759.91
ii. Imprest	215,264,440.00	193,667,440.00
iii. Touring	89,006,381.00	89,006,381.00
iv. Salary/Special	391,382,291.93	391,382,291.93
v. Motor Vehicle	-	-
vi. Others	-	-
Total	1,239,669,722.84	1,194,345,872.84
11. DEPOSITS	2018	2017
	₦	₦
i. PAYE Tax	2,190,604.38	2,190,604.38
ii. NULGE Dues – State/Branch	7,577,287.16	7,577,287.16
iii. NANNM	1,897,201.80	3,024,547.58
iv. VAT	7,047,622.76	7,047,622.76
v. Withholding Tax	36,083.00	36,083.00
vi. Pension Deductions	5,895,039.38	5,895,039.38
vii. Others	462,011,946.83	442,106,157.04
Total	486,655,785.31	467,877,341.30

ETINAN LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Etinan Local Government Council in accordance with the Provisions of the Model Financial Memoranda.

The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls 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 International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Etinan Local Government Council as at 31st December, 2018 and its operations for the year ended on that date.



Mr. Rufus Etim Umo

Director of Finance

Date: 28/08/2019



Hon. Cletus Asukwo Ekpo

Chairman

Date: 28/08/2019

AUDIT CERTIFICATE

The Executive Chairman
Etinan Local Government Council
Etinan.

AUDIT CERTIFICATE ON THE ACCOUNTS OF ETINAN LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Etinan Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Etinan Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

ETINAN LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

(i) **Basis of Preparation of Financial Statements**

The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.

(ii) **Accounting Period**

A period of twelve months covering 1st January – 31st December, 2018

(iii) **Reporting Currency:**

The reporting currency is the Nigerian Naira.

(iv) **Basis of Consolidation**

The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.

(v) **Statutory Revenue**

Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.

(vi) **Internally Generated Revenue:**

This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.

(vii) **Payments**

These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.

(viii) **Cash Balances:**

This includes cash in hand, at bank and cash equivalents at the end of the financial year.

(ix) **Advances**

These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.

(x) **Deposits**

These are unremitted deductions and unpaid obligations to third parties on the reporting date.

ETINAN LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 1
CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

CASHFLOW FROM OPERATING ACTIVITIES	NOTES	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
RECEIPTS				
Statutory Allocation	1	1,500,000,000.00	552,918,750.85	335,741,221.27
OTHERS: Derivation	1	250,000,000.00	-	-
Value Added Tax	1	350,000,000.00	-	-
State Allocation	1	30,000,000.00	-	-
Excess Crude	1	-	-	-
Stabilization	1	-	-	-
Taxes	2	200,000.00	-	-
Rates	2	2,800,000.00	1,010,000.00	1,010,000
Local License fines and fees	2	2,500,000.00	181,330.00	248,190
Earning from commercial undertaking	2	1,750,000.00	230,700.00	105,000
Rent on Local Government Property	2	1,500,000.00	8,000.00	680,000
Interest & Dividends Receivable	2	-	-	-
Grants	2	-	-	-
Miscellaneous	2	41,000,000.00	5,688,562.00	2,992,271.28
TOTAL RECEIPTS	-	2,179,750,000.00	560,037,342.85	340,776,682.55
PAYMENTS:				
Consolidated Rev. Fund Charges:				
Political Public Office Holders	3	75,000,000.00	46,880,733.97	22,287,673.40
Pensions, Training Fund/Traditional Rules Council	3	150,000,000.00	-	-
Funding of Primary Education	3	800,000,000.00	-	-
Internal Debt Servicing	3	20,000,000.00	7,500,000	-
Total Consolidated revenue Fund Charges		1,045,000,000.00	54,380,733.97	22,287,673.40
Personnel Costs	4	380,000,000.00	324,326,345.43	278,411,979.11
Overhead Costs	5	200,000,000.00	100,635,150.50	31,988,486.22
TOTAL PAYMENTS	-	1,625,000,000.00	479,342,229.90	333,688,138.73
Net Cash Flow From Operating Activities A	-	554,750,000.00	80,695,112.95	8,088,543.82
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	706,000,000.00	28,197,000	2,685,000.00
Net Cash Flow From Investing Activities B			(28,197,000)	(2,685,000.00)
CASHFLOW FROM FINANCING ACTIVITIES				
Proceed from External Loans				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7		(34,562,769)	4,256,650
Increase/ Decrease in other Liabilities	8		4,704,297.41	6,630,181.98
Total Cash flow from other Cash equiv. Accounts C			(29,858,471.59)	10,886,831.98
Net Cashflow For the Year (A+B+C)			22,639,641.36	16,290,375.80
Cash and its equivalents as at 1st January, 2018	9		17,670,604.82	1,380,229.02
Cash and its equivalents as at 31 st Dec, 2018	9		40,310,246.18	17,670,604.82

ETINAN LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	NOTES	2018 ₦	2017 ₦
ASSETS:			
Liquid Assets:			
Cash in Hand	9	757.84	220,665.54
Cash at Bank	9	40,309,488.34	17,449,939.28
TOTAL LIQUID ASSETS:		40,310,246.18	17,670,604.82
Investments and Other Cash Assets:			
Advances	10	994,732,834.80	960,170,065.80
TOTAL ASSETS		<u>1,035,043,080.98</u>	<u>977,840,670.62</u>
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		668,730,075.73	616,231,962.78
OTHER LIABILITIES			
Deposits	11	366,313,005.25	361,608,707.84
TOTAL LIABILITIES		<u>1,035,043,080.98</u>	<u>977,840,670.62</u>

ETINAN LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2018

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
610,828,418.96	Opening Balance				616,231,962.78	
	Add Revenue:					
335,741,221.27	Statutory Allocation	1,500,000,000.00	-	1,500,000,000.00	552,918,750.85	(63)
-	Derivation	250,000,000.00	-	250,000,000.00	-	(100)
-	Value Added Tax	350,000,000.00	-	350,000,000.00	-	(100)
-	State Allocation	30,000,000.00	-	30,000,000.00	-	(100)
-	Excess Crude	-	-	-	-	-
-	Stabilization	-	-	-	-	-
335,741,221.27	Sub Total Statutory Allocation	2,130,000,000.00	-	2,130,000,000.00	552,918,750.85	(74)
-	Taxes	200,000.00	-	200,000.00	-	(100)
1,010,000.00	Rates	2,800,000.00	-	2,800,000.00	1,010,000	(64)
248,190.00	Local License Fines and Fees	2,500,000.00	-	2,500,000.00	181,330.00	(93)
105,000.00	Earning from Commercial Undertaking	1,750,000.00	-	1,750,000.00	230,700.00	(88)
680,000.00	Rent on Local Govt. Property	1,500,000.00	-	1,500,000.00	8,000.00	99
-	Interest & Dividends Receivable	-	-	-	-	-
-	Grants	-	-	-	-	-
2,992,271.28	Miscellaneous	41,000,000.00	-	41,000,000.00	5,688,562.00	(86)
5,035,461.28	Sub. Total IGR	49,750,000.00	-	49,750,000.00	7,118,592.00	(86)
951,605,101.51	TOTAL REVENUE	2,179,750,000.00	-	2,179,750,000.00	1,176,269,305.63	(46)
	EXPENDITURE					
	Consolidated Rev. Fund Charges:					
22,287,673.40	Political/Public Office Holders	75,000,000.00	-	75,000,000.00	46,880,733.97	38
-	Pensions/Training Fund/Traditional Rules Council	150,000,000.00	-	150,000,000.00	-	100
-	Funding of Primary Education	800,000,000.00	-	800,000,000.00	-	100
-	Internal Debt Servicing	20,000,000.00	-	20,000,000.00	7,500,000	63
335,741,221.27	Sub Total CRFC	1,045,000,000.00	-	1,045,000,000.00	54,380,733.97	-
278,411,979.11	Personnel Costs	380,000,000.00	-	380,000,000.00	324,326,345.43	15
31,988,486.22	Overhead Costs	200,000,000.00	-	200,000,000.00	100,635,150.50	56
332,688,138.73	Total Expenditure	1,625,000,000.00	-	1,625,000,000.00	479,342,229.90	71
618,916,962.78	Operating Balance	554,750,000.00	-	554,750,000.00	696,927,075.73	
2,685,000.00	Transfer to Capital Dev Fund	706,000,000.00	-	706,000,000.00	28,197,000.00	96
616,231,962.78	Closing Balance	-	-	-	668,730,075.73	

ETINAN LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2018

Actual 2017 N	Head	Description	Initial Budget 2018 N	Supp-Budget 2018 N	Final Budget 2018 N	Actual 2018 N	Var. %
400,000.00		Transfer from Consolidated Rev. Fund A	706,000,000.00	-	706,000,000.00	28,197,000.00	96
		Less Capital Expenditure:					
60,000.00		ECONOMIC SECTOR	125,000,000	-	125,000,000	3,160,000	97
-		SOCIAL SECTOR	92,000,000	-	92,000,000	4,696,000	95
200,000.00		ENVIRONMENTAL/REG.DEV.	65,000,000	-	65,000,000	5,910,000.00	91
140,000.00		GENERAL ADMINISTRATION	424,000,000.	-	424,000,000.	14,437,000	97
400,000.00		Total Expenditure B	706,000,000	-	706,000,000	28,197,000	
		Closing Balance	0	-	0	0	

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

NOTE1: STATUTORY ALLOCATION

Months	2018 ₦	2017 ₦
January	35,944,054.51	24,217,988.29
February	-	26,481,705.97
March	35,218,013.79	24,057,042.04
April	35,218,013.79	27,632,595.96
May	40,651,239.90	23,998,049.45
June	42,006,259.61	25,939,668.63
July	43,332,796.32	29,945,283.34
August	47,159,350.21	25,761,347.67
September	47,000,158.38	40,880,718.49
October	49,758,832.57	26,544,069.52
November	58,348,615.62	26,971,040.78
December	117,584,457.87	33,311,709.13
Total	552,918,750.85	335,741,221.27

NOTE 2: INTERNALLY GENERATED REVENUE

Head	Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
	ECONOMIC SECTOR			
1001	Taxes	200,000.00	-	-
1002	Rates	2,800,000.00	1,010,000.00	1,010,000.00
1003	Local Licenses Fines and Fees	2,500,000.00	181,330.00	248,190.00
1004	Earnings from Commercial Undertaking	1,750,000.00	230,700.00	105,000.00
1005	Rent on Local Government Properties	1,500,000.00	8,000.00	680,000.00
1006	Interest on Dividends	-	-	-
1007	Grants	-	-	-
1008	Miscellaneous	41,000,000.00	5,688,562.00	2,992,271.28
	Total	49,750,000.00	7,118,592.00	5,035,461.28

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICE HOLDERS

Detail	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
Office of the Exec. Chairman	8,000,000	3,247,216.83	2,793,690.86
Office of the Vice Chairman	5,000,000	2,824,707.68	-
Office of the Supervisor	13,000,000	8,148,648.64	16,955,494.10
Office of the Special Advisers	8,000,000	5,067,173.20	-
Office of the Secretary	4,000,000	2,084,163.85	2,538,488.44
Legislative/General Council	37,000,000	25,508,823.77	-
Internal Debt Servicing	20,000,000	7,500,000.00	-
Total	95,000,000	54,380,733.97	22,287,673.40

NOTE 4: PERSONNEL COSTS

Head	Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
2004	Administration	146,450,000	96,874,496.15	68,196,077.84
2005	Finance and Supplies	54,450,000	44,277,480.89	38,988,649.43
2006	Social Development Information, Youth, Sport & Culture	26,400,000	19,525,486.79	19,255,216.62
2007	Primary Health Care	107,600,000	117,619,115.75	103,243,814.34
2008	Agriculture and Natural Resources	14,300,000	11,211,858.18	11,146,696.61
2009	Works and Housing Land & Survey	25,300,000	34,046,631.33	34,289,572.05
2010	Traditional Rulers Office	-	-	-
2011	Budget Planning Research and Statistics	5,500,000	771,276.34	3,291,952.22
2012	Total	380,000,000	324,326,345.43	278,411,979.11

NOTE 5: OVERHEAD COSTS

Head	Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
2001A	Office of the Executive Chairman	42,000,000.00	27,783,050.00	11,290,000.00
2001B	Office of the Vice Chairman	6,000,000.00	3,197,000.00	450,000.00
2002A	Office of the Secretary	4,000,000.00	1,445,000.00	129,853.00
2002B	Office of the Supervisors	6,000,000.00	6,645,000.00	520,000.00
2002C	Office of the Special Advisers	4,000,000.00	2,335,000.00	414,000.00
2003A	Office of the Legislative/General Council	14,500,000.00	8,949,000.00	760,000.00
2003B	Office of the Leader	5,000,000.00	1,050,000.00	-
2003C	Office of the Deputy Leader	2,700,000.00	660,000.00	-
2003D	Office of the Majority Leader	2,700,000.00	-	-
2003E	Office of the Deputy Majority Leader	2,700,000.00	-	-
2003F	Office of the Chief Whip	2,700,000.00	142,500.00	-
2003G	Office of the Deputy Chief Whip	2,700,000.00	42,500.00	-
2003H	Office of the Clerk	2,000,000.00	280,000.00	-
2004A	Office of the Head of Local Govt Service	5,000,000.00	5,553,000.00	2,185,400.00
2004B	Office of the Admin.& General Service	4,000,000.00	1,761,800.00	1,155,480.00
2005	Financial Supplies	4,000,000.00	2,394,000.00	1,863,480.00
2006	Education Information & Sports	4,000,000.00	275,500.00	330,000.00
2007	Health	4,000,000.00	1,367,500.00	414,000.00
2008	Agricultural natural Resources	4,000,000.00	295,000.00	660,000.00
2009	Works and Transport	4,000,000.00	2,365,300.00	1,072,000.00
2010	Budget Planning Research & Statistics	4,000,000.00	640,000.00	732,000.00
2011	Traditional Rulers Council	2,500,000.00	2,000,000.00	200,000.00
2012	Miscellaneous	67,500,000.00	31,454,000.50	9,812,273.22
	Total	200,000,000.00	100,635,150.50	31,988,848.22

NOTE 6: CAPITAL EXPENDITURE

Detail	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
Economic Sector	125,000,000.00	3,160,000.00	935,000.00
Social Sector	92,000,000.00	4,690,000.00	350,000.00
Environmental Sector	65,000,000.00	5,910,000.00	300,000.00
Administration Sector			
General Administration (Executive)	329,000,000.00	14,437,000.00	1,100,000.00
General Administration (Legislature)	95,000,000.00	-	
Total	706,000,000.00	28,197,000.00	2,685,000.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2018 ₦		2017 ₦	
2018 Advances	994,732,834.80	2017 Advances	960,170,065.80
2017 Advances	960,170,065.80	2016 Advances	964,426,715.80
	(34,562,769.00)		4,256,650.00

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2018 ₦		2017 ₦	
2018 Deposits	366,313,005.25	2017 Deposits	361,608,707.84
2017 Deposits	361,608,707.84	2016 Deposits	354,978,525.86
	4,704,297.41		6,630,181.98

NOTE 9: CASH AND BANK BALANCES

Description	2018 ₦	2017 ₦
CASH	757.84	220,665.54
Zenith Bank A/C (Salary)	40,014,317.44	7,918,617.48
Zenith Bank A/C (Project)	79,323.43	9,315,474.33
Sky Bank	42,064.75	42,064.75
Diamond	300	300.00
Diamond II	38,603.75	38,603.75
FBN	134,878.97	134,878.97
Sub Total Bank	40,309,488.34	17,449,939.28
Total	40,310,246.18	17,670,604.82

NOTE 10: ADVANCES

Description	2018 ₦	2017 ₦
Purchase Advances	735,413,735.83	692,940,866.83
Imprest Advances	134,115,900.00	135,562,000
Touring Advances	84,524,691.97	91,404,691.97
Salary/Special Advances	8,206,993.00	8,390,993
Motor Vehicle Advances	32,471,514	31,871,514
Others	-	-
Total	994,732,834.80	960,170,065.80

NOTE 11: DEPOSITS

Description	2018 ₦	2017 ₦
PAYE Tax	910,027.58	910,027.28
NULGE Dues State/Branch	17,608,257.83	
NANNM	396,413.29	
VAT	7,325,373.50	7,325,373.50
Withholding Tax	8,633,878.50	8,633,878.50
Pension Deductions	13,157,390.50	13,157,392.50
Others	318,281,664.05	331,582,037.76
Total	366,313,005.25	361,608,707.84

IBENO LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Ibeno Local Government Council in accordance with the Provisions of the Model Financial Memoranda.

The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls 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 International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Ibeno Local Government Council as at 31st December, 2018 and its operations for the year ended on that date.



Mrs. Joanna NseAbasi Akpan
Director of Finance
Date: 13/06/2019



Hon. Sunday Iseokobo
Chairman
Date: 13/06/2019

AUDIT CERTIFICATE

The Executive Chairman
Ibena Local Government Council
Ukpenekang.

AUDIT CERTIFICATE ON THE ACCOUNTS OF IBENO LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Ibena Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Ibena Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

IBENO LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

(i) **Basis of Preparation of Financial Statements**

The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.

(ii) **Accounting Period**

A period of twelve months covering 1st January – 31st December, 2018

(iii) **Reporting Currency:**

The reporting currency is the Nigerian Naira.

(iv) **Basis of Consolidation**

The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.

(v) **Statutory Revenue**

Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.

(vi) **Internally Generated Revenue:**

This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.

(vii) **Payments**

These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.

(viii) **Cash Balances:**

This includes cash in hand, at bank and cash equivalents at the end of the financial year.

(ix) **Advances**

These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.

(x) **Deposits**

These are unremitted deductions and unpaid obligations to third parties on the reporting date.

IBENO LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

CASHFLOW FROM OPERATING ACTIVITIES	Notes	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
RECEIPTS				
Statutory Allocation	1	1,250,000,000.00	527,736,888.06	313,298,362.33
Others: Derivation	1	250,000,000.00	-	-
Valued and Added Tax	1	300,000,000.00	-	-
State Allocation	1	30,000,000.00	-	-
Excess Crude	1	-	-	-
Stabilization	1	-	-	-
Taxes	2	3,500,000.00	-	
Rates	2	95,000,000.00	54,360,000.00	52,140,000.00
Local License Fines and Fees	2	13,980,000.00	407,310.00	541,900.00
Earning From Commercial Undertaking	2	22,000,000.00	4,855,000.00	7,958,374.00
Rent on Local Govt. Property	2	5,000,000.00	-	
Interest and Dividend Receivable	2	-	-	
Grant	2	1,000,000.00	-	
Miscellaneous	2	9,520,000.00	877,500.00	2,517,000.00
TOTAL RECEIPTS		1,980,000,000.00	588,236,698.06	376,455,636.33
PAYMENTS				
Consolidated Revenue Fund Charge			-	-
Political/ Public Office Holders	3	60,000,000.00	62,252,500.00	20,441,208.62
Pensions/ Training Fund/ Traditional Rulers Council	3	160,000,000.00	-	-
Funding Of Primary Education	3	540,000,000.00	-	-
Internal Debt Servicing	3	10,000,000.00	-	-
Total Consolidated Revenue Fund Charges		770,000,000.00	62,252,500.00	20,441,208.62
Personnel Costs	4	320,000,000.00	284,863,354.37	225,334,514.93
Overhear Costs	5	200,000,000.00	283,456,844.00	62,223,444.92
TOTAL PAYMENTS		1,290,000,000.00	630,572,698.37	307,999,168.47
Net Cash Flow from Operating Activities A		690,000,000.00	(42,336,000.31)	68,456,467.86
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	840,500,000.00	712,269,398.74	199,647,518.30
Net Cash Flow From Investing Activities B			(712,269,398.74)	(199,647,518.30)
CASHFLOW FROM FINANCING ACTIVITIES				
Proceed from External Loans				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7		736,751,867.00	(7,758,937.75)
Increase/ Decrease in other Liabilities	8		7,005,106.37	171,216,368.30
Total Cash flow from other Cash equiv. Accounts C			743,756,973.37	163,457,430.55
Net Cashflow For the Year (A+B+C)			(10,848,425.68)	32,266,380.11
Cash and its equivalents as at 1st January, 2018	9		36,590,090.81	4,323,710.70
Cash and its equivalents as at 31 st Dec, 2018	9		25,741,665.13	36,590,090.81

IBENO LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	NOTES	2018 ₦	2017 ₦
ASSETS:			
Liquid Assets:			
Cash in Hand	9	32,520.00	32,520.00
Cash at Bank	9	25,709,145.13	36,557,570.81
TOTAL LIQUID ASSETS:		25,741,665.13	36,590,090.88
Investments and Other Cash Assets:			
Advances	10	448,709,810.74	1,185,461,677.74
TOTAL ASSETS		<u>474,451,475.87</u>	<u>1,222,051,768.55</u>
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		(210,188,390.63)	544,417,008.42
OTHER LIABILITIES			
Deposits	11	684,639,866.50	677,634,760.13
TOTAL LIABILITIES		<u>474,451,475.87</u>	<u>1,222,051,768.55</u>

IBENO LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2018

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
675,608,058.86	Opening Balance				544,417,008.42	
	Add revenue:					
313,298,362.33	Statutory Allocation	1,250,000,000.00	-	1,250,000,000.00	527,736,888.06	(61)
-	Derivation	250,000,000.00	-	250,000,000.00	-	(100)
-	Valued Added Tax	300,000,000.00	-	300,000,000.00	-	(100)
-	State Allocation	30,000,000.00	-	30,000,000.00	-	(100)
-	Excess Crude	-	-	-	-	(100)
-	Stabilization	-	-	-	-	(100)
313,298,362.33	Sub Total Statutory Allocation	1,830,000,000.00	-	1,830,000,000.00	527,736,888.06	(72)
-	Taxes	3,500,000.00	-	3,500,000.00	-	(100)
52,140,000.00	Rates	95,000,000.00	-	95,000,000.00	54,360,000.00	(97)
541,900.00	Local License, Fines And Fees	13,980,000.00	-	13,980,000.00	407,310.00	(59)
7,958,374.00	Earning From Commercial Undertaking	22,000,000.00	-	22,000,000.00	4,855,000.00	(77)
-	Rent On Local Govt. Property	5,000,000.00	-	5,000,000.00	-	(100)
-	Interest & Dividends Receivable	-	-	-	-	
-	Grants	1,000,000.00	-	1,000,000.00	-	
2,517,000.00	Miscellaneous	9,520,000.00	-	9,520,000.00	877,500.00	(90)
63,157,274.00	Sub. Total IGR	150,000,000.00	-	150,000,000.00	60,499,810.00	(53)
1,052,063,695.19	TOTAL REVENUE	1,980,000,000.00	-	1,980,000,000.00	1,132,653,706.48	(42)
-	EXPENDITURE					
-	Consolidated Rev. Fund Charges	-	-	-	-	
20,441,208.62	Political/Public Office Holders	60,000,000.00	-	60,000,000.00	62,252,500.00	28
-	Pension/Training Fund/Traditional Rulers Council	160,000,000.00	-	160,000,000.00	-	100
-	Funding Of Primary Education	540,000,000.00	-	540,000,000.00	-	100
-	Internal Debt Servicing	10,000,000.00	-	10,000,000.00	-	100
20,441,208.62	Sub Total CRFC	770,000,000.00	-	770,000,000.00	62,252,500.00	28
225,334,514.93	Personnel Costs	320,000,000.00	-	320,000,000.00	284,863,354.37	30
62,223,444.92	Overhead Costs	200,000,000.00	-	200,000,000.00	283,456,844.00	41
307,999,168.47	Total Expenditure	1,290,000,000.00	-	1,290,000,000.00	630,572,698.37	
744,064,526.72	Operating Balance	690,000,000.00	-	690,000,000.00	502,081,008.11	
199,647,518.30	Transfer to Capital Dev. Fund	840,500,000.00	-	840,500,000.00	712,269,398.74	15
544,417,008.42	CLOSING BALANCE				(210,188,390.63)	

IBENO LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2018

Actual 2017 ₦	Description of Items	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
199,647,518.30	Transfer to Capital Dev. Fund	840,500,000.00	-	840,500,000.00	712,269,398.74	15
	Less Capital Expenditure					
1,656,000.00	ECONOMIC SECTOR	163,400,000.00	-	163,400,000.00	181,190,480.00	(11)
3,520,000.00	SOCIAL SECTOR	171,500,000.00	-	171,500,000.00	86,805,840.00	49
4,306,750.00	Environmental/Regional Development	146,400,000.00	-	146,400,000.00	23,840,500.74	84
190,164,768.30	GENERAL ADMINISTRATION	359,200,000.00	-	359,200,000.00	420,432,578.00	(17)
199,647,518.30	Total	840,500,000.00	-	840,500,000.00	<u>712,269,398.74</u>	
0	Closing Balance	0	0	0	0	

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATUTORY ALLOCATION

MONTHS	2018 ₱	2017 ₱
January	34,173,208.58	22,653,719.01
February	34,338,622.10	22,653,719.01
March	34,335,743.26	25,496,532.90
April	38,778,169.25	23,401,438.65
May	41,130,922.73	27,016,969.11
June	42,177,138.48	23,111,257.24
July	44,660,479.22	25,623,467.24
August	44,763,684.45	30,518,071.53
September	50,238,293.89	25,324,953.26
October	56,001,477.19	27,767,302.80
November	47,071,431.93	26,819,428.36
December	60,067,711.98	32,911,503.22
Total	527,736,888.06	313,298,362.33

NOTE 2: INTERNALLY GENERATED REVENUE

HEAD	SUB HEAD	DETAILS	Budget 2018 ₱	Actual 2018 ₱	Actual 2017 ₱
1001	1-11	Taxes	3,500,000.00	-	-
1002	1-7	Rates	95,000,000.00	54,360,000.00	52,140,000.00
1003	1-97	Local Licenses, Fines & Fees	13,980,000.00	407,310.00	541,900.00
1004	1-9	Earning from Commercial Undertaking	22,000,000.00	4,855,000.00	7,958,374.00
1005	1-3	Rent on Local Govt. Property	5,000,000.00	-	-
1006	1-6	Interest and Dividends	-	-	-
1007	1-3	Grants	1,000,000.00	-	-
1008	1-9	Miscellaneous	9,520,000.00	877,500.00	2,517,000.00
		Total	150,000,000.00	60,499,810.00	63,157,274.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICE HOLDERS

	Budget 2018 ₱	Actual 2018 ₱	Actual 2017 ₱
Office of the Executive Chairman	2,875,000.00	3,512,898.18	2,581,490.34
Office of the Vice Chairman	2,740,000.00	3,299,194.08	-
Office of the Supervisors	12,470,000.00	9,156,276.75	15,525,512.56
Office of the Special Advisers	7,305,000.00	9,242,851.58	-
Office of the Secretary	2,610,000.00	1,578,157.72	2,334,205.72
Legislative/General Council	32,000,000.00	35,463,121.69	-
Total	60,000,000.00	62,252,500.00	20,441,208.62

NOTE 4: PERSONNEL COSTS

Head/ Subhead	Details	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
2004	Administration	97,786,720.00	93,166,982.72	67,928,587.63
2005	Finance and Supplies	49,596,730.00	34,644,763.19	35,663,296.25
2006	Social Development, Information, Youth Sport & Culture	24,126,350.00	14,209,852.48	13,381,803.55
2007	Primary Health Care	114,265,340.00	121,186,824.84	87,884,014.20
2008	Agriculture and Natural Resources	4,246,120.00	4,053,986.14	3,469,971.12
2009	Works And Housing, Land & Survey	18,189,620.00	11,953,184.12	10,591,170.61
2010	Traditional Rulers Office	3,435,970.00	-	-
2011	Budget, Planning, Research and Statistics	8,353,150.00	5,647,760.88	6,415,671.57
	Total	320,000,000.00	284,863,354.37	225,334,514.93

NOTE 5: OVERHEAD COSTS

Head	Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
2001A	Office of the Chairman	35,000,000.00	36,103,500.00	10,633,000.00
2001B	Office of the Vice Chairman	7,000,000.00	6,651,500.00	-
2002A	Office of the Secretary	6,000,000.00	1,548,500.00	2,427,000.00
2002B	Office of the Supervisors	10,000,000.00	6,783,310.00	4,389,000.00
2002C	Office of the Special Advisers	6,000,000.00	5,174,000.00	425,000.00
2003A	General Council	12,500,000.00	18,392,450.00	-
2003B	Office of the Leader	5,000,000.00	1,356,500.00	-
2003C	Office of the Deputy Leader	3,000,000.00	2,269,500.00	-
2003D	Office of the Majority Leader	2,500,000.00	2,721,900.00	-
2003E	Office of the Dep. Majority Leader	2,500,000.00	2,030,000.00	-
2003F	Office of the Chief Whip	2,500,000.00	1,200,000.00	-
2003G	Office of the Dep. Chief Whip	2,500,000.00	1,600,000.00	-
2003H	Office of the Clerk	2,000,000.00	7,601,840.00	-
2004A	Head of Local Govt. Service	5,000,000.00	14,721,495.00	189,000.00
2004B	Administration Department	5,500,000.00	9,381,125.00	2,556,000.00
2005	Finance/Supplies Department	5,000,000.00	17,022,290.00	1,502,100.00
2006	Education information & Sport	3,000,000.00	1,718,750.00	70,000.00
2007	Medical and Health Department	3,000,000.00	15,763,600.00	1,040,000.00
2008	Agricultural and Natural Resources	3,000,000.00	3,372,250.00	70,000.00
2009	Works and Housing Department	3,000,000.00	2,764,129.00	1,057,000.00
2010	Budget, Planning, Research & Statistic	3,000,000.00	750,300.00	700,000.00
2011	Traditional Rulers Office	3,000,000.00	7,365,575.00	350,000.00
2012	Miscellaneous	70,000,000.00	117,164,330.00	36,815,344.92
	Total	200,000,000.00	283,456,844.00	62,232,444.92

NOTE 6: CAPITAL EXPENDITURE

Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
Economic Sector	163,400,000.00	181,190,480.00	1,656,000.00
Social Sector	171,500,000.00	86,805,840.00	3,520,000.00
Environmental Sector	146,400,000.00	23,840,500.74	4,306,750.00
Administration Sector			
General Administration (Executive)	274,200,000.00	293,983,528.00	188,769,768.30
General Administration (Legislature)	85,000,000.00	126,449,050.00	1,395,000.00
	840,500,000.00	712,269,398.74	199,647,518.30

NOTE 7: INCREASE/ DECREASE IN OTHER CASH ASSETS

2018 ₦		2017 ₦	
2018 Advances	448,709,810.74	2017 Advances	1,185,461,677.74
2017 Advances	1,185,461,677.74	2016 Advances	1,177,702,739.99
	736,751,867.00		(7,758,937.75)

NOTE 8: INCREASE/ DECREASE IN OTHER LIABILITIES

2018 ₦		2017 ₦	
2018 Deposits	684,639,866.50	2017 Deposits	677,634,760.13
2017 Deposits	677,634,760.13	2016 Deposits	506,418,391.83
	7,005,106.37		171,216,368.30

NOTE 9: CASH AND BANK BALANCES

Description	2018 ₦	2017 ₦
Cash	32,520.00	32,520.00
Cash at Bank:		
(i) Zenith Bank A/C	302,839.97	3821.22
(ii) Zenith Bank A/C	15,441,068.12	27,677,754.47
(iii) Access Bank A/C	1,089,242.87	-
(iv) Skye Bank	645,922.88	645,922.88
(v) Diamond Bank	8,198,225.00	8198,225.95
(vi) UBA I	21,173.79	21,173.79
(vii) UBA II	10,672.50	10,672.50
TOTAL	25,741,665.13	36,590,090.88

NOTE 10: ADVANCES

		2018 ₦	2017 ₦
(1)	Purchases	436,781,687.50	1,055,788,106.00
(2)	Imprest	18,050,200.00	102,133,500.00
(3)	Touring	(20,530,180.00)	13,131,968.00
(4)	Salary/Special	14,408,103.24	14,408,103.24
(5)	Motor Vehicle	-	-
	Others	-	-
	Total	448,709,810.74	1,185,461,677.74

NOTE 11: DEPOSITS

	2018 ₦	2017 ₦
PAYE Tax	214,6254.01	1,250,380.97
NULGE Dues State/ Branch	296,615.42	2,026,510.99
NANNM	125,6246.68	644,776.54
VAT	6,008,259.07	6,008,259.07
Withholding Tax	-	876,422.00
Pension Deductions	2,267,215.35	2,267,215.35
2%, 5% and 10% Tax	-	11,154,456.39
Unclaimed Balances	-	339,127,48.33
Unclaimed Balance to Contractors	-	178,527,438.06
MHWU	22,882.50	228,821.50
Miscellaneous	-	123,146,664.96
Others	678,049,793.47	12,316,641.97
Total	684,639,866.50	677,634,760.13

IBESIKPO -SUTAN LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Ibesikpo-Asutan Local Government Council in accordance with the Provisions of the Model Financial Memoranda.

The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls 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 International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Ibesikpo-Asutan Local Government Council as at 31st December, 2018 and its operations for the year ended on that date.



Mr. Utibe E. Etim
Director of Finance
Date: 25/07/2019



Rt. (Hon.) Sylvester E. George
Chairman
Date: 25/07/2019

AUDIT CERTIFICATE

The Executive Chairman
Ibesikpo-Asutan Local Government Council
Nung Udoe.

AUDIT CERTIFICATE ON THE ACCOUNTS OF IBESIKPO-ASUTAN LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Ibesikpo-Asutan Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Ibesikpo-Asutan Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

IBESIKPO-ASUTAN LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

(i) **Basis of Preparation of Financial Statements**

The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.

(ii) **Accounting Period**

A period of twelve months covering 1st January – 31st December, 2018

(iii) **Reporting Currency:**

The reporting currency is the Nigerian Naira.

(iv) **Basis of Consolidation**

The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.

(v) **Statutory Revenue**

Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.

(vi) **Internally Generated Revenue:**

This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.

(vii) **Payments**

These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.

(viii) **Cash Balances:**

This includes cash in hand, at bank and cash equivalents at the end of the financial year.

(ix) **Advances**

These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.

(x) **Deposits**

These are unremitted deductions and unpaid obligations to third parties on the reporting date.

IBESIKPO-ASUTAN LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 1:

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

CASHFLOW FROM OPERATING ACTIVITIES	Notes	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
RECEIPTS:				
Statutory Allocation	1	1,400,000,000.00	571,786,735.62	398,554,381.45
OTHERS: Derivation	1	250,000,000.00	-	-
Value Added Tax	1	350,000,000.00	-	-
State Allocation	1	30,000,000.00	-	-
Excess Crude	1	-	-	-
Stabilization	1	-	-	-
Taxes	2	8,646,000.00	35,000.00	15,000.00
Rates	2	7,923,000.00	3,130,000.00	3,347,000.00
Local License fines & fees	2	10,674,167.00	386,090.00	1,215,000.00
Earning from Commercial undertaking	2	10,245,167.00	165,000.00	2,905,774.00
Rent on Local Govt. Property	2	3,646,000.00	43,000.00	-
Interest and Dividends Receivable	2	-	-	186,000.00
Grants	2	-	-	-
Miscellaneous	2	8,865,666.00	1,629,000.00	285,000.00
TOTAL RECEIPTS		2,080,000,000.00	577,174,825.62	406,508,155.45
PAYMENTS:				
Consolidated Revenue Fund Charges:				
Political/Public Office Holders	3	70,000,000.00	47,768,925.02	24,399,217.44
Training Fund/Traditional Rulers Council	3	200,000,000.00	-	-
Funding of Primary Education	3	750,000,000.00	-	-
Internal Debt Servicing	3	10,000,000.00	-	-
Total Consolidated Revenue Fund Charges		1,030,000,000.00	47,768,925.02	24,399,217.44
Personnel Costs	4	359,268,890.00	378,720,757.03	347,534,987.06
Overhead Costs	5	200,000,000.00	78,076,930.01	25,251,533.00
TOTAL PAYMENTS		1,589,268,890.00	504,566,612.06	397,185,737.50
Net Cash flow from Operating activities (A)		490,731,110.00	72,608,213.56	9,322,417.95
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	641,000,000.00	45,932,000.00	1,142,000.00
Net Cash flow From Investing Activities (B)			(45,932,000.00)	(1,142,000.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceed from External Loans				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7		(30,244,453.54)	(15,088,763.46)
Increase/ Decrease in other Liabilities	8		7,066,770.86	11,366,436.32
Total Cash flow from other Cash equiv. Accounts C			(23,177,682.68)	(3,722,327.14)
Net Cashflow For the Year (A+B+C)			3,498,530.88	4,458,090.81
Cash and its equivalents as at 1st January, 2018	9		6,557,319.03	2,099,228.22
Cash and its equivalents as at 31st Dec, 2018	9		10,055,849.91	6,557,319.03

IBESIKPO-ASUTAN LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2: STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	Notes	2018 ₦	2017 ₦
ASSETS:			
Liquid Assets:			
Cash in Hand	9	721,296.28	167,500.00
Cash at Bank	9	9,334,553.63	6,389,819.03
TOTAL LIQUID ASSETS:		10,055,849.91	6,557,319.03
Investments and Other Cash Assets:			
Advances	10	1,008,988,365.50	978,743,911.96
TOTAL ASSETS		1,019,044,215.41	985,301,230.99
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		688,555,306.27	661,879,092.71
OTHER LIABILITIES			
Deposits	11	330,488,909.14	323,422,138.28
TOTAL LIABILITIES		1,019,044,215.41	985,301,230.99

**IBESIKPO-ASUTAN LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 3**

**STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED
31ST DECEMBER, 2018**

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
653,698,674.76	Opening Balance (Adjusted)				661,879,092.71	
	ADD REVENUE:					
398,554,381.45	Statutory Allocation	1,400,000,000.00	-	1,400,000,000.00	571,786,735.62	(59)
-	Derivation	250,000,000.00	-	250,000,000.00	-	(100)
-	Value Added Tax	350,000,000.00	-	350,000,000.00	-	(100)
-	State Allocation	30,000,000.00	-	30,000,000.00	-	(100)
-	Excess Crude	-	-	-	-	
-	Stabilization	-	-	-	-	-
398,554,381.45	Sub Total Statutory Allocations	2,030,000,000.00	-	2,030,000,000.00	571,786,735.62	(72)
15,000.00	Taxes	8,646,000.00	-	8,646,000.00	35,000.00	(99)
3,347,000.00	Rates (Tenement)	7,923,000.00	-	7,923,000.00	3,130,000.00	(60)
1,215,000.00	Local License fines & fees	10,674,167.00	-	10,674,167.00	386,090.00	(96)
2,905,774.00	Earning from Commercial undertaking	10,245,167.00	-	10,245,167.00	165,000.00	(98)
186,000.00	Rent on Local Govt. Property	3,646,000.00	-	3,646,000.00	43,000.00	(99)
-	Interest & Dividends Receivable	-	-	-	-	-
-	Grants	-	-	-	-	-
285,000.00	Miscellaneous	8,865,666.00	-	8,865,666.00	1,629,000.00	(81)
7,953,774.00	Sub Total IGR	50,000,000.00	-	50,000,000.00	5,388,090.00	(89)
1,060,206,830.21	TOTAL REVENUE	2,080,000,000.00	-	2,080,000,000.00	1,239,053,918.33	(40)
	EXPENDITURE:					
24,399,217.44	Consolidated Revenue Fund Charges:					
-	Political/Public Office Holders	70,000,000.00	-	70,000,000.00	47,768,925.02	32
-	Pensions/Training Fund/Traditional Rulers Council	200,000,000.00	-	200,000,000.00	-	100
-	Funding of Primary Education	750,000,000.00	-	750,000,000.00	-	100
-	Internal Debt Servicing	10,000,000.00	-	10,000,000.00	-	100
24,399,217.44	Sub Total CRFC	1,030,000,000.00	-	1,030,000,000.00	47,768,925.02	95
347,534,987.06	Personnel Costs	359,268,890.00	-	359,268,890.00	378,720,757.03	(5)
25,251,533.00	Overhead Costs	200,000,000.00	-	200,000,000.00	78,076,930.01	61
397,185,737.50	Total Expenditure	1,589,268,890.00	-	1,589,268,890.00	504,566,612.06	
663,021,092.71	Operating Balance	490,731,110.00	-	490,731,110.00	737,487,306.27	
1,142,000.00	Transfer to Capital Dev Fund	641,000,000.00	-	641,000,000.00	45,932,000.00	93
661,879,092.71	Closing Balance				688,555,306.27	

**IBESIKPO-ASUTAN LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 4
STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2018**

Actual	Description Of Items	Initial Budget	Supp-Budget	Final Budget	Actual	Var.
2017		2018	2018	2018	2018	
₦		₦	₦	₦	₦	%
1,142,000.00	Transfer from Consolidated Rev. Fund A	641,000,000.00	-	641,000,000.00	45,932,000.00	93
	Less Capital Expenditure:					
	:-					
390,000.00	ECONOMIC SECTOR	187,825,000.00	-	187,825,000.00	18,356,000.00	90
752,000.00	SOCIAL SECTOR	107,762,000.00	-	107,762,000.00	17,216,000.00	84
	ENVIRONMENTAL/REGIONAL DEV	45,789,000.00	-	45,789,000.00	10,360,000.00	77
	GENERAL ADMINISTRATION	299,624,000.00	-	299,624,000.00	-	100
1,142,000.00	Total Expenditure B	641,000,000.00	-	641,000,000.00	45,932,000.00	
	Closing Balance A-B	0	-	0	0	0

NOTES TO THE ACCOUNTS

NOTE 1: STATUTORY ALLOCATION

Months	2018 N	2017 N
January	36,263,675.11	27,071,725.98
February	36,359,590.90	29,538,833.34
March	36,415,820.32	27,720,205.09
April	41,125,034.82	30,051,182.06
May	44,820,925.70	28,132,438.37
June	46,145,837.48	29,829,147.60
July	50,250,751.15	32,418,247.55
August	51,116,373.09	29,508,396.50
September	53,996,643.78	31,023,372.55
October	66,364,264.44	46,520,468.12
November	53,808,039.80	29,889,315.45
December	55,119,779.03	56,851,048.84
TOTAL	<u>571,786,735.62</u>	<u>398,554,381.45</u>

NOTE 2: INTERNALLY GENERATED REVENUE

Head	Description	Budget 2018 N	Actual 2018 N	Actual 2017 N
1001	Taxes	8,646,000.00	35,000.00	15,000.00
1002	Rates	7,923,000.00	3,130,000.00	3,347,000.00
1003	Local License fees and fines	10,674,167.00	386,090.00	1,215,000.00
1004	Earnings from Comm. Undertakings	10,245,167.00	165,000.00	2,905,774.00
1005	Rent on Local Government property	3,646,000.00	43,000.00	-
1006	Interest on Dividends	-	-	186,000.00
1007	Grants	-	-	-
1008	Miscellaneous	8,865,666.00	1,629,000.00	285,000.00
	TOTAL	50,000,000.00	5,388,090.00	7,953,774.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICE HOLDERS

Description	Budget 2018 N	Actual 2018 N	Actual 2017 N
Office of the Executive Chairman	4,200,000.00	2,066,410.51	3,050,852.22
Office of the V/Chairman	3,500,000.00	1,940,702.40	-
Office of the Supervisor	16,375,000.00	10,470,574.85	18,589,758.46
Office of the Special Advisers	10,295,000.00	8,073,696.28	-
Office of the Secretary	3,275,000.00	1,840,017.34	2,758,606.76
Legislative/General Council	32,355,000.00	23,377,523.64	-
Total	70,000,000.00	47,768,925.02	24,399,217.44

NOTE 4: PERSONNEL COSTS

Head	Description	Budget 2018 N	Actual 2018 N	Actual 2017 N
2004	Administration	98,969,041.00	98,670,794.54	96,514,631.81
2005	Finance and Supplies	64,187,267.00	69,720,837.07	65,843,075.90
2006	Education	51,396,775.00	55,235,297.62	53,704,644.77
2007	Primary Health Care	87,036,385.00	103,802,389.49	80,348,612.73
2008	Agric. & Natural Resources	12,958,254.00	9,614,548.31	8,857,292.41
2009	Works and Housing	28,804,254.00	28,495,905.50	27,941,853.94
2010	BPRS	15,916,914.00	13,180,984.70	14,324,875.50
2011	Traditional Ruler's Council	-	-	-
	Total	359,268,890.00	378,720,757.03	347,534,987.06

NOTE 5: OVERHEAD COSTS

Head	Description	Budget 2018 N	Actual 2018 N	Actual 2017 N
2001A	Office of the Chairman	25,950,000.00	23,588,000.00	5,163,000.00
2001B	Office of the Vice Chairman	3,000,000.00	2,392,000.00	-
2002A	Office of the Secretary	3,000,000.00	1,174,000.00	20,000.00
2002B	Office of the Supervisors	7,500,000.00	230,000.00	-
2002C	Office of the Special Advisers	3,900,000.00	-	140,000.00
2003A	Legislative Arm/General Council	12,690,000.00	3,000,000.00	-
2003B	Office of the Leader	4,000,000.00	1,080,000.00	-
2003C	The Office of the Deputy Leader	3,000,000.00	990,000.00	-
2003D	Office of the Majority Leader	2,000,000.00	-	-
2003E	Office of the Dep. Majority Leader	2,000,000.00	600,000.00	-
2003F	Office of the Chief Whip	2,000,000.00	600,000.00	106,000.00
2003G	Office of the Dep. Chief Whip	2,000,000.00	600,000.00	-
2003H	Office of the Clerk	1,500,000.00	-	-
2004A	Office of the HOS L/G	4,000,000.00	1,378,000.00	310,000.00
2004B	General Administration	2,500,000.00	34,500.00	961,000.00
2005	Finance and Supplies	3,500,000.00	1,098,000.00	1,290,500.00
2006	Information and Sports	2,400,000.00	1,055,000.00	85,000.00
2007	Health	2,800,000.00	285,000.00	115,000.00
2008	Agriculture and Natural Resources	2,400,000.00	195,000.00	74,000.00
2009	Works ,Housing& Transport	3,400,000.00	153,000.00	61,000.00
2010	Budget, Planning & Research	3,400,000.00	91,200.00	325,000.00
2011	Traditional Rulers Council	-	-	-
2012	Miscellaneous	103,060,000.00	39,533,230.01	16,601,033.00
	Total	200,000,000.00	78,076,930.01	25,251,533.00

NOTE 6: CAPITAL EXPENDITURE

Description	Budget 2018 N	Actual 2018 N	Actual 2017 N
Economic Sector	187,825,000.00	18,356,000.00	390,000.00
Social Sector	107,762,000.00	17,216,000.00	752,000.00
Environmental Sector	45,789,000.00	10,360,000.00	-
Administrative Sector:			
General Administration (Executive)	299,624,000.00	-	-
General Administration (Legislative)	-	-	-
Total	641,000,000.00	45,932,000.00	1,142,000.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2018 N		2017 N	
2018 Advances	1,008,988,365.50	2017 Advances	978,743,911.96
2017 Advances	978,743,911.96	2016 Advances	963,655,148.50
	(30,244,453.54)		(15,088,763.46)

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2018 N		2017 N	
2018 Deposits	330,488,909.14	2017 Deposits	323,422,138.28
2017 Deposits	323,422,138.28	2016 Deposits	312,055,701.96
	7,066,770.86		11,366,436.32

NOTE 9: CASH AND BANK BALANCES

DESCRIPTION	2018 N	2017 N
Cash in hand	721,296.28	167,500.00
Cash at Bank:		
Zenith Bank A/c (Salary)	9,295,274.78	-
Diamond Bank A/c (Project)	16,344.71	6,346,572.39
Eco Bank 2062000878	22,934.14	43,246.64
Sub Total	9,334,553.63	6,389,819.03
Total	10,055,849.91	6,557,319.03

NOTE 10: ADVANCES

DETAIL	2018 N	2017 N
Purchases Advance	762,984,884.50	738,283,785.96
Imprest Advance	109,795,607.00	107,016,217.00
Touring Advance	90,757,357.00	89,270,392.00
Salary/Special Advance	45,450,517.00	44,173,517.00
Motor Vehicle	-	-
Others	-	-
TOTAL	1,008,988,365.50	978,743,911.96

NOTE 11: DEPOSITS

DETAIL	2018 N	2017 N
PAYE Tax	3,479,972.71	2,967,151.33
NULGE Dues-State/Branch	798,286.94	2,809,559.48
NANNM	1,169,918.18	1,226,922.60
VAT	4,552,145.34	4,552,145.34
Withholding Tax	3,856,772.92	3,856,773.02
Pension Fund	20,271,648.10	20,271,648.10
OTHERS	296,360,164.95	287,737,938.41
TOTAL	330,488,909.14	323,422,138.28

IBIONO-IBOM LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Ibiono-Ibom Local Government Council in accordance with the Provisions of the Model Financial Memoranda.

The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls 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 International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Ibiono-Ibom Local Government Council as at 31st December, 2018 and its operations for the year ended on that date.



Mr. Victor I. John
Director of Finance
Date: 18/11/2019



Hon. EkomAbasi S. Akpan
Chairman
Date: 18/11/2019

AUDIT CERTIFICATE

The Executive Chairman
Ibiono-Ibom Local Government Council
Okoita.

AUDIT CERTIFICATE ON THE ACCOUNTS OF IBIONO-IBOM LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Ibiono-Ibom Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Ibiono-Ibom Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

IBIONO-IBOM LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

- (i) **Basis of Preparation of Financial Statements**
The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.
- (ii) **Accounting Period**
A period of twelve months covering 1st January – 31st December, 2018
- (iii) **Reporting Currency:**
The reporting currency is the Nigerian Naira.
- (iv) **Basis of Consolidation**
The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.
- (v) **Statutory Revenue**
Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.
- (vi) **Internally Generated Revenue:**
This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.
- (vii) **Payments**
These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.
- (viii) **Cash Balances:**
This includes cash in hand, at bank and cash equivalents at the end of the financial year.
- (ix) **Advances**
These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.
- (x) **Deposits**
These are unremitted deductions and unpaid obligations to third parties on the reporting date.

IBIONO-IBOM LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

CASHFLOW FROM OPERATING ACTIVITIES	NOTES	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
RECEIPTS				
Statutory Allocation	1	1,500,000,000.00	471,165,447.66	304,602,218.55
OTHERS: Derivation	1	250,000,000.00	-	-
Valued and Added Tax	1	350,000,000.00	-	-
State Allocation	1	30,000,000.00	-	-
Excess Crude	1	-	-	-
Stabilization	1	-	-	-
Taxes	2	1,400,000.00	-	-
Rates	2	3,653,500.00	1,148,000.00	940,000.00
Local License Fines and Fees	2	1,163,500.00	1,095,950.00	957,324.00
Earning From Commercial Undertaking	2	3,683,000.00	-	-
Rent on Local Govt. Property	2	900,000.00	10,000.00	-
Interest and Dividend Receivable	2	200,000.00	-	-
Grant	2	-	-	-
Miscellaneous	2	4,000,000.00	23,593,497.07	506,390.26
TOTAL RECEIPTS		2,145,000,000.00	497,012,894.73	307,005,932.81
PAYMENTS				
Consolidated Revenue Fund Charge				
Political/ Public Office Holders	3	70,000,000.00	66,942,716.02	20,236,925.56
Pensions/ Training Fund/ Traditional Rulers Council	3	220,000,000.00	-	-
Funding Of Primary Education	3	680,000,000.00	-	-
Internal Debt Servicing	3	10,000,000.00	27,000,000.00	-
Total Consolidated Revenue Fund Charges		980,000,000.00	93,942,716.02	20,236,925.56
Personnel Costs	4	280,000,000.00	280,914,396.35	236,972,037.78
Overhear Costs	5	200,000,000.00	117,472,136.37	98,287,706.35
TOTAL PAYMENTS		1,460,000,000.00	492,329,248.74	355,496,669.69
Net Cash Flow from Operating Activities A		685,000,000.00	4,683,645.99	(48,490,736.88)
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	795,500,000.00	1,160,000.00	690,000.00
Net Cash Flow From Investing Activities B			(1,160,000.00)	(690,000.00)
CASHFLOW FROM FINANCING ACTIVITIES				
Proceed from External Loans				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7		(65,532,317.00)	(3,365,400.00)
Increase/ Decrease in other Liabilities	8		40,930,000.00	1,744,087.80
Total Cash flow from other Cash equiv. Accounts C			(24,602,317.00)	(1,621,312.20)
Net Cashflow For the Year (A+B+C)			(21,078,671.01)	(50,802,049.08)
Cash and its equivalents as at 1st January, 2018	9		30,577,573.66	81,379,622.74
Cash and its equivalents as at 31st December, 2018	9		9,498,902.65	30,577,573.66

IBIONO-IBOM LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2

STATEMENT OF ASSETS & LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	Notes	2018 ₦	2017 ₦
ASSETS:			
Liquid Assets:			
Cash in Hand	9	413,560.00	5,711.00
Cash at Bank	9	9,085,342.65	30,571,862.66
TOTAL LIQUID ASSETS:		9,498,902.65	30,577,573.66
Investments and Other Cash Assets:			
Advances	10	1,086,272,379.00	1,020,740,062.00
TOTAL ASSETS		1,095,771,281.65	1,051,317,635.66
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		941,003,080.69	937,479,434.70
OTHER LIABILITIES			
Deposits	11	154,768,200.96	113,838,200.96
TOTAL LIABILITIES		1,095,771,281.65	1,051,317,635.66

IBIONO-IBOM LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 3

**STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2018**

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
986,660,171.58	Opening Balance				937,479,434.70	
-	Add Revenue:					
304,602,218.55	Statutory Allocation	1,500,000,000.00	-	1,500,000,000.00	471,165,447.66	(69)
-	Derivation	250,000,000.00	-	250,000,000.00	-	(100)
-	Valued Added Tax	350,000,000.00	-	350,000,000.00	-	(100)
-	State Allocation	30,000,000.00	-	30,000,000.00	-	(100)
-	Excess Crude	-	-	-	-	-
-	Stabilization	-	-	-	-	-
304,602,218.55	Sub Total Statutory Allocation	2,130,000,000.00	-	2,130,000,000.00	471,165,447.66	(78)
-	Taxes	1,400,000.00	-	1,400,000.00	-	(100)
940,000.00	Rates	3,653,500.00	-	3,653,500.00	1,148,000.00	(69)
957,324.00	Local License, Fines and Fees	1,163,500.00	-	1,163,500.00	1,095,950.00	(6)
-	Earning From Commercial Undertaking	3,683,000.00	-	3,683,000.00	-	-
-	Rent On Local Govt. Property	900,000.00	-	900,000.00	10,000.00	(99)
-	Interest & Dividends Receivable	200,000.00	-	200,000.00	-	(100)
-	Grants	-	-	-	-	-
506,390.26	Miscellaneous	4,000,000.00	-	4,000,000.00	23,593,497.07	490
2,403,714.26	Sub. Total IGR	15,000,000.00	-	15,000,000.00	25,847,447.07	72
1,293,666,104.39	TOTAL REVENUE	2,145,000,000.00	-	2,145,000,000.00	1,434,492,329.43	(83)
-	EXPENDITURE					
-	Consolidated Rev. Fund Charges	-	-	-	-	-
20,236,925.56	Political/Public Office Holders	70,000,000.00	-	70,000,000.00	66,942,716.02	4
-	Pension/Training Fund/Traditional Rulers Council	220,000,000.00	-	220,000,000.00		100
-	Funding Of Primary Education	680,000,000.00	-	680,000,000.00	-	100
-	Internal Debt Servicing	10,000,000.00	-	10,000,000.00	27,000,000.00	(170)
20,236,925.56	Sub Total CRFC	980,000,000.00	-	980,000,000.00	93,942,716.02	90
236,972,037.78	Personnel Costs	280,000,000.00	-	280,000,000.00	280,914,396.35	(0.3)
98,287,706.35	Overhead Costs	200,000,000.00	-	200,000,000.00	117,472,136.37	41
355,496,669.69	Total Expenditure	1,460,000,000.00	-	1,460,000,000.00	492,329,248.74	66
938,169,434.70	Operating Balance	685,000,000.00	-	685,000,000.00	942,163,080.69	
690,000.00	Transfer to Capital Dev Fund	795,500,000.00	-	795,500,000.00	1,160,000.00	99
937,479,434.70	CLOSING BALANCE				941,003,080.69	

IBIONO-IBOM LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2018

Actual 2017 ₦	Description of Items	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
690,000.00	Transfer from Consolidated Rev. Fund A	795,500,000.00	-	795,500,000.00	1,160,000.00	99.86
	Less Capital Expenditure:					
-	ECONOMIC SECTOR	222,000,000.00	-	222,000,000.00	300,000.00	0.1
160,000.00	SOCIAL SECTOR	170,000,000.00	-	170,000,000.00	400,000.00	0.2
30,000.00	ENVIRONMENTAL / REGIONAL DEVELOPMENT	63,500,000.00	-	63,500,000.00	400,000.00	2
			-			
500,000.00	GENERAL ADMINISTRATION	340,000,000.00	-	340,000,000.00		100
690,000.00	Total Expenditure B	795,500,000.00	-	795,500,000.00	1,160,000.00	0.2
	Closing Balance	0	0	0	0	

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATUTORY ALLOCATION

MONTHS	2018 ₱	2017 ₱
January	30,747,982.43	-
February	-	22,294,265.23
March	30,380,072.45	24,476,708.18
April	29,633,215.19	21,981,303.07
May	34,820,968.27	23,905,975.19
June	37,455,571.73	22,030,421.27
July	39,361,646.80	23,772,040.45
August	41,828,067.39	27,320,091.47
September	42,463,588.21	23,508,310.43
October	44,586,139.08	26,248,962.67
November	52,954,805.77	39,255,889.72
December	86,933,390.34	49,808,250.92
Total	471,165,447.66	304,602,218.60

NOTE 2: INTERNALLY GENERATED REVENUE

Head	Sub Head	Details	Budget 2018 ₱	Actual 2018 ₱	Actual 2017 ₱
1001	1-11	Taxes	1,400,000.00	-	-
1002	1-7	Rates	3,653,500.00	1,148,000.00	940,000.00
1003	1-97	Local Licenses, Fines & Fees	1,163,500.00	1,095,950.00	957,324.00
1004	1-9	Earning from Commercial Undertaking	3,683,000.00	-	-
1005	1-3	Rent on Local Govt. Property	900,000.00	10,000.00	-
1006	1-6	Interest and Dividends	200,000.00	-	-
1007	1-3	Grants	-	-	-
1008	1-9	Miscellaneous	4,000,000.00	23,593,497.07	506,390.26
		Total	15,000,000.00	25,847,447.07	2,403,714.26

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICE HOLDERS

	Budget 2018 ₱	Actual 2018 ₱	Actual 2017 ₱
Office of the Executive Chairman	5,000,000.00	4,042,780.65	2,581,490.34
Office of the Vice Chairman	3,500,000.00	3,576,437.28	-
Office of the Supervisors	13,200,000.00	11,934,766.42	15,321,229.50
Office of the Special Advisers	10,000,000.00	8,073,696.28	-
Office of the Secretary	3,200,000.00	3,603,089.61	2,334,205.72
Legislative / General Council	35,100,000.00	35,711,945.78	-
Internal Debt Servicing	10,000,000.00	27,000,000.00	-
Total	80,000,000.00	93,942,716.02	20,236,925.56

NOTE 4 PERSONNEL COSTS

Head/ Subhead	DETAILS	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
2004	Administration	80,622,550.00	75,370,652.77	74,614,575.24
2005	Finance and Supplies	58,668,160.00	55,348,065.59	39,750,633.34
2006	Social Development, Information, Youth Sport & Culture	34,018,140.00	30,660,390.76	24,097,946.34
2007	Primary Health Care	74,999,850.00	90,811,384.59	74,225,448.27
2008	Agriculture and Natural Resources	7,642,720.00	8,809,073.75	6,562,506.92
2009	Works And Housing, Land & Survey	18,829,610.00	15,518,668.23	12,376,863.44
2010	Traditional Rulers Office	-	-	-
2011	Budget, Planning, Research and Statistics	5,218,970.00	4,396,160.66	5,344,064.23
	Total	280,000,000.00	280,914,396.35	236,972,037.78

NOTE 5: OVERHEAD COSTS

S/N	Head	Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
1	2001A	Office of the Chairman	35,000,000.00	30,224,900.00	8,152,013.00
2	2001B	Office of the Vice Chairman	6,000,000.00	6,487,400.00	980,000.00
3	2002A	Office of the Secretary	4,000,000.00	640,000.00	2,754,000.00
4	2002B	Office of the Supervisors	6,000,000.00	4,227,000.00	-
5	2002C	Office of the Special Advisers	4,000,000.00	1,120,000.00	-
6	2003A	General Council	15,000,000.00	12,830,000.00	-
7	2003B	Office of the Leader	3,000,000.00	395,000.00	-
8	2003C	Office of the Deputy Leader	2,500,000.00	195,000.00	-
9	2003D	Office of the Majority Leader	2,000,000.00	-	-
10	2003E	Office of the Dep. Majority Leader	-	-	-
11	2003F	Office of the Chief Whip	1,500,000.00	70,000.00	-
12	2003G	Office of the Dep. Chief Whip	1,300,000.00	120,000.00	-
13	2003H	Office of the Clerk	2,000,000.00	3,160,000.00	23,000.00
14	2004A	Head of Local Govt. Service	4,000,000.00	712,000.00	941,000.00
15	2004B	Administration & General Services Department	6,000,000.00	6,183,500.00	567,000.00
16	2005	Finance/Supplies Department	5,000,000.00	2,047,000.00	799,500.00
17	2006	Education information & Sport	3,000,000.00	852,000.00	12,000.00
18	2007	Medical and Health Department	4,000,000.00	863,000.00	167,000.00
19	2008	Agricultural and Natural Resources	3,000,000.00	164,000.00	378,500.00
20	2009	Works and Housing Department	4,000,000.00	4,740,000.00	
21	2010	Budget, Planning, Research & Statistic	4,000,000.00	475,600.00	27,000.00
22	2011	Traditional Rulers Office	2,000,000.00	600,000.00	49,100.00
23	2012	Miscellaneous	82,700,000.00	41,365,736.37	83,437,593.35
		Total	200,000,000.00	117,472,136.37	98,287,706.35

NOTE 6: CAPITAL EXPENDITURE

DESCRIPTION	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
Economic Sector	222,000,000.00	300,000.00	30,000.00
Social Sector	170,000,000.00	400,000.00	160,000.00
Environmental Sector	63,500,000.00	400,000.00	-
ADMINISTRATION SECTOR			
General Administration (Executive)	340,000,000.00	60,000.00	500,000.00
General Administration (Legislature)	-	-	-
Total	795,500,000.00	1,160,000.00	690,000.00

NOTE 7: INCREASE/ ECREASE IN OTHER CASH ASSETS

2018		2017	
₦		₦	
2018 Advances	1,086,272,379.00	2017 Advances	1,020,740,062.00
2017 Advances	1,020,740,062.00	2016 Advances	1,017,374,662.00
	(65,532,317.00)		(3,365,400.00)

NOTE 8: INCREASE/ DECREASE IN OTHER LIABILITIES

2018		2017	
₦		₦	
2018 Deposits	154,768,200.96	2017 Deposits	113,838,200.96
2017 Deposits	113,838,200.96	2016 Deposits	112,094,113.16
	40,930,000.00		1,744,087.80

NOTE 9: CASH AND BANK BALANCES

	Description	Account Numbers	2018	2017
			₦	₦
(1)	Cash		413,560.00	5,711.00
(2)	Cash at Bank:			
	(i) Zenith Bank A/C (Salary)	1011685750	162,249.22	5,868,496.66
	(ii) Zenith Bank A/C (Project)	1014513999	8,923,093.43	24,703,366.00
	TOTAL		9,498,902.65	30,577,573.66

NOTE 10: ADVANCES

		2018	2017
		₦	₦
1	Purchases	835,384,110.00	784,177,543.00
2	Imprest	156,368,361.00	141,942,611.00
3	Touring	93,649,908.00	93,749,908.00
4	Salary/Special	870,000.00	870,000.00
5	Motor Vehicle	-	-
6	Others	-	-
	TOTAL	1,086,272,379.00	1,020,740,062.00

NOTE 11: DEPOSITS

	2018	2017
	₦	₦
PAYE Tax	1,282,182.20	1,282,182.20
NULGE Dues State/ Branch	2,628,329.07	2,628,329.07
NANNM	326,450.27	326,450.27
VAT	2,737,560.00	2,487,560.00
Withholding Tax	1,557,529.60	1,557,529.60
Pension Deductions	4,730,492.00	4,730,492.00
MHWU	433,832.01	433,832.01
Others	141,071,825.81	100,391,825.81
Total	154,768,200.96	113,838,200.96

IKA LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Ika Local Government Council in accordance with the Provisions of the Model Financial Memoranda.

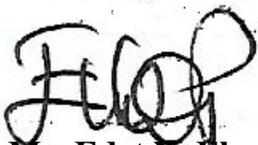
The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls 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 International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Ika Local Government Council as at 31st December, 2018 and its operations for the year ended on that date.



Mr. Edet N. Ekop
Director of Finance
Date: 17/06/2019



Rt. Hon. Anthony G. Udousung
Chairman
Date: 17/06/2019

AUDIT CERTIFICATE

The Executive Chairman
Ika Local Government Council
Urua Inyang.

AUDIT CERTIFICATE ON THE ACCOUNTS OF IKA LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Ika Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Ika Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

IKA LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

(i) **Basis of Preparation of Financial Statements**

The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.

(ii) **Accounting Period**

A period of twelve months covering 1st January – 31st December, 2018

(iii) **Reporting Currency:**

The reporting currency is the Nigerian Naira.

(iv) **Basis of Consolidation**

The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.

(v) **Statutory Revenue**

Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.

(vi) **Internally Generated Revenue:**

This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.

(vii) **Payments**

These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.

(viii) **Cash Balances:**

This includes cash in hand, at bank and cash equivalents at the end of the financial year.

(ix) **Advances**

These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.

(x) **Deposits**

These are unremitted deductions and unpaid obligations to third parties on the reporting date.

IKA LOCAL GOVERNMENT COUNCIL

STATEMENT NO.1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

CASHFLOW FROM OPERATING ACTIVITIES	Notes	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
RECEIPTS:				
Statutory Allocation	1	1,300,000,000.00	353,859,505.85	268,735,818.00
OTHERS: Derivation	1	250,000,000.00	-	-
Value Added Tax	1	300,000,000.00	-	-
State Allocation	1	30,000,000.00	-	-
Excess Crude	1	-	-	-
Stabilization	1	-	-	-
Taxes	2	4,540,000.00	-	-
Rates	2	3,000,000.00	-	-
Local License fines and fees	2	9,562,500.00	109,050.00	140,280.00
Earning from Commercial Undertaking	2	9,439,000.00	266,150.00	125,160.00
Rent on local Govt. property	2	2,194,000.00	10,000.00	5,000.00
Interest & Dividends Receivable	2	220,000.00	-	-
Grants	2	-	-	-
Miscellaneous	2	6,044,000	128,650.00	6,627,902.00
TOTAL RECEIPTS		1,915,000,000.00	354,373,355.85	275,634,160.00
PAYMENTS:				
Consolidated Rev. Fund Charges:				
Political /Public Office Holders	3	70,000,000.00	54,354,678.30	18,768,629.00
Pensions/Training Fund/Traditional Rulers Council	3	170,000,000.00	-	-
Funding of primary Education	3	750,000,000.00	-	-
Internal Debt Servicing	3	10,000,000.00	-	-
Total Consolidated Revenue Fund Charges		1,000,000,000.00	54,354,678.30	18,768,629.00
Personnel Costs	4	260,000,000.00	221,291,294.98	197,130,032.30
Overhead Costs	5	150,000,000.00	83,121,937.40	59,915,339.27
TOTAL PAYMENTS		1,410,000,000.00	358,767,910.68	275,814,000.57
Net Cash Flow from operating activities A		505,000,000.00	(4,394,554.83)	(179,840.57)
CASHFLOWFROMINVESTING ACTIVITIES				
Capital expenditure	6	971,000,000.00	18,509,050.00	21,262,175.00
Net Cash Flow from Investing Activities B			(18,509,050.00)	(21,262,175.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceed from External Loans				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7		4,062,815.00	11,835,685.13
Increase/ Decrease in other Liabilities	8		6,631,708.43	23,471,039.62
Total Cash flow from other Cash equiv. Accounts C			10,694,523.43	35,306,724.75
Net Cashflow For the Year (A+B+C)			(12,209,081.40)	13,864,709.18
Cash and its equivalents as at 1st January, 2018	9		16,296,937.52	2,432,228.34
Cash and its equivalents as at 31st Dec, 2018	9		4,087,856.12	16,296,937.52

IKA LOCAL GOVERNMENT COUNCIL

STATEMENT NO.2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	Notes	2018 ₦	2017 ₦
ASSETS:			
Liquid Assets:			
Cash in Hand	9	92,618.55	1,152,700.05
Cash at Bank	9	3,995,237.57	15,144,237.47
TOTAL LIQUID ASSETS:		4,087,856.12	16,296,937.52
Investments and Other Cash Assets:			
Advances	10	1,182,414,416.00	1,186,477,231.00
TOTAL ASSETS		1,186,502,272.12	1,202,774,168.52
Liabilities:			
Public Funds			
Consolidated Revenue Fund		923,608,191.23	946,511,796.06
OTHER LIABILITIES			
Deposits	11	262,894,080.89	256,262,372.46
TOTAL LIABILITIES		1,186,502,272.12	1,202,774,168.52

IKA LOCAL GOVERNMENT COUNCIL

STATEMENT NO.3

STATEMENT OF CONSOLIDATED REVENUE FUNDFOR THE YEAR ENDED 31ST DECEMBER, 2018.

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
967,953,811.63	Opening Balances				946,511,796.06	
	Add Revenue:					
268,735,818.00	Statutory Allocation	1,300,000,000.00	-	1,300,000,000.00	353,859,505.85	73
-	Derivation	250,000,000.00	-	250,000,000.00	-	100
-	Value Added Tax	300,000,000.00	-	300,000,000.00	-	100
-	State Allocation	30,000,000.00	-	30,000,000.00	-	100
-	Excess Crude	-	-	-	-	-
-	Stabilization	-	-	-	-	-
268,735,818.00	Sub Total Statutory Allocation	1,880,000,000.00	-	1,880,000,000.00	353,859,505.85	81
-	Taxes	4,540,000.00	-	4,540,000.00	-	100
-	Rates	3,000,000.00	-	3,000,000.00	-	100
140,280.00	Local License Fines & Fees	9,562,500.00	-	9,562,500.00	109,050.00	99
125,160.00	Earning from Commercial Undertaking	9,439,000.00	-	9,439,000.00	266,150.00	98
5,000.00	Rent on Local Govt. Property	2,194,000.00	-	2,194,000.00	10,000.00	99
-	Interest& Dividends Receivable	220,000.00	-	220,000.00	-	100
-	Grants	-	-	-	-	-
6,627,902.00	Miscellaneous	6,044,000	-	6,044,000	128,650.00	98
6,898,342.00	Sub. Total IGR	369,471,150.00	-	369,471,150.00	513,850.00	-
1,243,587,971.63	TOTAL REVENUE	1,915,000,000.00	-	1,915,000,000.00	1,300,885,151.91	66
	EXPENDITURE					
	Consolidated Rev. Fund Charges:		-			
18,768,629.00	Political/Public Office Holders	70,000,000.00	-	70,000,000.00	54,354,678.30	95
-	Pensions/Training Fund/Traditional Rulers Council	170,000,000.00	-	170,000,000.00	-	-
-	Funding of Primary Education	750,000,000.00	-	750,000,000.00	-	-
-	Internal Debt Servicing	10,000,000.00	-	10,000,000.00	-	-
18,768,629.00	Sub Total CRFC	1,000,000,000.00	-	1,000,000,000.00	54,354,678.30	95
197,130,032.30	Personnel Costs	260,000,000.00	-	260,000,000.00	221,291,294.98	5
59,915,339.27	Overhead Costs	150,000,000.00	-	150,000,000.00	83,121,937.40	57
275,814,000.57	Total Expenditure	1,410,000,000.00	-	1,410,000,000.00	358,767,910.68	75
967,773,971.06	Operating balance	505,000,000.00	-	505,000,000.00	942,117,241.23	
21,262,175.00	Transfer to Capital Dev Fund	971,000,000.00	-	971,000,000.00	18,509,050.00	97
946,511,796.06	Closing Balance				923,608,191.23	

IKA LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2018.

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
21,262,175.00	Transfer from Consolidated Rev. Fund A	971,000,000.00	-	971,000,000.00	18,509,050.00	97
	Less Capital Expenditure:					
9,250,000.00	ECONOMIC SECTOR	319,500,000.00	-	319,500,000.00	9,921,250.00	97
1,650,000.00	SOCIAL SERVICES SECTOR	193,500,000.00	-	193,500,000.00	1,000,000.00	99
2,115,000.00	ENVIRONMENTAL /REGIONAL PLANNING	112,000,000.00	-	112,000,000.00		
8,249,175.00	Sub Total	346,000,000.00	-	346,000,000.00	7,587,800.00	92
21,262,175.00	Total Expenditure B	971,000,000.00	-	971,000,000.00	18,509,050.00	98
0	Closing Balance A-B	0	0	0	0	

NOTES TO THE ACCOUNTS

NOTE 1: STATUTORY ALLOCATIONS

MONTHS	2018 ₦	2017 ₦
January	7,966,241.18	18,852,068.00
February	29,327,337.81	20,688,347.00
March	29,250,763.99	18,927,866.00
April	29,595,517.46	21,110,332.00
May	33,477,585.47	18,694,778.00
June	34,965,545.46	20,736,397.00
July	-	23,309,356.00
August	40,016,775.54	20,488,298.00
September	39,531,269.57	22,800,293.00
October	41,619,242.20	21,927,920.00
November	35,430,826.84	33,142,872.00
December	40,644,641.51	28,057,291.00
Total	353,859,505.85	268,735,818.00

NOTE 2: INTERNALLY GENERATED REVENUE

HEAD	DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
1001	Taxes	4,540,000.00	-	-
1002	Rates	3,000,000.00	-	-
1003	Local license Fines and Fees	11,509,650.00	109,050.00	140,280.00
1004	Earnings from Commercial Undertaking	9,439,000.00	266,150.00	125,160.00
1005	Rent on Local Government Properties	2,194,500.00	10,000.00	5,000.00
1006	Interest on dividends	220,000.00	-	-
1007	Grants	-	-	-
1008	Miscellaneous	6,044,000.00	128,650.00	6,627,902.00
	Total	36,947,150.00	513,850.00	6,898,342.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICE HOLDERS

DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
Office of the Executive Chairman	3,750,000.00	3,512,898.17	2,887,481.38
Office of the Vice Chairman	3,550,000.00	3,226,233.94	2,501,600.00
Office of the Supervisors	16,500,000.00	7,258,831.55	6,256,209.00
Office of the Special Advisers	12,700,000.00	7,455,501.12	-
Office of the Secretary	3,200,000.00	3,128,029.85	2,498,100.00
Legislative/General Council	30,300,000.00	29,773,183.67	4,625,238.62
Total	70,000,000.00	54,354,678.30	18,768,629.00

NOTE 4: PERSONNEL COSTS

Head	Department	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
2004	Administration	82,659,310.00	64,853,367.88	55,345,282.98
2005	Finance and Supplies	27,201,220.00	29,972,367.18	25,503,566.20
2006	Social Development, Information, Youth, Sports & Culture	23,577,030.00	27,436,342.09	24,211,160.50
2007	Primary Health Care	90,500,000	72,800,867.92	69,379,001.41
2008	Agriculture and Natural Resources	7,671,970.00	6,996,070.22	6,320,600.25
2009	Works and Housing, Lands & Survey	20,258,560.00	15,568,129.48	13,107,081.41
2010	Traditional Rulers Office	3,225,990.00	-	-
2011	Budget, Planning, Research and Statistic	4,905,920.00	3,664,148.21	3,263,339.55
	Total	260,000,000.00	221,291,294.98	197,130,032.30

NOTE 5: OVERHEAD COSTS

Head	Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
2001A	Office of the Executive Chairman	35,000,000.00	25,657,750.00	8,105,000.00
2001B	Office of the Vice chairman	7,000,000.00	5,023,750.00	80,000.00
2002A	Office of the Secretary	3,000,000.00	1,391,750.00	1,535,000.00
2002B	Office of the Supervisors	7,000,000.00	2,204,000.00	1,410,000.00
2002C	Office of the Special Advisers	4,000,000.00	1,762,000.00	989,500.00
2003A	Office Of the Legislative/General Council	15,000,000.00	1,490,000.00	-
2003B	Office of the Leader	3,000,000.00	1,110,000.00	25,000.00
2003C	Office of The deputy Leader	2,500,000.00	427,000.00	10,000.00
2003D	Office of the Majority Leader	2,000,000.00	1,500,000.00	813,500.00
2003E	Office of the Deputy majority Leader	2,000,000.00	157,000.00	-
2003F	Office of the Chief Whip	2,000,000.00	630,000.00	1,241,450.00
2003G	Office of the Deputy Chief Whip	2,000,000.00	600,000.00	-
2003H	Office of the Clerk	3,000,000.00	2,600,000.00	325,000.00
2004A	Office of the Head of Local Government Service	3,000,000.00	1,741,500.00	2,250,372.00
2004B	Office of the Administration & general Services	4,000,000.00	2,199,100.40	55,000.00
2005	Finance and Supplies	3,500,000.00	2,616,000.00	1,355,500.00
2006	Education, Information & Sports	2,000,000.00	850,000.00	-
2007	Health	2,000,000.00	701,000.00	75,000.00
2008	Agriculture and Natural Resources	2,000,000.00	651,600.00	-
2009	Works & Transport	2,000,000.00	888,000.00	481,400.00
2010	Budget, Planning Research & Statistics	2,000,000.00	255,000.00	105,000.00
2011	Traditional Rulers Council	2,000,000.00	535,000.00	-
2012	Miscellaneous	40,000,000.00	28,131,487.00	41,058,617.27
	Total	150,000,000.00	83,121,937.40	59,915,339.27

NOTE 6: CAPTAL EXPENDITURE

Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
Economic Sector	319,500,000.00	9,921,250.00	9,250,000.00
Social Sector	193,500,000.00	1,000,000.00	1,650,000.00
Environmental Sector	112,000,000.00	-	2,115,000.00
Administration Sector			
General Administration(Executive)	155,500,000.00	7,587,800.00	8,247,175.00
General Administration(Legislature)	190,500,000.00	-	-
Total	971,000,000.00	18,509,050.00	21,262,175.00

NOTE 7 : INCREASE/ DECREASE IN OTHER CASH ASSETS

2018		2017	
₦		₦	
2018Advances	1,182,414,416.00	2017Advances	1,186,477,231.00
2017Advances	1,186,477,231.00	2016Advances	1,198,312,916.13
	4,062,815.00		11,835,685.13

NOTE 8 : INCREASE/ DECREASE IN OTHER LIABILITIES

2018		2017	
₦		₦	
2018 Deposits	262,894,080.89	2017 Deposits	256,262,372.46
2017 Deposits	256,262,372.46	2016 Deposits	232,791,332.84
	6,631,708.43		23,471,039.62

NOTE 9: CASH AND BANK BALANCES

DESCRIPTION	2018	2017
	₦	₦
CASH	92,618.55	1,152,700.05
BANKS:		
Zenith bank A/c 1014518262	3,784,627.13	6,690,193.00
Zenith bank A/c 1012848495	43,298.51	7,969,259.19
Diamond bank A/c no Diamond	7,801.00	7,801.00
Skye Bank	7,668.28	7,668.28
UBA	129,360.00	129,360.00
Sterling bank 0006488821	22,482.65	339,936.00
Sub Total Bank Bal.	3,995,237.57	15,144,237.47
Total	4,087,856.12	16,296,937.52

10. ADVANCES	2018	2017
	₦	₦
i. Purchase Advances	844, 821,727.00	853,317,217.00
ii. Imprest	194,706,854.00	190,538,854.00
iii. Touring	135,380,535.00	135,115,860.00
iv. Salary/ Special	525,300.00	525,300.00
v. Motor Vehicle	6,980,000.00	6,980,000.00
vi. Others	-	-
Total	1,182,414,416.00	1,186,477,231.00
11. DEPOSITS	2018	2017
	₦	₦
i. PAYE tax	217,503.92	217,503.24
ii. NULGE Dues-State /Branch	793,502.90	2,512,694.57
Iii. NANNM	11,510.57	71,758.73
iv. VAT	1,332,750.00	1,332,750.00
v. Withholding Tax	-	-
vi. Pension Deductions	907,864.05	907,864.05
vii. Others	259,630,949.45	251,219,801.870
Total	262,894,080.89	256,262,372.46

IKONO LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Ikono Local Government Council in accordance with the Provisions of the Model Financial Memoranda.

The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

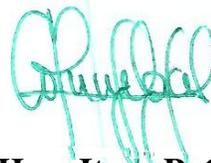
The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls has operated adequately throughout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

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Ikono Local Government Council as at 31st December, 2018 and its operations for the year ended on that date.



Mr. Aniekan O. Dan
Director of Finance
Date: 08/08/2019



Hon. Itoro P. Columba
Chairman
Date: 08/08/2019

AUDIT CERTIFICATE

The Executive Chairman
Ikono Local Government Council
Ibiaku Ntok Okpo.

AUDIT CERTIFICATE ON THE ACCOUNTS OF IKONO LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Ikono Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Ikono Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

IKONO LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

(i) **Basis of Preparation of Financial Statements**

The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.

(ii) **Accounting Period**

A period of twelve months covering 1st January – 31st December, 2018

(iii) **Reporting Currency:**

The reporting currency is the Nigerian Naira.

(iv) **Basis of Consolidation**

The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.

(v) **Statutory Revenue**

Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.

(vi) **Internally Generated Revenue:**

This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.

(vii) **Payments**

These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.

(viii) **Cash Balances:**

This includes cash in hand, at bank and cash equivalents at the end of the financial year.

(ix) **Advances**

These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.

(x) **Deposits**

These are unremitted deductions and unpaid obligations to third parties on the reporting date.

IKONO LOCAL GOVERNMENT COUNCIL

STATEMENT NO.1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

CASHFLOW FROM OPERATING ACTIVITIES	Notes	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
RECEIPTS:				
Statutory Allocation	1	1,500,000,000.00	568,351,293.20	379,777,952.59
OTHERS: Derivation	1	250,000,000.00	-	-
Value Added Tax	1	350,000,000.00	-	-
State Allocation	1	30,000,000.00	-	-
Excess Crude	1	-	-	-
Stabilization	1	-	-	-
Taxes	2	1,200,000.00	-	-
Rates	2	1,620,000.00	1,025,000.00	-
Local License Fines and Fees	2	6,550,000.00	338,030.00	6,689,920.00
Earning from Commercial Undertaking	2	6,560,000.00	896,000.00	527,000.00
Rent on Local Government Property	2	2,100,000.00	141,000.00	-
Interest & Dividends Receivable	2	500,000.00	-	-
Grants	2	-	-	-
Miscellaneous	2	6,470,000.00	1,221,840.00	1,153,210.00
TOTAL RECEIPTS		2,155,000,000.00	571,973,163.20	388,148,082.59
PAYMENTS:				
Consolidated Rev. Fund Charges:			57,640,497.70	22,522,354.56
Political/Public Office Holders	3	80,000,000.00	-	-
Pensions/Training Fund/Traditional Rulers Council	3	300,000,000.00	-	-
Funding of Primary Education	3	650,000,000.00	-	-
Internal Debt Servicing	3	10,000,000.00	1,000,000.00	-
Total Consolidated Revenue Fund Charges		1,040,000,000.00	58,640,497.70	22,522,354.56
Personnel Costs	4	370,000,000.00	372,306,443.57	332,365,959.77
Overhead Costs	5	200,000,000.00	118,761,735.02	11,407,265.34
TOTAL PAYMENTS:		1,610,000,000.00	549,708,676.29	366,295,579.67
Net Cash Flow from Operating Activities A		545,000,000.00	22,264,486.91	21,852,502.92
CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure	6	666,000,000.00	20,970,000.00	29,000,400.00
Net cash flow from investing Activities B			(20,970,000.00)	(29,000,400.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceed from External Loans				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7		(35,074,400.00)	71,299,195.00
Increase/ Decrease in other Liabilities	8		9,885,098.89	(13,136,874.68)
Total Cash flow from other Cash equiv. Accounts C			(25,189,301.11)	58,162,320.32
Net Cashflow For the Year (A+B+C)			(23,894,814.20)	51,014,423.24
Cash and its equivalents as at 1st January, 2018	9		45,828,999.28	(5,185,423.96)
Cash and its equivalents as at 31ST Dec, 2018	9		21,934,185.08	45,828,999.28

IKONO LOCAL GOVERNMENT COUNCIL

STATEMENT NO.2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	Notes	2018 ₦	2017 ₦
ASSETS:			
Liquid Assets:			
Cash in Hand	9	8,555.37	78,074.81
Cash at Bank	9	21,925,629.71	45,750,924.47
TOTAL LIQUID ASSETS:		21,934,185.08	45,828,999.28
Investments and Other Cash Assets:			
Advances	10	1,046,170,661.06	1,011,096,261.06
TOTAL ASSETS		1,068,104,846.14	1,056,925,260.34
Liabilities:			
Public Funds			
Consolidated Revenue Fund		1,024,301,171.96	1,023,006,685.05
Other Liabilities			
Deposits	11	43,803,674.18	33,918,575.29
TOTAL LIABILITIES		1,068,104,846.14	1,056,925,260.34

IKONO LOCAL GOVERNMENT COUNCIL

STATEMENT NO.3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2018

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Budget 2018 ₦	Actual 2018 ₦	Var. %
1,030,154,582.13	Opening Balances				1,023,006,685.05	
	Add Revenue					
379,777,952.59	Statutory Allocation	1,500,000,000.00	-	1,500,000,000.00	568,351,293.20	(62)
-	Derivation	250,000,000.00	-	250,000,000.00	-	(100)
-	Value Added Tax	350,000,000.00	-	350,000,000.00	-	(100)
-	State Allocation	30,000,000.00	-	30,000,000.00	-	(100)
-	Excess Crude	-	-	-	-	-
-	Stabilization	-	-	-	-	-
379,777,952.59	Sub Total Statutory Allocation	2,130,000,000.00	-	2,130,000,000.00	568,351,293.20	(73)
-	Taxes	1,200,000.00	-	1,200,000.00	-	(100)
-	Rates	1,620,000.00	-	1,620,000.00	1,025,000.00	(37)
6,689,920.00	Local License fines and fees	6,550,000.00	-	6,550,000.00	338,030.00	(95)
527,000.00	Earning from commercial undertaking	6,560,000.00	-	6,560,000.00	896,000.00	(86)
-	Rent on Local Govt. Property	2,100,000.00	-	2,100,000.00	141,000.00	(93)
-	Interest and Dividends Receivable	500,000.00	-	500,000.00	-	(100)
-	Grants	-	-	-	-	-
1,153,210.00	Miscellaneous	6,470,000.00	-	6,470,000.00	1,221,840.00	(81)
8,370,130.00	Sub. Total IGR	25,000,000.00	-	25,000,000.00	3,621,870.00	(86)
1,418,302,664.72	Total Revenue	2,155,000,000.00	-	2,155,000,000.00	1,594,979,848.25	(26)
-	Expenditure					
-	Consolidated Rev. Fund Charges					
22,522,354.56	Political Public Office Holders	80,000,000.00	-	80,000,000.00	57,640,497.70	28
-	Pensions/Training Fund/Traditional Rulers Council	300,000,000.00	-	300,000,000.00	-	100
-	Funding of Primary Education	650,000,000.00	-	650,000,000.00		100
-	Internal Debt Servicing	10,000,000.00	-	10,000,000.00	1,000,000.00	90
22,522,354.56	Sub Total CRFC	1,040,000,000.00	-	1,040,000,000.00	58,640,497.70	94
332,365,959.77	Personnel Costs	370,000,000.00	-	370,000,000.00	372,306,443.57	(0.6)
11,407,265.34	Overhead Costs	200,000,000.00	-	200,000,000.00	118,761,735.02	41
366,295,579.67	Total Expenditure	1,610,000,000.00	-	1,610,000,000.00	549,708,676.29	66
1,052,007,085.05	Operating Balance	545,000,000.00	-	545,000,000.00	1,045,271,171.96	
29,000,400.00	Transfer to Capital Dev. Fund	666,000,000.00	-	666,000,000.00	20,970,000.00	97
1,023,006,685.05	Closing Balance				1,024,301,171.96	

IKONO LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 4
STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2018

ACTUAL 2017 N	Description	Initial Budget 2018 N	Supp-Budget 2018 N	Final Budget 2018 N	Actual 2018 N	Var. %
29,000,400.00	Transfer from Consolidated Rev. Fund A	666,000,000.00	-	666,000,000.00	20,970,000.00	97
	Less Capital Expenditure:					
29,000,400.00	ECONOMIC SECTOR	207,800,000.00	-	207,800,000.00	4,500,000.00	98
-	SOCIAL SECTOR	136,500,000.00	-	136,500,000.00	4,900,000.00	96
-	ENVIRONMENTAL/REG. DEV.	89,700,000.00	-	89,700,000.00	8,950,000.00	90
-	GENERAL ADMINISTRATION	232,000,000.00	-	232,000,000.00	2,620,000.00	99
29,000,400.00	Total Expenditure B	666,000,000.00	-	666,000,000.00	20,970,000.00	
	Closing Balance A-B	0	0	0	0	0

IKONO LOCAL GOVERNMENT COUNCIL

NOTES TO THE ACCOUNTS

NOTE 2: STATUTORY ALLOCATION

Months	2018 ₦	2017 ₦
January	38,669,668.78	379,777,952.59
February	38,593,690.59	
March	38,206,064.76	
April	43,134,603.61	
May	45,217,594.77	
June	46,547,687.73	
July	49,569,462.06	
August	49,057,624.24	
September	52,405,606.66	
October	45,192,708.65	
November	50,020,571.66	
December	71,736,009.69	
Total	568,351,293.20	379,777,952.59

NOTE 1: INTERNALLY GENERATED REVENUE

Head	Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
1001	Taxes	1,200,000.00	-	-
1002	Rates	1,620,000.00	1,025,000.00	-
1003	Local licenses fines and fees	6,550,000.00	338,030.00	6,689,920.00
1004	Earnings from commercial undertaking	6,560,000.00	896,000.00	527,000.00
1005	Rent on Local Government properties	2,100,000.00	141,000.00	-
1006	Interest on Dividends	500,000.00	-	-
1007	Grants	-	-	-
1008	Miscellaneous	6,470,000.00	1,221,840.00	1,153,210.00
	Total	25,000,000.00	3,621,870.00	8,370,130.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICE HOLDERS

Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
Office of the Executive Chairman	4,250,000.00	3,502,898.18	2,816,171.28
Office of the Vice Chairman	4,150,000.00	3,299,194.08	9,805,586.28
Office of the Supervisors	17,500,000.00	7,841,978.65	7,354,190.16
Office of the Special Advisers	10,500,000.00	6,058,829.32	2,546,406.24
Office of the Secretary	3,500,000.00	2,602,310.26	-
Legislative/General Council	40,100,000.00	37,838,185.39	-
Internal Debt Servicing	10,000,000.00	1,000,000.00	-
Total	90,000,000.00	58,640,497.70	22,522,354.56

NOTE 4: PERSONNEL COSTS

Head	Departments	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
2004	Administration	121,055,453.00	99,826,226.02	90,650,589.98
2005	Finance and Supplies	55,340,848.00	49,828,557.47	47,996,594.37
2006	Social Development, Information, Youth, Sports & Culture	25,074,320.00	27,488,360.11	23,495,004.66
2007	Primary Health Care	121,372,198.00	150,402,639.57	129,771,064.88
2008	Agriculture and Natural Resources	8,220,421.00	4,419,794.02	3,852,043.17
2009	Works and Housing, Lands & Survey	27,637,077.00	29,749,768.11	27,864,154.43
2010	Traditional Rulers Officer	-	-	-
2011	Budget, Planning, Research and Statistics	11,299,683.00	10,591,098.27	8,736,508.28
	Total	370,000,000.00	372,306,443.57	332,365,959.77

NOTE 5: OVERHEAD COSTS

Head	Departments	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
2001A	Office of the Executive Chairman	23,500,000.00	25,905,000.00	4,462,000.00
2001B	Office of the Vice Chairman	7,000,000.00	2,250,000.00	-
2002A	Office of the Secretary	5,500,000.00	2,925,000.00	730,000.00
2002B	Office of the Supervisors	6,500,000.00	5,985,000.00	1,570,000.00
2002C	Office of the Special Advisers	3,000,000.00	2,290,000.00	-
2003A	Office of the Legislative/General Council	25,800,000.00	23,660,000.00	-
2003B	Office of the Leader	4,000,000.00	50,000.00	-
2003C	Office of the Deputy Leader	3,500,000.00	-	-
2003D	Office of the Majority Leader	2,600,000.00	-	-
2003E	Office of the Deputy Majority Leader	2,500,000.00	-	-
2003F	Office of the Chief Whip	2,500,000.00	150,000.00	-
2003G	Office of the Deputy Chief Whip	2,450,000.00	-	-
2003H	Office of the Clerk	2,000,000.00	2,550,000.00	-
2004A	Office of the Head of Local Government Service	7,000,000.00	100,000.00	1,500,000.00
2004B	Office of the Administration & General Services	9,000,000.00	5,001,500.00	189,700.00
2005	Finance and Supplies	6,600,000.00	2,250,000.00	479,000.00
2006	Education, Information & Sports	4,500,000.00	1,220,000.00	-
2007	Health	5,300,000.00	895,000.00	-
2008	Agricultural Natural Resources	4,000,000.00	395,000.00	45,000.00
2009	Works and Transport	5,000,000.00	864,300.00	25,442.02
2010	Budget, Planning, Research and Statistics	6,000,000.00	594,000.00	260,000.00
2011	Traditional Rulers Council	5,000,000.00	200,000.00	-
2012	Miscellaneous	56,750,000.00	41,476,935.02	2,146,123.32
	Total	200,000,000.00	118,761,735.02	11,407,265.34

NOTE 6: CAPITAL EXPENDITURE

	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
Economic Sector	207,800,000.00	4,500,000.00	29,000,400.00
Social Sector	136,500,000.00	4,900,000.00	-
Environmental Sector	89,700,000.00	8,950,000.00	-
Administration Sector	-	-	-
General Admin (Executive)	65,000,000.00	220,000.00	-
General Admin (Legislature)	167,000,000.00	2,400,000.00	-
Total	666,000,000.00	20,970,000.00	29,000,400.00

NOTE 7: INCREASE/ DECREASE IN OTHER CASH ASSETS

2018		2017	
₦		₦	
2018 Advances	1,046,170,661.06	2017 Advances	1,011,096,261.06
2017 Advances	1,011,096,261.06	2016 Advances	1,082,395,456.06
	(35,074,400.00)		71,299,195.00

NOTE 8: INCREASE/ DECREASE IN OTHER LIABILITIES

2018		2017	
₦		₦	
2018 Deposits	43,803,674.18	2017 Deposits	33,918,575.29
2017 Deposits	33,918,575.29	2016 Deposits	47,055,448.97
	9,885,098.89		(13,136,874.68)

NOTE 9: CASH AND BANK BALANCES

Description	2018	2017
	₦	₦
Cash	8,555.37	78,074.81
Banks:		
Zenith Bank A/c (Salary) No.: 1014557081	21,168,705.30	38,141,187.76
Zenith Bank A/c (Project) No.: 1012921529	(5,469.07)	7,173,501.08
Zenith Bank A/c No.: 1075678013	326,139.85	-
Access Bank A/c No.:0019489180	-	-
Skye Bank	436,253.63	436,235.63
Sub-Total Bank Bal.	21,925,629.71	45,750,924.47
Total	21,934,185.08	45,828,999.28

10. ADVANCES	2018	2017
	₦	₦
Purchase advances	792,781,203.00	758,171,303.00
Imprest	142,791,483.00	142,326,983.00
Touring	104,905,013.00	104,905,013.00
Salary/Special	5,692,962.06	5,692,962.06
Motor Vehicle	-	-
Others	-	-
Total	1,046,170,661.06	1,011,096,261.06
11. DEPOSITS	2018	2017
	₦	₦
PAYE Tax	731,439.72	741,439.79
NULGE Dues-State/Branch	3,852,398.58	
NANNM	(46,806.82)	-
VAT	-	-
Withholding Tax	75,000.00	75,000.00
Pension Deductions	2,216,902.04	-
Others	36,974,740.66	33,102,135.50
Total	43,803,674.18	33,918,575.29

IKOT ABASI LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Ikot Abasi Local Government Council in accordance with the Provisions of the Model Financial Memoranda.

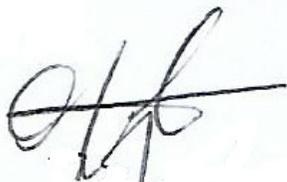
The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

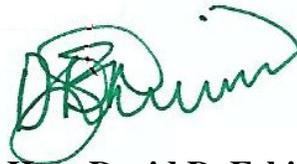
The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls has operated adequately throughout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

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Ikot Abasi Local Government Council as at 31st December, 2018 and its operations for the year ended on that date.



Mr. Nyeneime Umoh
Director of Finance:
Date: 13/8/2019



Hon. David D. Eshiet
Chairman:
Date: 13/8/2019

AUDIT CERTIFICATE

The Executive Chairman
Ikot Abasi Local Government Council
Ikot Abasi.

AUDIT CERTIFICATE ON THE ACCOUNTS OF IKOT ABASI LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Ikot Abasi Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Ikot Abasi Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

IKOT ABASI LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

(i) **Basis of Preparation of Financial Statements**

The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.

(ii) **Accounting Period**

A period of twelve months covering 1st January – 31st December, 2018

(iii) **Reporting Currency:**

The reporting currency is the Nigerian Naira.

(iv) **Basis of Consolidation**

The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.

(v) **Statutory Revenue**

Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.

(vi) **Internally Generated Revenue:**

This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.

(vii) **Payments**

These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.

(viii) **Cash Balances:**

This includes cash in hand, at bank and cash equivalents at the end of the financial year.

(ix) **Advances**

These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.

(x) **Deposits**

These are unremitted deductions and unpaid obligations to third parties on the reporting date.

IKOT ABASI LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

CASHFLOW FROM OPERATING ACTIVITIES	Notes	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
RECEIPTS:				
Statutory Allocation	1	1,200,000,000.00	566,183,741.85	341,366,480.06
Others: Derivation	1	250,000,000.00	-	-
Value Added Tax	1	350,000,000.00	-	-
State Allocation	1	30,000,000	-	-
Excess Crude	1	-	-	-
Stabilization	1	-	-	-
Taxes	2	2,000,000.00	-	-
Rates	2	3,500,000.00	3,240,000.00	2,410,000.00
Local License fines and fees	2	9,600,000.00	899,130.00	1,694,464.00
Earning from commercial undertaking	2	8,800,000.00	2,527,400.00	1,791,000.00
Rent on Local Govt. property	2	1,800,000.00	10,000.00	905,800.00
Interest & Dividends Receivable	2	2,300,000.00	-	-
Grants	2	200,000,00.00	-	-
Miscellaneous	2	6,300,000.00	1,226,600.00	398,240.00
TOTAL RECEIPTS		2,064,300,000.00	574,086,871.85	348,565,984.06
PAYMENTS:				
Consolidated Rev. Fund Charges:				
Political/Public office Holders	3	75,000,000.00	59,409,112.38	20,645,491.68
Pensions/Training Fund/Traditional Rulers Council	3	100,000,000.00	-	-
Funding of Primary Education	3	360,000,000.00	-	-
Internal Debt Servicing	3	-	-	-
Total Consolidated Revenue Fund Charges		535,000,000.00	59,409,112.38	20,645,491.68
Personal Costs	4	300,000,000.00	350,870,386.05	286,136,384.90
Overhead Costs	5	180,000,000.00	140,813,359.47	17,688,050.00
TOTAL PAYMENTS		1,015,000,000.00	551,092,857.90	324,469,926.58
Net Cash Flow Operation Activities A		1,049,300,000.00	22,994,013.95	24,096,057.48
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	756,000,000.00	35,572,027.90	69,385,000.00
Net Cash Flow from Investing Activities B			(35,572,027.90)	(69,385,000.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceed from External Loans				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7		(26,617,951.03)	57,402,514.03
Increase/ Decrease in other Liabilities	8		19,944,180.81	3,433,074.28
Total Cash flow from other Cash equiv. Accounts C			(6,673,770.22)	60,835,588.31
Net Cashflow For the Year (A+B+C)			(19,251,784.17)	15,546,645.79
Cash and its equivalents as at 1st January, 2018	9		36,889,014.80	21,342,369.01
Cash and its equivalents as at 31 st Dec, 2018	9		17,637,230.63	36,889,014.80

IKOT ABASI LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	Notes	2018 N	2017 N
ASSETS:			
Liquid Assets:			
Cash in Hand	9	60,450.00	16,447,793.75
Cash at Bank	9	17,576,780.63	20,441,221.05
TOTAL LIQUID ASSETS:		17,637,230.63	36,889,014.80
Investments and Other Cash Assets:			
Advances	10	1,331,406,065.76	1,304,788,114.73
TOTAL ASSETS		1,349,043,296.39	1,341,677,129.53
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		1,046,482,324.09	1,059,060,338.04
OTHER LIABILITIES			
Deposits	11	302,560,972.30	282,616,791.49
TOTAL LIABILITIES		1,349,043,296.39	1,341,677,129.53

IKOT ABASI LOCAL GOVERNMENT COUNCIL

**STATEMENT NO. 3
STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2018.**

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
1,104,349,280.56	Opening Balances				1,059,060,338.04	-
-	Add Revenue:					
341,366,480.06	Statutory Allocation	1,200,000,000.00	-	1,200,000,000.00	566,183,741.85	(52)
-	Derivation	250,000,000.00	-	250,000,000.00	-	(100)
-	Value Added Tax	350,000,000.00	-	350,000,000.00	-	(100)
-	State Allocation	30,000,000	-	30,000,000	-	(100)
-	Excess Crude	-	-	-	-	(100)
-	Stabilization	-	-	-	-	-
341,366,480.06	Sub Total Statutory Allocation	1,830,000,000.00	-	1,830,000,000.00	566,183,741.85	(69)
-	Taxes	2,000,000.00	-	2,000,000.00	-	(100)
2,410,000.00	Rates	3,500,000.00	-	3,500,000.00	3,240,000.00	(7)
1,694,464.00	Local License fines and fees	9,600,000.00	-	9,600,000.00	899,130.00	(91)
1,791,000.00	Earning from Commercial undertaking	8,800,000.00	-	8,800,000.00	2,527,400	(71)
905,800.00	Rent on Local Govt. Property	1,800,000.00	-	1,800,000.00	10,000.00	(99)
-	Interest & Dividends Receivable	2,300,000.00	-	2,300,000.00	-	(100)
-	Grants	200,000,00.00	-	200,000,00.00	-	(100)
398,240.00	Miscellaneous	6,300,000.00	-	6,300,000.00	1,226,600.00	(80)
7,199,504.00	Sub. Total IGR	234,300,000.00	-	234,300,000.00	7,903,130.00	(96)
1,452,915,264.62	TOTAL REVENUE	2,064,300,000.00	-	2,064,300,000.00	1,633,147,209.89	(21)
	EXPENDITURE					
	Consolidated Rev. Fund Charges:		-			
20,645,491.68	Political/Public Office Holders	75,000,000.00	-	75,000,000.00	59,409,112.38	15
	Pensions/Training Fund/Traditional Rulers Council	100,000,000.00	-	100,000,000.00	-	100
-	Funding of Primary Education	360,000,000.00	-	360,000,000.00	-	100
-	Internal Debt Servicing	-	-	-	-	-
20,645,491.68	Sub Total CRFC	535,000,000.00	-	535,000,000.00	59,409,112.38	88
286,136,384.90	Personnel Costs	300,000,000.00	-	300,000,000.00	350,870,386.05	(17)
17,688,050.00	Overhead Costs	180,000,000.00	-	180,000,000.00	140,813,359.47	22
324,469,926.58	Total Expenditure	1,015,000,000.00	-	1,015,000,000.00	551,092,857.90	45
1,128,445,338.04	Operating Balance	1,049,300,000.00	-	1,049,300,000.00	1,082,054,351.99	
69,385,000.00	Transfer to Cap Dev fund	756,000,000.00	-	756,000,000.00	35,572,027.90	95
1,059,060,338.04	CLOSING BALANCE				1,046,482,324.09	-

IKOT ABASILOCAL GOVERNMENT COUNCIL

STATEMENT NO. 4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2018.

Actual 2017 ₦	Head	DESCRIPTION	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
69,385,000.00		Transfer from Consolidated Rev. Fund A	756,000,000.00	-	756,000,000.00	35,572,027.90	95
		Less Capital Expenditure:					
31,100,000.00		ECONOMIC SECTOR	266,000,000.00	-	266,000,000.00	25,406,027.90	90
9,095,000.00		SOCIAL SECTOR	155,000,000.00	-	155,000,000.00	1,800,000.00	99
18,660,000.00		ENVIRONMENTAL/REG. DEV.	145,000,000.00	-	145,000,000.00	3,831,000.00	97
8,530,000.00		GENERAL ADMINISTRATION	190,000,000.0	-	190,000,000.0	4,535,000.00	98
69,385,000.00		Total Expenditure B	756,000,000.00	-	756,000,000.00	35,572,027.90	5
		Closing Balance A-B	0	0	0	0	

**IKOT ABASI LOCAL GOVERNMENT COUNCIL
NOTES TO THE ACCOUNTS**

NOTE 1 – STATUTORY ALLOCATION

MONTHS	2018 ₦	2017 ₦
January	25,649,338.74	25,046,822.45
February	11,882,735.18	24,945,665.07
March	51,111,908.29	27,103,545.82
April	41,596,187.44	24,931,463.04
May	41,597,788.60	28,056,130.38
June	43,152,241.52	26,298,157.67
July	44,754,409.06	27,650,179.46
August	47,673,552.40	32,316,681.89
September	46,970,210.46	28,266,773.91
October	50,114,351.59	30,957,126.55
November	58,133,735.44	29,890,080.26
December	103,547,283.13	35,903,853.56
Total	566,183,741.85	341,366,480.06

NOTE 2: INTERNALLY GENERATED REVENUE

HEAD	DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
1001-	Taxes	2,000,000.00	-	-
1002-	Rates	3,500,000.00	3,240,000.00	2,410,000.00
1003-	Local Licenses Fines and Fees	9,600,000.00	899,130.00	1,694,464.00
1004-	Earnings from Commercial Undertaking	8,800,000.00	2,527,400.00	1,791,000.00
1005-	Rent on Local Government Properties	1,800,000.00	10,000.00	905,800.00
1006-	Interest on Dividends	2,300,000.00	-	-
1007-	Grants	200,000,000.00	-	-
1008-	Miscellaneous	6,300,000.00	1,226,600.00	398,240.00
	Total	234,300,000.00	7,903,130.00	7,199,504.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICE HOLDERS

	BUDGET 2018 ₦	ACTUAL 2018 ₦	BUDGET 2017 ₦
Office of the Executive Chairman	4,925,000.00	3,808,101.71	2,581,490.34
Office of the Vice Chairman	4,350,000.00	3,576,437.28	-
Office of the Supervisors	16,850,000.00	9,200,086.70	15,729,795.62
Office of the Special Advisers	8,900,000.00	7,094,042.76	-
Office of the Secretary	3,970,000.00	3,375,225.55	2,334,205.72
Legislative/General Council	36,005,000.00	32,355,218.38	-
Total	75,000,000.00	59,409,112.38	20,645,491.68

NOTE 4: PERSONNEL COSTS:

Head	Descriptions	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
2004	Administration	79,083,000.00	100,340,096.38	64,679,819.37
2005	Finance and Supplies	52,431,970.00	50,296,446.49	41,949,167.71
2006	Social Development, Information, Youth, Sports & Culture	35,547,205.00	32,778,933.49	35,206,561.30
2007	Primary Health Care	94,234,925.00	127,772,739.46	109,447,224.60
2008	Agriculture and Natural Resources	9,329,955.00	10,431,373.52	8,961,624.06
2009	Works and Housing, Lands & Survey	22,281,300.00	21,294,425.65	18,782,469.27
2010	Traditional Rulers Office	1,840,630.00	-	-
2011	Budget, Planning, Research & Statistics	5,251,051.00	7,956,371.06	7,109,518.59
	Total	300,000,000.00	350,870,386.05	286,136,384.90

NOTE 5: OVERHEAD COSTS

Head	Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
2001A	Office of the Executive Chairman	36,000,000.00	20,007,000.00	5,550,200.00
2001B	Office of the Vice Chairman	7,000,000.00	3,260,000.00	50,000.00
2002A	Office of the Secretary	4,000,000.00	750,000.00	170,000.00
2002B	Office of the Supervisor	6,500,000.00	1,505,000.00	850,000.00
2002C	Office of the Special Advisers	3,200,000.00	1,150,000.00	-
2003A	Office of the Legislative/General Council	3,600,000.00	8,500,000.00	150,000.00
2004B	Office of the Leader	3,940,000.00	2,230,000.00	40,000.00
2003C	Office of the Deputy Leader	3,620,000.00	1,150,000.00	35,000.00
2003D	Office of the Majority Leader	2,700,000.00	1,000,000.00	30,000.00
2003E	Office of the Deputy Majority Leader	2,400,000.00	-	20,000.00
2003F	Office of the Chief Whip	2,400,000.00	1,000,000.00	30,000.00
2003G	Office of the Deputy Chief Whip	2,400,000.00	-	-
2003H	Office of the Clerk	1,500,000.00	380,000.00	63,000.00
2004A	Office of the Head of Local Government Service	8,000,000.00	490,150.00	579,950.00
2004B	Office of the Administration & General Services	5,700,000.00	1,175,000.00	188,250.00
2005	Finance and Supplies	7,000,000.00	2,652,000.00	2,354,000.00
2006	Education, Information & Sports	4,000,000.00	155,000.00	50,000.00
2007	Health	4,900,000.00	105,000.00	30,000.00
2008	Agriculture and Natural Resources	3,100,000.00	165,000.00	50,000.00
2009	Works and Transport	3,700,000.00	-	30,000.00
2010	Budget, Planning, Research & Statistics	5,300,000.00	80,000.00	345,000.00
2011	Traditional Ruler Council	1,800,000.00	-	-
2012	Miscellaneous	57,240,000.00	95,059,209.47	7,072,650.00
	Total	180,000,000.00	140,813,359.47	17,688,050.00

NOTE 6: CAPITAL EXPENDITURE:

	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
Economic Sector	266,000,000.00	25,406,027.90	33,100,000.00
Social Sector	155,000,000.00	1,800,000.00	9,095,000.00
Environmental Sector	145,000,000.00	3,831,000.00	18,660,000.00
Administration Section			
General Administration (Executive)	190,000,000.00	4,535,000.00	8,530,000.00
General Administration (Legislature)			
Total	756,000,000.00	35,572,027.90	69,385,000.00

NOTE 7 : INCREASE/DECREASE IN OTHER CASH ASSETS

2018		2017	
₦		₦	
2018 Advances	1,331,406,065.76	2017 Advances	1,304,788,114.73
2017 Advances	1,304,788,114.73	2016 Advances	1,362,190,628.76
	(26,617,951.03)		57,402,514.03

NOTE 8 : INCREASE/DECREASE IN OTHER LIABILITIES

2018		2017	
₦		₦	
2018 Deposits	302,560,972.30	2017 Deposits	282,616,791.49
2017 Deposits	282,616,791.49	2016 Deposits	279,183,717.21
	19,944,180.81		3,433,074.28

NOTE 9. CASH AND BANK BALANCES

DESCRIPTION	2018	2017
	₦	₦
CASH	60,450.00	16,447,793.75
BANKS:		
Zenith Bank A/C: 1014518279	16,548,062.44	11,414,621.57
Zenith Bank A/C: 1013180242	765,217.41	765,217.41
FCMB A/C: 1562844010	719.13	719.13
Skye Bank A/C: 4040013681	35,914.93	35,914.93
UBA A/C: 1001038269	30,793.62	8,028,674.91
UBA A/C: 1015886647	63,559.37	63,559.37
UBA A/C: 1011478864	104,811.73	104,811.73
Union Bank: 0052042554	27,702.00	27,702.00
Total	17,637,230.63	36,889,014.80

10. ADVANCES	2018	2017
	₦	₦
i. Purchase Advances	1,039,722,821.76	1,028,784,870.73
ii. Imprest	179,474,393	167,609,393
iii. Touring	106,866,470.00	103,051,470.00
iv. Salary/Special	5,258,216.00	5,258,216.00
v. Motor Vehicle	84,165.00	84,165.00
vi. Others	-	-
Total	1,331,406,065.76	1,304,788,114.73
11. DEPOSITS	2018	2017
	₦	₦
i. PAYE Tax	1,648,589.25	782,391.15
ii. NULGE Dues State/Branch	1,205,633.12	2,124,171.13
iii. NANNM	619,744.41	5,162.71
iv. VAT	342,500.00	342,500.00
v. Withholding Tax	2,780,000.00	635,321.28
vi. Pension Deductions	10,768,564.26	10,768,564.26
vii. Others	285,195,941.26	267,958,680.96
Total	302,560,972.30	282,616,791.49

IKOT EKPENE LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Ikot Ekpene Local Government Council in accordance with the Provisions of the Model Financial Memoranda.

The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls 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 International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Ikot Ekpene Local Government Council as at 31st December, 2018 and its operations for the year ended on that date.



Mr. Idongesit T. Udoh
Director of Finance
Date: 09/08/2019



Rt. Hon. Unyime Etim
Chairman
Date: 09/08/2019

AUDIT CERTIFICATE

The Executive Chairman
Ikot Ekpene Local Government Council
Ikot Ekpene.

AUDIT CERTIFICATE ON THE ACCOUNTS OF IKOT EKPENE LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Ikot Ekpene Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Ikot Ekpene Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

IKOT EKPENE LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

- (i) **Basis of Preparation of Financial Statements**
The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.
- (ii) **Accounting Period**
A period of twelve months covering 1st January – 31st December, 2018
- (iii) **Reporting Currency:**
The reporting currency is the Nigerian Naira.
- (iv) **Basis of Consolidation**
The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.
- (v) **Statutory Revenue**
Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.
- (vi) **Internally Generated Revenue:**
This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.
- (vii) **Payments**
These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.
- (viii) **Cash Balances:**
This includes cash in hand, at bank and cash equivalents at the end of the financial year.
- (ix) **Advances**
These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.
- (x) **Deposits**
These are unremitted deductions and unpaid obligations to third parties on the reporting date.

IKOT EKPENE LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

CASHFLOW FROM OPERATING, ACTIVITIES	NOTES	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
RECEIPTS:				
Statutory Allocation	1	2,000,000,000.00	638,064,893.45	433,357,267.99
Others: Derivation	1	300,000,000.00	-	-
Value Added Tax	1	400,000,000.00	-	-
State Allocation	1	35,000,000.00	-	-
Excess Crude	1	-	-	-
Stabilization	1	-	-	-
Taxes	2	4,810,000.00	6,700.00	10,000.00
Rates	2	12,500,000.00	4,673,000.00	5,451,000.00
Local License fines and fees	2	17,210,000.00	4,111,830.00	10,684,230.00
Earning from commercial undertaking	2	26,100,000.00	17,296,886.00	18,583,614.00
Rent on Local Govt. Property	2	9,730,000.00	-	130,000.00
Interest & Dividends Receivable	2	110,000.00	-	35,000.00
Grants	2	-	-	-
Miscellaneous	2	4,540,000.00	4,035,127.94	1,033,784.17
TOTAL RECEIPTS		2,810,600,000.00	668,188,437.39	469,284,896.16
PAYMENTS:				
Consolidated Rev. Fund Charges:				
Political/Public Office Holders	3	80,000,000.00	64,864,669.95	20,457,043.54
Pensions Training Fund/Traditional Rulers Council	3	530,000,000.00	-	-
Funding of Primary education	3	750,000,000.00	-	-
Internal Debt Servicing	3	10,000,000.00	-	-
Total consolidated revenue Fund Charges		1,370,000,000.00	64,864,669.95	20,457,043.54
Personnel Costs	4	470,000,000.00	466,834,926.79	386,562,232.09
Overhead Costs	5	210,000,000.00	102,000,747.82	10,932,908.69
TOTAL PAYMENTS		2,050,000,000.00	(633,700,344.56)	(417,952,184.32)
Net Cash flow from Operating Activities A		760,600,000.00	34,488,092.83	51,332,711.84
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	971,000,000.00	14,144,000.00	8,026,000.00
Net cash flow from investing activities B			(14,144,000.00)	(8,026,000.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7			
Increase/ Decrease in other Liabilities	8		(49,135,013.00)	(20,450,305.12)
Total Cash flow from other Cash equiv. Accounts C			26,228,521.10	(6,322,388.78)
Net Cashflow For the Year (A+B+C)			(22,906,491.90)	(26,772,693.90)
Cash and its equivalents as at 1st January, 2018	9		(2,562,399.07)	16,534,017.94
Cash and its equivalents as at 31 st Dec, 2018	9		18,427,020.38	1,893,002.44
Cash and its equipment as at 31 st December, 2018	9		15,864,621.31	18,427,020.38

IKOT EKPENE LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	Notes	2018 ₦	2017 ₦
ASSETS:			
Liquid Assets:			
Cash in Hand	9	-	250,359.10
Cash at Bank	9	15,864,621.31	18,176,661.28
TOTAL LIQUID ASSETS:		15,864,621.31	18,427,020.38
Investments and Other Cash Assets:			
Advances	10	1,157,385,242.18	1,108,250,229.18
TOTAL ASSETS		1,173,249,863.49	1,126,677,249.56
Liabilities:			
Public Funds			
Consolidated Revenue Fund		813,514,909.40	793,170,816.57
Other Liabilities			
Deposits	11	359,734,954.09	333,506,432.99
TOTAL LIABILITIES		1,173,249,863.49	1,126,677,249.56

IKOT EKPENE LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 3
STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2018

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
749,864,104.73	Opening Balances				793,170,816.57	
	Add Revenue:					
433,357,267.99	Statutory Allocation	2,000,000,000.00	-	2,000,000,000.00	638,064,893.45	(68)
-	Derivation	300,000,000.00	-	300,000,000.00	-	(100)
-	Value Added Tax	400,000,000.00	-	400,000,000.00	-	(100)
-	State Allocation	35,000,000.00	-	35,000,000.00	-	(100)
-	Excess Crude	-	-	-	-	-
-	Stabilization	-	-	-	-	-
433,357,267.99	Sub Total Statutory Allocation	2,735,000,000.00	-	2,735,000,000.00	638,064,893.45	(77)
10,000.00	Taxes	4,810,000.00	-	4,810,000.00	6,700.00	(99)
5,451,000.00	Rates	12,500,000.00	-	12,500,000.00	4,673,000.00	(63)
10,684,230.00	Local License fines and fees	17,210,000.00	-	17,210,000.00	4,111,830.00	(76)
18,583,614.00	Earning from commercial undertaking	26,100,000.00	-	26,100,000.00	17,296,886.00	(34)
130,000.00	Rent on Local Govt. Property	9,730,000.00	-	9,730,000.00	-	(100)
35,000.00	Interest & Dividends Receivable	110,000.00	-	110,000.00	-	(100)
-	Grants	-	-	-	-	-
1,033,784.17	Miscellaneous	4,540,000.00	-	4,540,000.00	4,035,127.94	(11)
35,927,628.17	Sub. Total IGR	75,000,000.00	-	75,000,000.00	30,123,543.94	
1,219,149,000.89	TOTAL REVENUE	2,810,600,000.00	-	2,810,600,000.00	1,461,359,253.96	(48)
	EXPENDITURE					
	Consolidated Rev. Fund Charges:					
20,457,043.54	Political/Public Office Holders	80,000,000.00	-	80,000,000.00	64,864,669.95	19
-	Pensions/Training Fund/Traditional Rulers Council	530,000,000.00	-	530,000,000.00	-	100
-	Funding of Primary Education	750,000,000.00	-	750,000,000.00	-	100
-	Internal Debt Servicing	10,000,000.00	-	10,000,000.00	-	100
20,457,043.54	Sub Total CRFC	1,370,000,000.00	-	1,370,000,000.00	64,864,669.95	95
386,562,232.09	Personnel Costs	470,000,000.00	-	470,000,000.00	466,834,926.79	7
10,932,908.69	Overhead Costs	210,000,000.00	-	210,000,000.00	102,000,747.82	51
417,952,814.32	Total Expenditure	2,050,000,000.00	-	2,050,000,000.00	633,700,344.56	69
801,196,186.57	Operating Balance	760,600,000.00	-	760,600,000.00	827,658,909.40	
8,026,000.00	Transfer to Capital Dev. Fund	971,000,000.00	-	971,000,000.00	14,144,000.00	99
793,170,816.57	CLOSING BALANCE				813,514,909.40	

IKOT EKPENE LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2018

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
8,026,000.00	Transfer to Consolidated Fund A	971,000,000.00	-	971,000,000.00	14,144,000.00	99
	Less Capital Expenditure:					
525,000.00	ECONOMIC SECTOR	319,500,000.00	-	319,500,000.00	5,610,000.00	98
	SOCIAL SECTOR	193,500,000.00	-	193,500,000.00	500,000.00	99
7,100,000.00	ENVIRONMENTAL SECTOR	112,000,000.00	-	112,000,000.00	1,915,000.00	98
401,000.00	ADMIN. SECTOR	346,000,000.00	-	346,000,000.00	6,119,000.00	92
8,026,000.00	Total Expenditure B	971,000,000.00	-	971,000,000.00	14,144,000.00	99
	Closing Balance A-B	0	0	0	0	

**IKOT EKPENE LOCAL GOVERNMENT COUNCIL
NOTES TO THE ACCOUNTS
NOTE 1: STATUTORY ALLOCATION**

MONTHS	2018 ₦	2017 ₦
January	33,117,964.04	34,251,588.93
February	42,302,938.46	36,684,481.64
March	61,625,088.93	34,250,120.68
April	49,020,137.33	35,948,291.32
May	46,423,117.45	34,073,466.47
June	48,275,798.72	35,615,085.66
July	52,397,770.52	37,877,620.36
August	51,822,335.45	35,107,935.49
September	55,565,628.67	37,178,278.05
October	54,784,163.81	37,110,172.86
November	69,171,195.36	35,356,498.92
December	73,558,754.71	39,903,227.56
Total	638,064,893.45	433,357,267.99

NOTE 2: INTERNALLY GENERATED REVENUE

Head	Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
1001	Taxes	4,810,000.00	6,700.00	10,000.00
1002	Rates	12,500,000.00	4,673,000.00	5,451,000.00
1003	Local Licenses Fines and Fees	17,210,000.00	4,111,830.00	10,684,230.00
1004	Earnings from Commercial Undertaking	26,100,000.00	17,296,886.00	18,583,614.00
1005	Rent on Local Government Properties	9,730,000.00	-	130,000.00
1006	Interest on Dividends	110,000.00	-	35,000.00
1007	Grants	-	-	-
1008	Miscellaneous	4,540,000.00	4,035,127.94	1,033,784.17
	Total	75,000,000.00	30,123,543.94	35,927,628.17

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICE HOLDERS

	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
Office of the Chairman	3,750,000.00	3,808,099.71	2,581,490.34
Office of the Vice Chairman	3,550,000.00	3,576,437.28	-
Office of the Supervisor	19,200,000.00	12,564,689.82	15,793,135.30
Office of the Special Advisers	12,800,000.00	6,040,275.21	-
Office of the Secretary	3,200,000.00	3,390,889.03	2,082,417.90
Office of the Leader	3,500,000.00	3,478,447.85	-
Office of the Deputy Leader	3,400,000.00	3,326,265.00	-
Legislative Council	17,000,000.00	15,933,092.25	-
Office of the Clerk of the Council	-	-	-
Office of the Majority Leader	3,400,000.00	3,186,618.45	-
Office of the Deputy Majority Leader	3,400,000.00	3,186,618.45	-
Office of the Chief Whip	3,400,000.00	3,186,618.45	-
Office of the Deputy Chief Whip	3,400,000.00	3,186,618.45	-
Total	80,000,000.00	64,864,669.95	20,457,043.54

NOTE 4: PERSONNEL COSTS

HEAD	DEPARTMENTS	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
2004	Administration	129,984,200.00	150,258,252.99	102,722,468.76
2005	Finance and Supplies	75,924,600.00	69,079,629.05	61,784,570.85
2006	Social Development, Information, Youth, Sports and Culture	61,138,800.00	45,174,816.28	46,085,687.91
2007	Primary Health Care	140,353,200.00	157,001,992.24	136,675,557.11
2008	Agriculture and Natural Resources	10,817,500.00	9,103,174.24	7,625,908.00
2009	Works and Housing Lands & Survey	27,264,600.00	23,278,686.34	20,714,867.10
2010	Budget Planning Research and Statistics	16,975,800.00	12,938,375.65	10,953,172.36
2011	Traditional Rulers Office	7,541,300.00	-	-
	Total	470,000,000	466,834,926.79	386,562,232.09

NOTE 5: OVERHEAD COSTS

HEAD	DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
2001A	Office of the Executive Chairman	35,000,000.00	27,724,500.00	3,927,000.00
2001B	Office of the Vice Chairman	10,000,000.00	3,217,500.00	-
2002A	Office of the Secretary	4,000,000.00	2,140,000.00	80,000.00
2002B	Office of the Supervisors	7,000,000.00	2,290,000.00	-
2002C	Office of the Special Advisers	5,000,000.00	2,841,000.00	-
2003A	Office of the Legislative/General Council	10,000,000.00	13,505,500.00	100,000.00
2003B	Office of the Leader	5,000,000.00	1,160,000.00	50,000.00
2003C	Office of the Deputy Leader	4,000,000.00	650,000.00	50,000.00
2003D	Office of the Majority Leader	3,000,000.00	-	20,000.00
2003E	Office of the Deputy Majority Leader	3,000,000.00	-	-
2003F	Office of the Chief Whip	3,000,000.00	-	20,000.00
2003G	Office of the Deputy Chief Whip	3,000,000.00	-	20,000.00
2003H	Office of the Clerk	3,000,000.00	2,804,500	-
2004A	Office of the Head of Local Government Service	6,000,000.00	1,347,000.00	501,000.00
2004B	Office of the Administration & General Services	5,000,000.00	3,630,050.00	681,500.00
2005	Finance and Supplies	5,000,000.00	4,919,568.98	1,626,570.00
2006	Education Information & Sports	4,000,000.00	940,000.00	110,000.00
2007	Health	5,000,000.00	560,000.00	35,000.00
2008	Agricultural Natural Resources	4,000,000.00	500,000.00	40,000.00
2009	Works and Transport	4,000,000.00	3,307,700.00	749,900.00
2010	Budget, Planning, Research & Statistics	4,000,000.00	552,000.00	80,000.00
2011	Traditional Rulers Council	3,000,000.00	1,110,000.00	100,000.00
2012	Miscellaneous	75,000,000.00	28,801,428.84	2,741,938.69
	Total	210,000,000.00	102,000,747.82	10,932,908.69

NOTE 6: CAPITAL EXPENDITURE

DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
Economic Sector	319,500,000.00	5,610,000.00	525,000.00
Social Sector	193,500,000.00	500,000.00	-
Environmental Sector	112,000,000.00	1,915,000.00	7,100,000.00
Administration Sector			
General Administration (Executive)	148,800,000.00	3,334,000.00	401,000.00
General Administration (Legislative)	197,200,000.00	2,785,000.00	-
Total	971,000,000.00	14,144,000.00	8,026,000.00

NOTE 7: INCREASE/ DECREASE IN OTHER CASH ASSETS

2018 ₦		2017 ₦	
2018 Advances	1,157,385,242.18	2017 Advances	1,108,250,229.18
2017 Advances	1,108,250,229.18	2016 Advances	1,087,799,924.06
	49,135,013.00		(20,450,305.12)

NOTE 8: INCREASE/ DECREASE IN OTHER LIABILITIES

2018 ₦		2017 ₦	
2018 Deposits	359,734,954.09	2017 Deposits	333,506,432.99
2017 Deposits	333,506,432.99	2016 Deposits	339,828,821.77
	26,228,521.10		(6,322,388.78)

NOTE 9: CASH AND BANK BALANCES

DETAILS	2018 ₦	2017 ₦
Cash in hand	-	250,359.10
BANK:		
Zenith Bank – Ikot Ekpene 1011349074	84,129.96	15,513.76
UBA 1011255162	76,214.01	6,265,115.26
Akwa Savings	36,653.28	36,653.28
First Bank	259,102.29	259,102.29
MFC Savings & Loans	14,161.00	14,161.00
Zenith Bank – Udo Udoma, Uyo	7,719.87	7,719.87
Skye Bank 4040013708	61,653.28	61,653.28
Zenith Bank 1014518286	15,324,987.62	11,516,706.54
Sub Total Bank	15,864,621.31	18,176,661.28
Total	15,864,621.31	18,427,020.38

10. ADVANCES	2018 ₦	2017 ₦
(i) Purchases Advances	834,567,129.18	794,473,116.18
(ii) Imprest	178,033,200.00	170,738,200.00
(iii) Touring	125,667,690.00	123,921,690.00
(iv) Salary/Special	19,117,223.00	19,117,223.00
Total	1,157,385,242.18	1,108,250,229.18
11. DEPOSITS	2018 ₦	2017 ₦
(i) NULGE	1,427,869.22	3,382,896.12
(ii) MHWUN	743,716.57	743,716.57
(iii) NANNM	1,356,496.31	1,356,496.31
(iv) VAT	6,170,682.47	6,170,682.47
(v) PAYE	3,714,695.52	3,714,695.52
(vi) OTHERS	346,321,494.00	318,137,946.00
TOTAL	359,734,954.09	333,506,432.99

INI LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Ini Local Government Council in accordance with the Provisions of the Model Financial Memoranda.

The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls 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 International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Ini Local Government Council as at 31st December, 2018 and its operations for the year ended on that date.



Mr. Edet Effiong Ukosin
Director of Finance
Date: 09/7/2019



Hon. Israel Idaisin
Chairman
Date: 09/7/2019

AUDIT CERTIFICATE

The Executive Chairman
Ini Local Government Council
Udoro Ikpe.

AUDIT CERTIFICATE ON THE ACCOUNTS OF INI LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Ini Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Ini Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

INI LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

(i) **Basis of Preparation of Financial Statements**

The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.

(ii) **Accounting Period**

A period of twelve months covering 1st January – 31st December, 2018

(iii) **Reporting Currency:**

The reporting currency is the Nigerian Naira.

(iv) **Basis of Consolidation**

The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.

(v) **Statutory Revenue**

Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.

(vi) **Internally Generated Revenue:**

This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.

(vii) **Payments**

These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.

(viii) **Cash Balances:**

This includes cash in hand, at bank and cash equivalents at the end of the financial year.

(ix) **Advances**

These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.

(x) **Deposits**

These are unremitted deductions and unpaid obligations to third parties on the reporting date.

INI LOCAL GOVERNMENT COUNCIL

STATEMENT NO.1

CASH FLOW STATEMENT FOR THE YEAR, ENDED 31ST DECEMBER, 2018

Cashflow from Operating Activities	Notes	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
Receipts				
Taxes		2,000,000.00	-	-
Rates		1,500,000.00	1,745,000.00	776,774.00
Local License fines & fees		7,810,000.00	213,570.00	720,000.00
Earning from Council Undertaking		3,800,000.00	1,304,000.00	284,840.00
Rent on Local Government property		700,000.00	10,000.00	115,000.00
Interest & Dividend Receivable		860,000.00		210,000.00
Grants		-	-	
Miscellaneous		5,330,000.00	968,500.00	331,400.00
Statutory Allocation		1,860,000,000.00	620,325,690.73	387,578,135.01
Others Derivation		300,000,000.00		
Value added tax		300,000,000.00	-	-
State Allocation		30,000,000.00	-	-
Excess crude		-	-	-
Stabilization		-	-	-
TOTAL RECEIPTS		2,512,000,000.00	624,566,760.73	390,016,149.01
PAYMENTS				
Consolidated Revenue Fund Charge				
Political/Public Office Holders	3	74,000,000.00	60,230,634.42	20,645,491.68
Pension Training Fund/Traditional Rulers Council		250,000,000.00		
Funding of Primary Education		700,000,000.00		
Internal Debt Servicing		60,000,000.00		
Total consolidated revenue fund charge	3	1,084,000,000.00	60,230,634.42	20,645,491.68
Personnel Costs	4	426,000,000.00	417,066,912.57	313,091,585.36
Overhead Costs	5	272,000,000.00	106,021,267.04	21,430,903.58
TOTAL PAYMENTS		1,782,000,000.00	583,318,814.03	355,167,980.62
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		730,000,000.00	41,247,946.70	34,848,168.39
Capital Expenditure	6	780,500,000.00	36,818,000.00	400,000.00
Net cash flow from investing activities (B)			(36,818,000.00)	(400,000.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceed from External Loans				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalent Accounts				
Increase/ Decrease in other Cash Assets	7		(26,514,950.00)	1,380,300.00
Increase/ Decrease in other Liabilities	8		(9,417,624.19)	(5,365,851.43)
Total Cash flow from other Cash equiv. Accounts C			(35,932,574.19)	(3,985,551.43)
Net Cashflow For the Year (A+B+C)			(31,502,627.49)	30,462,616.96
Cash and its equivalents as at 1st January, 2018	9		43,381,726.88	12,919,109.92
Cash and its equivalents as at 31st Dec, 2018	9		11,879,099.39	43,381,726.88

INI LOCAL GOVERNMENT COUNCIL

STATEMENT NO.2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	Notes	2018 ₦	2017 ₦
ASSETS:			
Liquid Assets:			
Cash in Hand	9	1,915,200.17	1,205,460.30
Cash at Bank	9	9,963,899.22	42,176,266.58
TOTAL LIQUID ASSETS:		11,879,099.39	43,381,726.88
Investments and Other Cash Assets:			
Advances	10	1,201,142,654.00	1,174,627,704.00
TOTAL ASSETS		1,213,021,753.39	1,218,009,430.88
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		889,735,448.44	885,305,501.74
OTHER LIABILITIES			
Deposits	11	323,286,304.95	332,703,929.14
TOTAL LIABILITIES		1,213,021,753.39	1,218,009,430.88

INI LOCAL GOVERNMENT COUNCIL

STATEMENT NO.3

**STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED
31ST DECEMBER, 2018**

Actual 2017 N	Description	Initial Budget 2018 N	Supp-Budget 2018 N	Final Budget 2018 N	Actual 2018 N	Var. %
850,857,333.35	Opening Balance				885,305,501.74	
	Add Revenue					
387,578,135.01	Statutory Allocation	1,860,000,000.00	-	1,860,000,000.00	620,325,690.73	(75)
-	Derivation	300,000,000.00	-	300,000,000.00	-	(100)
-	Value added tax	300,000,000.00	-	300,000,000.00	-	(100)
-	State allocation	30,000,000.00	-	30,000,000.00	-	(100)
-	Excess crude	-	-	-	-	-
-	Stabilization	-	-	-	-	-
387,578,135.01	Sub-total statutory Allocation	2,490,000,000.00	-	2,490,000,000.00	620,325,690.73	(75)
	Taxes	2,000,000.00	-	2,000,000.00	-	100
776,774.00	Rates	1,500,000.00	-	1,500,000.00	1,745,000.00	16
720,000.00	Local License Fines and Fees	7,810,000.00	-	7,810,000.00	213,570.00	(97)
284,840.00	Earning from Commercial Undertaking	3,800,000.00	-	3,800,000.00	1,304,000.00	(65)
115,000.00	Rent on local Government Property	700,000.00	-	700,000.00	10,000.00	(99)
210,000.00	Interest & Dividends Receivable	860,000.00	-	860,000.00	-	(100)
-	Grants	-	-	-	-	-
331,400.00	Miscellaneous	5,330,000.00	-	5,330,000.00	968,500.00	(82)
2,438,014.00	Sub Total IG R	22,000,000.00	-	22,000,000.00	4,241,070.00	(81)
1,240,873,482.36	Total Revenue	2,512,000,000.00	-	2,512,000,000.00	1,509,872,262.47	(40)
	Expenditure:					
	Consolidated Rev. Fund charges					
20,645,491.68	Political/Public Office Holders	74,000,000.00	-	74,000,000.00	60,230,634.42	19
-	Pension/Training Fund/TR Council	250,000,000.00	-	250,000,000.00	-	100
-	Funding of primary education	700,000,000.00	-	700,000,000.00	-	100
-	Internal Debt Servicing/Charges	60,000,000.00	-	60,000,000.00	-	100
20,645,491.68	Sub Total CRFC	1,084,000,000.00	-	1,084,000,000.00	60,230,634.42	92
313,091,585.36	Personnel Costs	426,000,000.00	-	426,000,000.00	417,066,912.57	2
21,430,903.58	Overhead Costs	272,000,000.00	-	272,000,000.00	106,021,267.04	74
355,167,980.62	Total Recurrent Expenditure	1,782,000,000.00	-	1,782,000,000.00	583,318,814.03	67
885,705,501.74	Operating Balance	730,000,000.00	-	730,000,000.00	926,553,448.44	
400,000.00	Transfer to Capital Dev. Fund	780,500,000.00	-	780,500,000.00	36,818,000.00	95
885,305,501.74	Closing balance A – B				889,735,448.44	

INI LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4

**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED
31ST DECEMBER, 2018**

Actual 2017 N	Description	Initial Budget 2018 N	Supp-Budget 2018 N	Final Budget 2018 N	Actual 2018 N	Var. %
400,000.00	Transfer from Cons. Fund A	780,500,000.00		780,500,000.00	36,818,000.00	95
	Less Capital Expenditure					
	Economic sector	240,000,000.00	-	240,000,000.00	11,728,000.00	95
			-			
-	SOCIAL SECTOR	76,000,000.00	-	76,000,000.00	5,023,000.00	93
-	Environmental/Reg. Development	160,500,000.00	-	160,500,000.00	320,000.00	99
-	GENERAL ADMINIS	304,000,000.00	-	304,000,000.00	19,747,000.00	94
400,000.00	Total Expenditure	780,500,000.00	-	780,500,000.00	36,818,000.00	94
0	Closing Balance	0		0	0	

INI LOCAL GOVERNMENT COUNCIL

NOTES TO THE ACCOUNTS

NOTE 1 – STATUTORY ALLOCATION

MONTHS	2018 ₦	2017 ₦
January	39,876,636.06	30,645,002.86
February	41,029,096.26	32,403,972.67
March	41,006,955.09	30,711,301.11
April	44,820,379.93	30,861,458.61
May	48,212,441.43	30,711,301.11
June	69,718,231.36	32,552,920.29
July	51,847,119.46	34,317,132.69
August	52,134,454.62	31,075,782.75
September	53,588,717.99	33,366,457.20
October	49,845,113.85	32,923,462.95
November	72,219,997.44	31,597,653.15
December	56,026,547.24	36,411,689.61
Total	620,325,690.73	387,578,135.01

NOTE 2: INTERNALLY GENERATED REVENUE

HEAD	DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
1001	Taxes	2,000,000.00	-	-
1002	Rates	1,500,000.00	1,745,000.00	776,774.00
1003	Local Licenses fines and fees	7,810,000.00	213,570.00	720,000.00
1004	Earnings from commercial undertaking	3,800,000.00	1,304,000.00	284,840.00
1005	Rent on Local Government Properties	700,000.00	10,000.00	115,000.00
1006	Interest on Dividends	860,000.00	-	210,000.00
1007	Grants	-	-	-
1008	Miscellaneous	5,330,000.00	968,500.00	331,400.00
	Total	22,000,000.00	4,241,070.00	2,438,014.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES- POLITICAL OFFICE HOLDERS

DESCRIPTION	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
Office of the Executive Chairman	3,900,000.00	3,808,126.71	2,581,490.34
Office of the Vice Chairman	3,700,000.00	3,576,437.28	-
Office of the Supervisors	16,500,000.00	10,243,502.15	15,729,795.62
Office of the Special Advisers	13,350,000.00	8,300,760.98	-
Office of the Secretary	3,300,000.00	3,390,889.00	2,334,205.72
Legislative/General Council	33,250,000.00	30,910,918.30	-
Total	74,000,000.00	60,230,634.42	20,645,491.68

NOTE 4: PERSONNEL COSTS

HEAD	DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
2004	Administration	90,836,700.00	80,212,376.19	57,667,006.66
2005	Finance and Supplies	104,749,200.00	96,819,707.69	81,215,985.20
2006	Social Development, Information, Youth, Sports & Culture	60,993,000.00	60,750,270.00	45,309,536.50
2007	Primary Health Care	105,930,400.00	90,630,420.00	80,322,080.78
2008	Agriculture and Natural Resources	15,970,000.00	18,715,000.70	11,934,033.20
2009	Works and Housing, Lands & Survey	35,790,400.00	32,103,625.50	28,759,847.69
2010	Traditional Rulers Office	-	-	-
2011	Budget, Plan, Research and Statistics	11,730,300.00	37,835,512.49	7,883,095.33
	TOTAL	426,000,000.00	417,066,912.57	313,091,585.36

NOTE 5: OVERHEAD COSTS

HEAD	DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
2001A	Office of the Executive Chairman	35,000,000.00	24,047,000.00	6,615,000.00
2001B	Office of the Vice Chairman	8,400,000.00	2,000,000.00	-
2002A	Office of the Secretary	4,500,000.00	2,835,000.00	360,000.00
2002B	Office of the Supervisors	7,000,000.00	2,974,000.00	830,000.00
2002C	Office of the Special Advisers	6,200,000.00	2,690,000.00	615,000.00
2003A	Office of the Legislative/General Council	15,400,000.00	8,529,299.97	-
2003B	Office of the Leader	10,000,000.00	2,650,500.00	-
2003C	Office of the Deputy Leader	6,000,000.00	-	-
2003D	Office of the Majority Leader	5,000,000.00	2,770,000.00	-
2003E	Office of the Deputy Majority Leader	4,000,000.00	2,535,000.00	-
2003F	Office of the Chief Whip	4,000,000.00	2,100,000.00	-
2003G	Office of the Deputy Chief Whip	4,000,000.00	2,000,000.00	-
2003H	Office of the Clerk	3,000,000.00	-	-
2004A	Office of the Head of Local Government Service	5,000,000.00	2,335,000.00	416,000.00
2004B	Office of the Administration & General Services	5,500,000.00	2,595,100.00	802,000.00
2005	Finance and Supplies	6,000,000.00	3,447,900.00	948,000.00
2006	Education, Information & Sports	3,000,000.00	3,368,500.00	782,000.00
2007	Health	13,000,000.00	7,127,560.00	1,717,530.00
2008	Agriculture and Natural Resources	3,000,000.00	1,430,000.00	225,000.00
2009	Works and Transport	4,000,000.00	1,351,000.00	392,470.00
2010	Budget, Planning, Research & Statistics	5,400,000.00	1,244,000.00	161,000.00
2011	Traditional Rulers Council	5,500,000.00	1,420,000.00	
2012	Miscellaneous	109,100,000.00	25,571,407.37	7,566,903.58
	Total	272,000,000.00	106,021,267.34	21,430,903.58

NOTE 6: CAPITAL EXPENDITURE:

	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
Economic Sector	240,000,000.00	11,728,000.00	400,000.00
Social Sector	76,000,000.00	5,023,000.00	-
Environmental Sector	160,500,000.00	320,000.00	-
Administration Sector			
General Admin(Executive)	198,000,000.00	16,467,000.00	-
General Admin (Leg)	106,000,000.00	3,280,000.00	-
Total	780,500,000.00	36,818,000.00	400,000.00

NOTE 7: INCREASE/ DECREASE IN OTHER CASH ASSETS

2018		2017	
₱		₱	
2018 advances	1,201,142,654.00	2017 Advances	1,174,627,704.00
2017 advances	1,174,627,704.00	2016 Advances	1,176,008,004.00
	(26,514,950.00)		1,380,300.00

NOTE 8: INCREASE/ DECREASE IN OTHER LIABILITIES

2018		2017	
₱		₱	
2018 Deposits	323,286,304.95	2018 Deposits	332,703,929.14
2017 Deposits	332,703,929.14	2017 Deposits	338,069,780.57
	(9,417,624.19)		(5,365,851.43)

NOTE 9: CASH AND BANK BALANCES

DESCRIPTION	2018	2017
	₱	₱
Cash	1,915,200.17	1,205,460.30
Banks:		
Zenith Bank A/C (1014518293)	8,993,267.77	35,585,436.33
Zenith Bank A/C (1011351628)	66,611.45	6,590,830.25
Ini Micro Finance Bank A/C (2000103118360)	904,020.00	-
Sub Total Bank Bal.	9,963,899.22	42,176,266.58
Total	11,879,099.39	43,381,726.88
10. ADVANCES	2018	2017
	₱	₱
(i) Purchase Advances	839,520,529	817,255,519.00
(ii) Imprest	209,645,510.00	206,075,570.00
(iii) Touring	123,474,615.00	122,794,615.00
(iv) Salary/Special	9,262,000.00	9,262,000.00
(v) Others Upkeep	19,240,000.00	19,240,000.00
Total	1,201,142,654.00	1,174,627,704.00
11. DEPOSITS	2018	2017
	₱	₱
(i) PAYE Tax	2,056,697.50	1,722,702.16
(ii) NULGE Dues-state/Branch	1,849,909.60	1,849,909.60
(iii) NANNM	28,298.00	414,957.37
(iv) VAT	-	-
(v) Withholding Tax	-	-
(vi) Pension Deductions	-	-
(vii) Others	319,351,399.85	328,716,360.01
Total	323,286,304.95	332,703,929.14

ITU LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Itu Local Government Council in accordance with the Provisions of the Model Financial Memoranda.

The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls 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 International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Itu Local Government Council as at 31st December, 2018 and its operations for the year ended on that date.



Mr. Aniefiok N. Udonte
Director of Finance
Date: 07/08/2019



Hon. Barr. Etetim Onuk
Chairman
Date: 07/08/2019

AUDIT CERTIFICATE

The Executive Chairman
Itu Local Government Council
Mbak.

AUDIT CERTIFICATE ON THE ACCOUNTS OF ITU LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Itu Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Itu Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

ITU LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

- (i) **Basis of Preparation of Financial Statements**
The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.
- (ii) **Accounting Period**
A period of twelve months covering 1st January – 31st December, 2018
- (iii) **Reporting Currency:**
The reporting currency is the Nigerian Naira.
- (iv) **Basis of Consolidation**
The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.
- (v) **Statutory Revenue**
Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.
- (vi) **Internally Generated Revenue:**
This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.
- (vii) **Payments**
These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.
- (viii) **Cash Balances:**
This includes cash in hand, at bank and cash equivalents at the end of the financial year.
- (ix) **Advances**
These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.
- (x) **Deposits**
These are unremitted deductions and unpaid obligations to third parties on the reporting date.

ITU LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

CASHFLOW FROM COPERATING ACTIVITIES	Notes	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
RECIEPTS:				
Statutory Allocation	1	1,500,000,000.00	565,379,181.16	342,270,629.67
OTHERS Derivation	1	300,000,000.00	-	-
\Value Added Tax	1	350,000,000.00	-	-
State Allocation	1	30,000,000.00	-	-
Excess Crude	1	-	-	-
Stabilization	1	-	-	-
Taxes	2	5,000,000.00	-	-
Rates	2	9,000,000.00	4,595,000.00	3,007,774.00
Local Licenses fines and fees	2	6,000,000.00	1,705,150.00	501,280.00
Learning from Commercial undertaking	2	13,600,000.00	34,196,100.00	8,543,000.00
Rent on Local Govt. Property	2	6,000,000.00	976,000.00	1,658,000.00
Interest & Dividends Receivable	2	-	-	-
Grants	2	-	-	-
Miscellaneous	2	6,000,000.00	3,021,000.00	532,000.00
TOTAL RECIEPT		2,225,600,000.00	609,872,431.16	356,512,683.67
PAYMENTS:				
Consolidated Rev. Fund Charges				
Political/public office Holders	3	70,000,000.00	61,617,357.66	11,261,177.28
Pension/Training fund/Traditional Rulers council	3	300,000,000.00	-	-
Funding of primary Education	3	700,000,000.00	-	-
Internal Debt Servicing	3	10,000,000.00	-	-
Total consolidated Revenue Fund charges		1,080,000,000.00	61,617,357.66	11,261,177.28
Personnel Costs	4	379,981,999.70	378,241,894.41	303,522,573.10
Overhead Costs	5	200,000,000.00	81,617,058.13	22,715,686.13
TOTAL PAYMENTS		1,659,981,999.70	521,476,310.20	337,499,436.51
Net Cash Flow from Operating Activities A		565,618,000.30	88,396,120.96	19,013,247.16
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	701,000,000.00	18,897,000.00	1,167,000.00
Net Cash Flow from Investing Activities B			(18,897,000.00)	(1,167,000.00)
CASHFLOW FROM FINANCING ACTIVITIES				
Proceed from External Loans				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7		(72,079,221.98)	(16,530,281.30)
Increase/ Decrease in other Liabilities	8		10,537,186.87	6,503,878.94
Total Cash flow from other Cash equiv. Accounts C			(61,542,035.11)	(10,026,402.36)
Net Cashflow For the Year (A+B+C)			7,957,085.85	7,819,844.80
Cash and its equivalents as at 1st January, 2018	9		12,939,316.01	5,119,471.21
Cash and its equivalents as at 31st Dec, 2018	9		20,896,401.86	12,939,316.01

ITU LOCAL GOVERNMENT COUNCIL

STATEMENT NO.2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	Notes	2018 ₦	2017 ₦
ASSETS:			
Liquid Assets:			
Cash in Hand	9	154,154.66	-
Cash at Bank	9	20,742,247.20	12,939,316.01
TOTAL LIQUID ASSETS:		20,896,401.86	12,939,316.01
Investments and Other Cash Assets:			
Advances	10	481,737,044.96	409,657,822.98
TOTAL ASSETS		502,633,446.82	422,597,138.99
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		338,277,511.25	268,778,390.29
OTHER LIABILITIES			
Deposits	11	164,355,935.57	153,818,748.70
TOTAL LIABILITIES		502,633,446.82	422,597,138.99

ITU LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 3

**STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2018**

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
250,932,143.13	Opening Balances				268,778,390.29	
	Add Revenue					
342,270,629.67	Statutory Allocation	1,500,000,000.00	-	1,500,000,000.00	565,379,181.16.	(62)
-	Derivation/Excess Crude Oil Proceed	300,000,000.00	-	300,000,000.00	-	(100)
-	Value Added Tax	350,000,000.00	-	350,000,000.00	-	(100)
-	State Allocation	30,000,000.00	-	30,000,000.00	-	(100)
-	Excess Crude	-	-	-	-	-
-	Stabilization	-	-	-	-	-
342,270,629.67	Sub Total Statutory Allocation	2,180,000,000.00	-	2,180,000,000.00	565,379,181.16	(74)
-	Taxes	5,000,000.00	-	5,000,000.00	-	(100)
3,007,774.00	Rates	9,000,000.00	-	9,000,000.00	4,595,000.00	(49)
501,280.00	Local Licenses Fines And Fees	6,000,000.00	-	6,000,000.00	1,705,150.00	(43)
8,543,000.00	Earning from Commercial Undertaking	13,600,000.00	-	13,600,000.00	34,196,100.00	151
1,658,000.00	Rent on Local Govt. Property	6,000,000.00	-	6,000,000.00	976,000.00	(83)
-	Interest & Dividends Receivable	-	-	-	-	-
-	Grants	-	-	-	-	-
532,000.00	Miscellaneous	6,000,000.00	-	6,000,000.00	3,021,000.00	(50)
14,242,054.00	Sub. Total IGR	45,600,000.00	-	45,600,000.00	44,493,250.00	(2)
607,444,826.80	TOTAL REVENUE	2,225,600,000.00	-	2,225,600,000.00	878,650,821.45	(39)
	EXPENDITURE:					
	Consolidated Rev. Fund Charges					
11,261,177.28	Political/ Public Office Holders	70,000,000.00	-	70,000,000.00	61,617,357.66	12
-	Pensions/Training/Fund/Traditional Rulers Council	300,000,000.00	-	300,000,000.00	-	100
-	Funding of Primary Education	700,000,000.00	-	700,000,000.00	-	100
-	Internal Debt Servicing	10,000,000.00	-	10,000,000.00	-	100
11,261,177.28	Sub Total CRFC	1,080,000,000.00	-	1,080,000,000.00	61,617,357.66	94
303,522,573.10	Personnel Costs	379,981,999.70	-	379,981,999.70	378,241,894.41	1
22,715,686.13	Overhead Costs	200,000,000.00	-	200,000,000.00	81,617,058.13	59
337,499,436.51	Total Expenditure	1,659,981,999.70	-	1,659,981,999.70	521,476,310.20	69
269,945,390.29	Operating Balance	565,618,000.30	-	565,618,000.30	357,174,511.25	
1,167,000.00	Transfer to Capital Dev. Fund	701,000,000.00	-	701,000,000.00	18,897,000.00	98
268,778,390.29	CLOSNB BALANCE				338,277,511.25	

ITU LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2018

Actual 2017 N	DESCRIPTION	Initial Budget 2018 N	Supp-Budget 2018 N	Final Budget 2018 N	Actual 2018 N	Var. %
1,167,000.00	Transfer from Consolidated. Rev. Fund A	701,000,000.00	-	701,000,000.00	18,897,000.00	98
	Less Capital Expenditure					
627,000.00	ECONOMIC SECTOR	269,400,000.00	-	269,400,000.00	6,840,000.00	97
			-			
540,000.00	SOCIAL SECTOR	181,000,000.00	-	181,000,000.00	4,030,000.00	98
-	ENVIRONMENTAL/REG. DEV.	61,000,000.00	-	61,000,000.00	642,500.00	99
-	GENERAL ADMINISTRATION	189,600,000.00	-	189,600,000.00	7,384,500.00	96
1,167,000.00	Total Expenditure B	701,000,000.00	-	701,000,000.00	18,897,000.00	98
	Closing Balance A-B	0	0	0	0	

NOTES TO THE ACCOUNTS

NOTE 1- STATUTORY ALLOCATION

MONTHS	2018 ₦	2017 ₦
January	26,539,314.97	26,951,732.54
February	10,053,518.86	28,554,481.72
March	36,618,105.09	26,732,122.21
April	36,734,546.92	28,836,993.12
May	41,423,108.20	26,861,439.20
June	60,688,332.14	28,303,058.38
July	44,161,745.59	30,976,855.67
August	47,338,780.26	27,482,067.39
September	48,497,982.45	28,946,715.96
October	50,686,807.27	28,827,193.69
November	63,025,119.08	27,392,801.20
December	99,611,820.33	32,405,168.59
Total	565,379,181.16	342,270,629.67

NOTE: 2. INTERNALLY GENERATED REVENUE

HEAD	DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
1001	Taxes	5,000,000.00	-	-
1002	Rates	9,000,000.00	4,595,000.00	3,007,774.00
1003	Local Licenses Fines and Fees	6,000,000.00	1,705,150.00	501,280.00
1004	Earning form Commercial Undertaking	13,600,000.00	34,196,100.00	8,543,000.00
1005	Rent on Local Government Properties	6,000,000.00	976,000.00	1,658,000.00
1006	Interest on Dividends	-	-	-
1007	Grants	-	-	-
1008	Miscellaneous	6,000,000.00	3,021,000.00	532,000.00
	Total	45,600,000.00	44,493,250.00	14,242,054.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES –POLITICALOFFICE HOLDERS

DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
Office of the Executive Chairman	5,600,000.00	3,808,099.71	1,408,085.64
Office of the Vice Chairman	4,900,000.00	3,576,437.28	-
Office of the Supervisor	15,000,000.00	10,470,574.85	8,579,888.52
Office of the Special Advisers	13,000,000.00	8,073,696.28	-
Office of the Secretary	3,500,000.00	3,390,889.09	1,273,203.12
Legislative/General Council	28,000,000.00	32,297,660.45	-
Total	70,000,000.00	61,617,357.66	11,261,177.28

NOTE 4: PERSONNEL COSTS

HEAD	DEPARTMENT	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
2004	Administration	102,362,494.12	103,521,088.08	84,252,850.43
2005	Finance and Supplies	80,825,535.00	70,852,288.68	58,006,946.65
2006	Social Development, Information, Youth Sport & Culture	38,211,693.00	36,284,944.32	30,607,505.23
2007	Primary Health Care	89,520,503.58	107,029,389.14	81,202,679.25
2008	Agriculture and Natural Resources	18,034,557.00	16,930,108.75	14,626,109.47
2009	Works and Housing, Lands & Survey	34,359,729.00	30,279,451.58	24,745,891.42
2010	Traditional Rulers Office	-	-	-
2011	Budget, Planning, Research and Statics	16,667,488.00	13,344,623.86	10,080,590.65
	Total	379,981,999.70	378,241,894.41	303,522,573.10

NOTE 5: OVER HEAD COSTS

HEAD	DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
2001A	Office of the Executive chairman	40,000,000.00	24,661,250.00	1,228,500.00
2001B	Office of the vice chairman	15,000,000.00	3,700,000.00	80,000.00
2002A	Office of the secretary	8,000,000.00	1,352,000.00	200,000.00
2002B	Office of the supervisors	7,000,000.00	1,370,000.00	255,000.00
2002C	Office of the special Advisers	6,000,000.00	-	-
2003A	Office of the Legislative/General Council	25,000,000.00	10,452,000.00	10,000.00
2003B	Office of the Leader	5,000,000.00	1,905,000.00	100,000.00
2003C	Office of the Deputy leader	3,000,000.00	1,260,000.00	-
2003D	Office of the Majority Leader	3,000,000.00	-	-
2003E	Office of the Deputy Majority Leader	2,000,000.00	-	-
2003F	Office of the chief whip	3,000,000.00	-	-
2003G	Office of the Deputy Chief Whip	2,000,000.00	-	-
2003H	Office of the Clerk	2,400,000.00	10,000.00	-
2004A	Office of the Head of Local Government Service	8,000,000.00	1,597,000.00	1,293,000.00
2004B	Office of the Administration & General Services	8,000,000.00	2,235,000.00	3,375,500.00
2005	Finance and Supplies	6,000,000.00	3,333,300.00	1,996,500.00
2006	Education Information & Sports	4,000,000.00	624,970.00	455,000.00
2007	Health	8,000,000.00	593,000.00	863,000.00
2008	Agriculture and Natural Resources	3,000,000.00	305,000.00	310,000.00
2009	Works And Transport	5,000,000.00	713,000.00	1,400,400.00
2010	Budget, Planning Research & Statics	4,000,000.00	397,000.00	611,000.00
2011	Traditional Rulers Council	2,000,000.00	128,000.00	375,000.00
2012	Miscellaneous	30,600,000.00	26,962,538.13	10,162,786.13
	Total	200,000,000.00	81,617,058.13	22,715,686.13

NOTE 6. CAPITAL EXPENDITURE

DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
Economic Sector	269,400,000.00	6,840,000.00	627,000.00
Social Sector	181,000,000.00	4,030,000.00	540,000.00
Environmental Sector	61,000,000.00	642,500.00	-
Administration Sector	-	-	-
General Administration (Executive)	114,600,000.00	2,124,500.00	-
General Administration (Legislative)	75,000,000.00	5,260,000.00	-
Total	701,000,000.00	18,897,000.00	1,167,000.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2018		2017	
₦		₦	
2018 Advances	481,737,044.96	2017 Advances	409,657,822.98
2017 Advances	409,657,822.98	2016 Advances	393,127,541.68
	(72,079,221.98)		(16,530,281.30)

NOTE 8 : INCREASE/DECREASE IN OTHER LIABILITIES

2018		2017	
₦		₦	
2018 Deposit	164,355,935.57	2017 Deposit	153,818,748.70
2017 Deposit	153,818,748.70	2016 Deposit	147,314,869.76
	10,537.186.87		6,503.878.94

NOTE 9: CASH AND BANK BALANCES

DESCRIPTION	2018	2017
	₦	₦
CASH:	154,154.66	--
BANKS:		
Zenith Bank A/c (Salary)	19,769,567.91	11,907,851.58
U.B.A A/c (Project)	15,041.68	104,180.82
Key Stone Bank (1006964585)	30,354.00	-
Skye Bank (17500344483)	41,912.90	41,912.90
Enterprise Bank (Heritage)	9,749.76	9,749.76
U.B.A Aka Road	12,564.04	12,564.04
UBA Udo-Udoma	38,691.63	38,691.63
Diamond Bank (Sure-P)	370,657.62	370,657.92
Diamond Bank (0028284133)	101,230.65	101,230.65
Skye Bank (4040013643)	335,614.35	335,614.35
Sterling (Equatorial Trust Bank)	16,862.36	16,862.36
Sub Total Bank	20,742,247.20	12,939,316.01
Total	20,896,401.86	12,939,316.01

NOTE 10: ADVANCES

DESCRIPTION	2018	2017
	₦	₦
Purchase Advances	360,145,271.10	293,528,271.12
Imprest	74,045,320.00	71,495,100.00
Touring	45,786,724.50	42,874,722.50
Salary/Special	1,498,179.56	1,498,179.56
Motor Vehicle	67,627.73	193,922.07
Others (Housing)	193,922.07	67,627.73
Total	481,737,044.96	409,657,822.98

NOTE 11: DEPOSITS

DESCRIPTION	2018 ₦	2017 ₦
Pay Tax	5,004,599.78	5,004,599.78
Nudge Dues-State/Branch	1,406,239.74	3,568,097.98
NANNM	706,297.10	706,297.10
VAT	3,608,705.00	3,608,705.00
Withholding Tax	3,293,367.71	1,849.94
Pension Deductions	4,839,971.45	4,839,971.45
Other	<u>145,496,754.79</u>	136,089,227.45
Total	164,355,935.57	153,818,748.70

MBO LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Mbo Local Government Council in accordance with the Provisions of the Model Financial Memoranda.

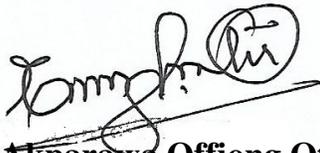
The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls 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 International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Mbo Local Government Council as at 31st December, 2018 and its operations for the year ended on that date.



Akparawa Offiong Otu

Director of Finance

Date: 09/08/2019



Rt. Hon. Asuquo E. Eyo

Chairman

Date: 09/08/2019

AUDIT CERTIFICATE

The Executive Chairman
Mbo Local Government Council
Enwang.

AUDIT CERTIFICATE ON THE ACCOUNTS OF MBO LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Mbo Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Mbo Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

MBO LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

(i) **Basis of Preparation of Financial Statements**

The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.

(ii) **Accounting Period**

A period of twelve months covering 1st January – 31st December, 2018

(iii) **Reporting Currency:**

The reporting currency is the Nigerian Naira.

(iv) **Basis of Consolidation**

The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.

(v) **Statutory Revenue**

Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.

(vi) **Internally Generated Revenue:**

This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.

(vii) **Payments**

These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.

(viii) **Cash Balances:**

This includes cash in hand, at bank and cash equivalents at the end of the financial year.

(ix) **Advances**

These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.

(x) **Deposits**

These are unremitted deductions and unpaid obligations to third parties on the reporting date.

MBO LOCAL GOVERNMENT COUNCIL

STATEMENT: 1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

CASHFLOW FROM OPERATING ACTIVITIES	Notes	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
RECEIPTS:				
Statutory Allocation	1	1,500,000,000.00	467,483,541.28	297,209,858.93
OTHERS: Derivation	1	250,000,000.00	-	-
Value Added Tax	1	300,000,000.00	-	-
State Allocation	1	30,000,000.00	-	-
Excess Crude	1	-	-	-
Stabilization	1	-	-	-
Taxes	2	4,300,000.00	-	-
Rates	2	7,000,000.00	-	-
Local License, Fines and Fees	2	5,000,000.00	129,180.00	105,400.00
Earning from Commercial Undertakings	2	10,000,000.00	291,500.00	-
Rent on Local Government Properties	2	15,700,000.00	2,000,000.00	1,000,000.00
Interest & Dividends Receivable	2	-	-	-
Grants	2	100,000,000.00	-	-
Miscellaneous	2	5,000,000.00	1,868,650.46	270,890.00
TOTAL RECEIPTS		2,227,000,000.00	471,772,871.74	298,586,148.93
PAYMENTS:				
Consolidated Revenue Fund Charges:				
Political / Public Office Holders	3	80,000,000.00	26,918,263.12	22,522,366.56
Pension Training Fund/Traditional Rulers Council	3	200,000,000.00		
Funding of Primary Education	3	650,000,000.00		
Internal Debt Servicing	3	10,000,000.00		
Total Consolidated Revenue Fund Charges		940,000,000.00	26,918,263.12	22,522,366.56
Personnel Costs	4	290,000,000.00	288,827,121.10	252,750,861.36
Overhead Costs	5	200,000,000.00	91,471,822.98	19,820,500.00
TOTAL PAYMENTS		1,430,000,000.00	407,217,207.20	295,093,727.92
Net Cash flow from Operating Activities (A)		797,000,000.00	64,555,664.54	3,492,421.01
CASH FROM INVESTING ACTIVITIES				
Capital Expenditure	6	847,585,213.00	5,310,000.00	225,000.00
Net Cash Flow from Investing Activities (B)			(5,310,000.00)	(225,000.00)
CASHFLOW FROM FINANCING ACTIVITIES				
Proceed from External Loans				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7		(409,040.00)	(685,425.00)
Increase/ Decrease in other Liabilities	8		(37,701,849.07)	76,500.00
Total Cash flow from other Cash equiv. Accounts C			(38,110,889.07)	(608,925.00)
Net Cashflow For the Year (A+B+C)			21,134,775.47	2,658,496.01
Cash and its equivalents as at 1st January, 2018	9		10,845,250.78	8,186,754.77
Cash and its equivalents as at 31st Dec, 2018	9		31,980,026.25	10,845,250.78

MBO LOCAL GOVERNMENT COUNCIL

STATEMENT NO:2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

Details	Notes	2018 ₦	2017 ₦
ASSETS:			
Liquid Assets:			
Cash in Hand	9	25,397,819.95	7,415,645.95
Cash at Bank	9	6,582,206.30	3,429,604.83
TOTAL LIQUID ASSETS:		31,980,026.25	10,845,250.78
Investments and Other Cash Assets:			
Advances	10	1,139,498,590.56	1,139,089,550.56
TOTAL ASSETS		<u>1,171,478,616.81</u>	<u>1,149,934,801.34</u>
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		1,084,715,216.22	1,025,469,551.68
OTHER LIABILITIES			
Deposits	11	86,763,400.59	124,465,249.66
TOTAL LIABILITIES		<u>1,171,478,616.81</u>	<u>1,149,934,801.34</u>

MBO LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 3

**STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2018**

Actual 2017 N	Description	Initial Budget 2018 N	Supp-Budget 2018 N	Final Budget 2018 N	Actual 2018 N	Var. %
1,022,202,130.67	Opening Balances				1,025,469,551.68	
	Add Revenue:					
297,209,858.93	Statutory Allocation	1,500,000,000.00	-	1,500,000,000.00	467,483,541.28	(69)
	Derivation	250,000,000.00	-	250,000,000.00	-	(100)
	Value Added Tax	300,000,000.00	-	300,000,000.00	-	(100)
	State Allocation	30,000,000.00	-	30,000,000.00	-	(100)
	Excess Crude	-	-	-	-	-
	Stabilization	-	-	-	-	-
297,209,858.93	Sub Total (Statutory Alloc.)	2,080,000,000.00	-	2,080,000,000.00	467,483,541.28	(77)
	Taxes	4,300,000.00	-	4,300,000.00	-	(100)
	Rates	7,000,000.00	-	7,000,000.00	-	(100)
105,400.00	Local License, Fines and Fees	5,000,000.00	-	5,000,000.00	129,180.00	(97)
	Earnings from Comm. Undert.	10,000,000.00	-	10,000,000.00	291,500.00	(97)
1,000,000.00	Rent on Local Govt. Property	15,700,000.00	-	15,700,000.00	2,000,000.00	(87)
-	Interest and Div. Receivable	-	-	-	-	
-	Grants	100,000,000.00	-	100,000,000.00	-	(100)
270,890.00	Miscellaneous	5,000,000.00	-	5,000,000.00	1,868,650.46	(90)
1,376,290.00	Sub Total (IGR)	147,000,000.00	-	147,000,000.00	4,289,330.46	(94)
1,320,788,279.60	TOTAL REVENUE	2,227,000,000.00	-	2,227,000,000.00	1,497,242,423.42	(30)
	EXPENDITURE:					
	Consolidated Rev. Fund Charges		-			
22,522,366.56	Political / Public Office Holders	80,000,000.00	-	80,000,000.00	26,918,263.12	66
	Pensions/Training Fund/T. Rulers	200,000,000.00	-	200,000,000.00	-	100
	Funding of Primary Education	650,000,000.00	-	650,000,000.00	-	100
	Internal Debt Servicing	10,000,000.00	-	10,000,000.00	-	100
22,522,366.56	Sub Total (CRFC)	940,000,000.00	-	940,000,000.00	26,918,263.12	97
252,750,861.36	Personnel Costs	290,000,000.00	-	290,000,000.00	288,827,121.10	0.4
19,820,500.00	Overhead Costs	200,000,000.00	-	200,000,000.00	91,471,822.98	54
295,093,727.92	Total Expenditure	1,430,000,000.00	-	1,430,000,000.00	407,217,207.20	72
1,025,694,551.68	Operating Balance	797,000,000.00	-	797,000,000.00	1,090,025,216.22	
225,000.00	Transfer to Capital Dev. Fund	847,585,213.00	-	847,585,213.00	5,310,000.00	99
1,025,469,551.68	CLOSING BALANCE				1,084,715,216.22	

**MBO LOCAL GOVERNMENT COUNCIL
STATEMENT 4:
STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER,
2018**

Actual 2017 N	DESCRIPTION	Initial Budget 2018 N	Supp-Budget 2018 N	Final Budget 2018 N	Actual 2018 N	Var. %
225,000.00	Transfer to Consolidated Fund A	847,585,213.00	-	847,585,213.00	5,310,000.00	99
	Less Capital Expenditure:					
75,000.00	ECONOMIC SECTOR	202,585,213.00	-	202,585,213.00	740,000.00	99
-	SOCIAL SECTOR:	135,000,000.00	-	135,000,000.00	3,420,000.00	97
-	ENVIRONMENTAL/REG. DEV:	95,000,000.00	-	95,000,000.00	600,000.00	99
150,000.00	GENERAL ADMIN:	415,000,000.00	-	415,000,000.00	550,000.00	99
225,000.00	TOTAL EXPENDITURE B	847,585,213.00	-	847,585,213.00	5,310,000.00	99.3
	Closing Balance	0	0	0	0	

MBO LOCAL GOVERNMENT COUNCIL

NOTES TO THE ACCOUNTS:

NOTE 1: STATUTORY ALLOCATION

MONTHS	2018 N	2017 N
January	34,458,101.87	22,978,364.43
February	34,440,848.69	23,667,641.37
March	34,035,596.45	22,798,296.63
April	38,072,805.86	24,323,009.41
May	40,209,395.04	22,581,362.59
June	41,320,072.28	24,420,981.77
July	44,615,270.65	27,655,923.01
August	42,890,792.44	26,505,038.68
September	45,435,055.82	25,926,469.31
October	40,260,006.83	25,097,302.93
November	44,688,493.61	23,108,110.11
December	27,057,101.74	28,147,358.69
TOTAL	467,483,541.28	297,209,858.93

NOTE 2. INTERNALLY GENERATED REVENUE

HEAD	DESCRIPTION	BUDGET 2018 N	ACTUAL 2018 N	ACTUAL 2017 N
1001	Taxes	4,300,000.00	-	-
1002	Rates	7,000,000.00	-	-
1003	Local Licenses, Fines and Fees	5,000,000.00	129,180.00	105,400.00
1004	Earnings from Comm. Undertakings	10,000,000.00	291,500.00	-
1005	Rent on Local Govt. Properties	15,700,000.00	2,000,000.00	1,000,000.00
1006	Interest on Dividends	-	-	-
1007	Grants	100,000,000.00	-	-
1008	Miscellaneous	5,000,000.00	1,868,650.46	270,890.00
	TOTAL	147,000,000.00	4,289,330.46	1,376,290.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICE HOLDERS

DESCRIPTION	BUDGET 2018 N	ACTUAL 2018 N	ACTUAL 2017 N
Office of the Executive Chairman	4,700,000.00	1,180,806.12	2,816,183.28
Office of the Vice Chairman	4,000,000.00	1,108,972.80	-
Office of the Supervisors	20,000,000.00	4,983,795.04	17,159,777.04
Office of the Special Advisers	10,000,000.00	3,952,395.04	-
Office of the Secretary	4,000,000.00	1,081,733.04	2,546,406.24
Legislative / General Council	37,300,000.00	14,610,561.08	-
TOTAL	80,000,000.00	26,918,263.12	22,522,366.56

NOTE 4: PERSONNEL COSTS

HEAD	DEPARTMENTS	BUDGET 2018 N	ACTUAL 2018 N	ACTUAL 2017 N
2004	Administration	100,436,205.00	98,033,470.18	85,896,526.40
2005	Finance and Supply	55,207,446.00	51,033,296.39	53,037,515.59
2006	Social Development, Information, Youths, Sports and Culture	23,565,676.00	22,851,565.75	19,097,874.99
2007	Primary Health Care	74,143,581.00	88,232,325.88	66,558,420.32
2008	Agriculture and Natural Resources	12,192,800.00	10,286,708.75	8,729,880.00
2009	Works and Housing, Lands and Survey	15,743,648.00	10,472,480.37	12,366,381.94
2010	Traditional Rulers Office	-	-	-
2011	Budget, Planning, Research and Statistics	8,710,644.00	7,917,273.78	7,064,262.12
	TOTAL	290,000,000.00	288,827,121.10	252,750,861.36

NOTE 5: OVERHEAD COSTS

HEAD	DESCRIPTION	BUDGET 2018 N	ACTUAL 2018 N	ACTUAL 2017 N
2001A	Office of the Executive Chairman	30,000,000.00	30,515,500.00	8,830,000.00
2001B	Office of the Vice Chairman	6,000,000.00	2,900,000.00	-
2002A	Office of the Secretary	5,000,000.00	2,357,610.00	-
2002B	Office of the Supervisors	5,000,000.00	1,148,000.00	698,000.00
2002C	Office of the Special Advisers	4,000,000.00	920,100.00	-
2003A	Office of Legislative/General Co.	18,000,000.00	240,000.00	-
2003B	Office of the Leader	6,000,000.00	4,380,000.00	-
2003C	Office of the Deputy Leader	5,000,000.00	650,000.00	-
2003D	Office of the Majority Leader	4,800,000.00	5,430,950.00	-
2003E	Office of Deputy Majority Leader	4,700,000.00	510,000.00	-
2003F	Office of the Chief Whip	4,500,000.00	600,000.00	-
2003G	Office of the Deputy Chief Whip	4,000,000.00	600,000.00	-
2003H	Office of the Clerk	2,500,000.00	-	1,900,000.00
2004A	Office of the HOLGS	4,900,000.00	2,193,600.00	661,000.00
2004B	Office of Admin./General Services	4,000,000.00	7,868,660.00	1,103,500.00
2005	Finance and Supply	4,000,000.00	2,430,200.00	1,118,000.00
2006	Education, Information & Sports	3,800,000.00	866,000.00	135,000.00
2007	Health	3,000,000.00	1,509,000.00	60,000.00
2008	Agric. And Natural Resources	3,500,000.00	591,000.00	85,000.00
2009	Works and Transport	3,500,000.00	8,560,952.98	280,000.00
2010	Budget, Planning, Research/Stat.	3,800,000.00	400,000.00	205,000.00
2011	Traditional Rulers Council	-	-	-
2012	Miscellaneous	70,000,000.00	16,800,250.00	4,745,000.00
	TOTAL	200,000,000.00	91,471,822.98	19,820,500.00

NOTE 6: CAPITAL EXPENDITURE

	BUDGET 2018 N	ACTUAL 2018 N	ACTUAL 2017 N
Economic Sector	202,585,213.00	740,000.00	75,000.00
Social Sector	135,000,000.00	3,420,000.00	-
Environmental Sector	95,000,000.00	600,000.00	
Administration Sector:			
General Admin. (Executive)	308,000,000.00	-	150,000.00
General Admin. (Legislative)	107,000,000.00	550,000.00	
TOTAL	847,585,213.00	5,130,000.00	225,000.00

NOTE 7: INCREASE/ DECREASE IN OTHER CASH ASSETS

2018		2017	
₦		₦	
2018 Advances	1,139,498,590.56	2017 Advances	1,139,089,550.56
2017 Advances	1,139,089,550.56	2016 Advances	1,138,404,125.56
Total	(409,040.00)	Total	(685,425.00)

NOTE 8: INCREASE/ DECREASE IN OTHER LIABILITIES

2018		2017	
₦		₦	
2018 Deposits	86,763,400.59	2017 Deposits	124,465,249.66
2017 Deposits	124,465,249.66	2016 Deposits	124,388,749.66
Total	(37,701,849.07)	Total	76,500.00

NOTE 9: CASH AND BANK BALANCES

DESCRIPTION	2018	2017
	₦	₦
CASH	25,397,819.95	7,415,645.95
BANKS:		
Zenith: No.1010716572	32,660.28	3,046,385.23
1014518303	6,166,326.42	
UBA	1,000.00	1,000.00
Skye	139,818.49	139,818.49
Diamond	242,401.11	242,401.11
Sub Total (Bank)	6,582,206.30	3,429,604.83
Grand Total	31,980,026.25	10,845,250.78

10. ADVANCES	2018	2017
	₦	₦
i. Purchases Advances	678,361,988.27	677,923,598.27
ii. Imprest	255,155,132.44	255,184,932.44
iii. Touring	199,908,963.70	199,908,513.70
iv. Salary/Special	2,520,774.83	2,520,774.83
v. Motor Vehicle	3,551,731.32	3,551,731.32
vi. Others		
TOTAL	1,139,498,590.56	1,139,089,550.56
11. DEPOSITS	2018	2017
	₦	₦
i. PAYE Tax	(1,363,811.44)	2,650,355.99
ii NULGE Dues State/Branch	(462,028.00)	3,806,472.28
iii NANNM	219,507.39	330,284.51
iv. VAT	1,323,400.46	1,393,400.46
v. Withholding Tax	172,146.71	172,146.71
vi. Pension Deductions	116,763.22	116,763.22
vii. Others	86,757,422.25	115,995,826.49
TOTAL	86,763,400.59	124,465,249.66

MKPAT ENIN LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Mkpato Enin Local Government Council in accordance with the Provisions of the Model Financial Memoranda.

The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls 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 International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Mkpato Enin Local Government Council as at 31st December, 2018 and its operations for the year ended on that date.



Mrs. Eno U. Etor
Director of Finance
Date: 14/08/2019



Hon. Ekanem A. Brown
Chairman
Date: 14/08/2019

AUDIT CERTIFICATE

The Executive Chairman
Mkpat Enin Local Government Council
Mkpat Enin.

AUDIT CERTIFICATE ON THE ACCOUNTS OF MKPAT ENIN LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Mkpat Enin Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Mkpat Enin Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

MKPAT ENINLOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

(i) **Basis of Preparation of Financial Statements**

The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.

(ii) **Accounting Period**

A period of twelve months covering 1st January – 31st December, 2018

(iii) **Reporting Currency:**

The reporting currency is the Nigerian Naira.

(iv) **Basis of Consolidation**

The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.

(v) **Statutory Revenue**

Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.

(vi) **Internally Generated Revenue:**

This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.

(vii) **Payments**

These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.

(viii) **Cash Balances:**

This includes cash in hand, at bank and cash equivalents at the end of the financial year.

(ix) **Advances**

These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.

(x) **Deposits**

These are unremitted deductions and unpaid obligations to third parties on the reporting date.

MKPAT ENIN LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31TH DECEMBER, 2018

CASHFLOW FROM OPERATING ACTIVITIES	Notes	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
RECEIPTS:				
Statutory Allocation	1	1,500,000,000.00	433,240,224.29	262,459,303.87
Others: Derivation	1	200,000,000.00	-	-
Value Added Tax	1	350,000,000.00	-	-
State Allocation	1	30,000,000.00	-	-
Excess Crude	1	-	-	-
Stabilization	1	-	-	-
Taxes	2	700,000.00	-	-
Rates	2	2,300,000.00	830,000.00	-
Local License fines and fees	2	2,450,000.00	152,650.00	175,050.00
Earning from Commercial Undertaking	2	6,400,000.00	3,675,500.00	25,000.00
Rent on Local Govt. Property	2	2,500,000.00	-	27,000.00
Interest and Dividends Receivable	2	-	-	-
Grants	2	-	-	-
Miscellaneous	2	5,650,000.00	38,688,453.31	647,500.00
TOTAL RECEIPTS		2,100,000,000.00	476,586,827.60	263,333,853.87
PAYMENTS:				
Consolidated Revenue Fund Charges:			-	-
Political/Public Officer Holders	3	80,000,000.00	72,531,203.75	20,645,491.68
Pensions/Training Fund/Traditional Rulers Council	3	120,000,000.00	-	-
Funding of Primary Education	3	720,000,000.00	-	-
Internal Debt Servicing	3	10,000,000.00	-	-
Total Consolidated Revenue Fund Charges		930,000,000.00	72,531,203.75	20,645,491.68
Personnel Costs	4	300,000,000.00	251,638,927.33	201,617,952.51
Overhead Costs	5	214,110,000.00	119,083,250.00	16,224,000.00
TOTAL PAYMENTS		937,367,000.00	443,253,381.08	238,487,444.19
Net Cash Flow from Operating Activities A		670,000,000.00	33,333,446.52	24,846,409.68
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	823,300,000.00	16,116,000.00	6,780,000.00
Net Cash Flow from Investing Activities B			(16,116,000.00)	(6,780,000.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceed from External Loans				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7		(20,327,112.35)	(2,487,400.00)
Increase/ Decrease in other Liabilities	8		3,968,628.95	4,932,540.57
Total Cash flow from other Cash equiv. Accounts C			(16,358,483.40)	2,445,140.57
Net Cashflow For the Year (A+B+C)			858,963.12	15,621,269.11
Cash and its equivalents as at 1st January, 2018	9		60,568,673.94	44,947,404.83
Cash and its equivalents as at 31 st Dec, 2018	9		61,427,637.06	60,568,673.94

MKPAT ENINLOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	Notes	2018 ₦	2017 ₦
ASSETS:			
Liquid Assets:			
Cash in Hand	9	39,992,269.63	39,951,969.74
Cash at Bank	9	21,435,367.43	20,616,704.20
TOTAL LIQUID ASSETS:		61,427,637.06	60,568,673.94
Investments and Other Cash Assets:			
Advances	10	1,954,267,902.74	1,933,940,790.39
TOTAL ASSETS		<u>2,015,695,539.80</u>	<u>1,994,509,464.33</u>
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		1,908,524,327.37	1,891,306,880.85
OTHER LIABILITIES			
Deposits	11	107,171,212.43	103,202,583.48
TOTAL LIABILITIES		<u>2,015,695,539.80</u>	<u>1,994,509,464.33</u>

MKPAT ENINLOCAL GOVERNMENT COUNCIL

STATEMENT NO. 3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2018

Actual 2017 ₦	DESCRIPTION	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
1,873,240,471.17	Opening Balances				1,891,306,880.85	
	Add Revenue:					
262,459,303.87	Statutory Allocation	1,500,000,000.00	-	1,500,000,000.00	433,240,224.29	(71)
-	Derivation	200,000,000.00	-	200,000,000.00	-	(100)
-	Value Added Tax	350,000,000.00	-	350,000,000.00	-	(100)
-	State Allocation	30,000,000.00	-	30,000,000.00	-	(100)
-	Excess Crude	-	-	-	-	-
-	Stabilization	-	-	-	-	-
262,459,303.87	Sub Total Statutory Allocation	2,080,000,000.00	-	2,080,000,000.00	433,240,224.29	(97)
-	Taxes	700,000.00	-	700,000.00	-	(100)
-	Rates	2,300,000.00	-	2,300,000.00	830,000.00	(64)
175,050.00	Local License fines and fees	2,450,000.00	-	2,450,000.00	152,650.00	(94)
25,000.00	Earning from Commercial Undertaking	6,400,000.00	-	6,400,000.00	3,675,500.00	(43)
27,000.00	Rent on Local Govt. Property	2,500,000.00	-	2,500,000.00	-	(100)
-	Interest and Dividends Receivable	-	-	-	-	-
-	Grants	-	-	-	-	-
647,500.00	Miscellaneous	5,650,000.00	-	5,650,000.00	38,688,453.31	585
874,550.00	Sub Total IGR	20,000,000.00	-	20,000,000.00	43,346,603.31	117
2,136,574,325.04	TOTAL REVENUE	2,100,000,000.00	-	2,100,000,000.00	2,367,893,708.45	(77)
	EXPENDITURE					
	Consolidated Rev. Fund Charges:					
20,645,491.68	Political/Public Officer Holders	80,000,000.00	-	80,000,000.00	72,531,203.75	9
-	Pensions/Training Fund/Traditional Rulers Council	120,000,000.00	-	120,000,000.00	-	100
-	Funding of Primary Education	720,000,000.00	-	720,000,000.00	-	100
-	Internal Debt Servicing	10,000,000.00	-	10,000,000.00	-	100
20,645,491.68	Sub Total CRFC	930,000,000.00	-	930,000,000.00	72,531,203.75	92
201,617,952.51	Personnel Costs	300,000,000.00	-	300,000,000.00	251,638,927.33	16
16,224,000.00	Overhead Costs	214,110,000.00	-	214,110,000.00	119,083,250.00	40
238,487,444.19	Total Expenditure	937,367,000.00	-	937,367,000.00	443,253,381.08	53
1,898,086,880.85	Operating Balance	670,000,000.00	-	670,000,000.00	1,924,640,327.37	
6,780,000.00	Transfer to Capital Dev. Fund	823,300,000.00	-	823,300,000.00	16,116,000.00	98
1,891,306,880.85	CLOSING BALANCE	153,300,000.00	-	153,300,000.00	1,908,524,327.37	

MKPAT ENINLOCAL GOVERNMENT COUNCIL

STATEMENT NO. 4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2018

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
6,780,000.00	Transfer from Consolidated Rev. Fund A	823,300,000.00	-	823,300,000.00	16,116,000.00	98
	Less Capital Expenditure					
6,500,000.00	ECONOMIC SECTOR	389,040,000.00	-	389,040,000.00	11,030,000.00	97
200,000.00	SOCIAL SECTOR	280,068,000.00	-	280,068,000.00	3,686,000.00	98
80,000.00	ENVIRONMENTAL/REG. DEV.	107,650,000.00	-	107,650,000.00	800,000.00	
-	GENERAL ADMINISTRATION	160,609,000.00	-	160,609,000.00		
6,780,000.00	TOTAL EXPENDITURE B	937,367,000.00	-	937,367,000.00	16,116,000.00	98
	Closing Balance	0	0	0	0	

**MKPAT ENINLOCAL GOVERNMENT COUNCIL
NOTES TO THE ACCOUNTS**

NOTE 1: STATUTORY ALLOCATION

MONTHS	2018 ₦	2017 ₦
January	29,895,883.88	-
February	30,023,897.76	18,521,526.18
March	29,518,027.30	21,469,156.44
April	36,190,525.16	18,726,773.23
May	38,404,902.74	23,177,547.94
June	39,601,292.13	18,401,994.02
July	41,936,377.68	21,043,613.20
August	40,249,707.23	26,742,857.96
September	41,703,970.61	20,610,670.62
October	37,902,003.74	22,905,650.39
November	42,238,185.89	22,380,156.04
December	25,575,450.17	47,899,357.85
VAT	-	580,000.00
TOTAL	433,240,224.29	262,459,303.87

NOTE 2: INTERNALLY GENERATED REVENUE

HEAD	DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
1001	Taxes	700,000.00	-	-
1002	Rates	2,300,000.00	830,000.00	-
1003	Local Licenses Fines and Fees	2,450,000.00	152,650.00	175,050.00
1004	Earnings from Commercial Undertakings	6,400,000.00	3,675,500.00	25,000.00
1005	Rents from Local Government Properties	2,500,000.00	-	27,000.00
1006	Interest on Dividends	-	-	-
1007	Grants/Reimbursement	-	-	-
1008	Miscellaneous	5,650,000.00	38,688,453.31	647,500.00
	Total	20,000,000.00	43,346,603.31	874,550.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICE HOLDERS

	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
Office of the Chairman	8,198,018.00	3,778,579.53	-
Office of the Vice Chairman	3,873,221.00	3,548,712.94	-
Office of the Supervisors	13,341,990.00	11,155,722.30	-
Office of the Special Advisers	8,190,128.00	5,988,709.92	-
Office of the Secretary	3,299,578.00	3,364,603.15	-
Legislative/General Council	43,097,065.00	44,694,875.91	20,645,491.68
Total	80,000,000.00	72,531,203.75	20,645,491.68

NOTE 4: PERSONNEL COSTS

HEAD	DEPARTMENTS	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
2004	Administration	77,016,773.00	86,375,269.22	52,821,667.60
2005	Finance and Supplies	40,025,671.00	29,465,198.53	26,803,506.78
2006	Social Development, Information, Youth, Sport & Culture	34,211,278.00	27,043,327.80	26,753,458.96
2007	Primary Health Care	117,391,507.00	83,887,848.05	72,552,046.41
2008	Agriculture and Natural Resources	4,090,253.00	2,730,078.00	2,566,927.03
2009	Works & Housing, Lands & Survey	20,971,741.00	18,826,060.79	17,249,059.88
2010	Traditional Rulers Office	878,381.00	-	-
2011	Budget, Planning, Research and Statistics	5,414,395.00	3,311,144.94	2,871,285.85
	Total	300,000,000.00	251,638,927.33	201,617,952.51

NOTE 5. OVERHEAD COSTS

HEAD	DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
2001A	Office of the Executive Chairman	40,300,000.00	26,474,500.00	7,250,000.00
2001B	Office of the Vice Chairman	8,000,000.00	4,845,000.00	-
2002A	Office of the Secretary	6,100,000.00	3,250,000.00	665,000.00
2002B	Office of the Supervisors	6,200,000.00	851,000.00	375,000.00
2002C	Office of the Special Advisers	6,300,000.00	-	-
2003A	Office of the Legislative/ General Council	19,600,000.00	11,080,000.00	-
2003B	Office of the Leader	5,840,000.00	4,090,000.00	22,000.00
2003C	Office of the Deputy Leader	3,920,000.00	1,400,000.00	-
2003D	Office of the Majority Leader	3,400,000.00	1,410,000.00	-
2003E	Office of the Deputy Majority Leader	3,100,000.00	1,000,000.00	-
2003F	Office of the Chief Whip	3,600,000.00	1,457,500.00	-
2003G	Office of the Deputy Chief Whip	3,500,000.00	1,297,500.00	-
2003H	Office of the Clerk	3,500,000.00	1,530,000.00	-
2004A	Office of the Head of Local Government Service	8,050,000.00	350,000.00	62,000.00
2004B	Office of the Administration & General Service	8,350,000.00	2,831,000.00	8,000.00
2005	Finance and Supplies	5,700,000.00	5,160,000.00	1,306,000.00
2006	Education, Information & Sports	3,100,000.00	65,000.00	10,000.00
2007	Health	4,200,000.00	65,000.00	-
2008	Agriculture and Natural Resources	3,350,000.00	115,000.00	-
2009	Works and Transport	4,150,000.00	1,050,000.00	22,000.00
2010	Budget, Planning, Research & Statistics	3,600,000.00	155,000.00	300,000.00
2011	Traditional Rulers' Council	1,400,000.00	950,000.00	-
2012	Miscellaneous	58,850,000.00	49,656,750.00	6,204,000.00
	Total	214,110,000.00	119,083,250.00	16,224,000.00

NOTE 6. CAPITAL EXPENDITURE

DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
Economic Sector	389,040,000.00	11,030,000.00	6,500,000.00
Social Sector	280,068,000.00	3,686,000.00	200,000.00
Environmental Sector	107,650,000.00	800,000.00	80,000.00
Administrative Sector			
General Administration (Executive)	114,799,000.00	600,000.00	-
General Administration (Legislative)	45,810,000.00	-	-
Total	937,367,000.00	16,116,000.00	6,780,000.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2018		2017	
₦		₦	
2018 Advances	1,954,267,902.74	2017 Advances	1,931,453,390.39
2017 Advances	1,933,940,790.39	2016 Advances	1,933,940,790.39
	(20,327,112.35)		(2,487,400.00)

NOTE 8 : INCREASE/DECREASE IN OTHER LIABILITIES

2018		2017	
₦		₦	
2018 Deposits	107,171,212.43	2017 Deposits	103,202,583.48
2017 Deposits	103,202,583.48	2016 Deposits	98,270,042.91
	3,968,628.95		4,932,540.57

NOTE 9: CASH AND BANK BALANCES

DESCRIPTION	2018	2017
	₦	₦
CASH	39,992,269.63	39,951,969.74
BANKS:		
Zenith Bank A/C (Salary)	21,045,186.36	19,594,326.84
Zenith Bank A/C (Project)	360,799.46	-
Sterling Bank	13,377.16	2,100,909.97
Skye Bank	16,004.45	(1,078,532.61)
Sub Total of Bank Balance	21,435,367.43	20,616,704.20
Total	61,427,637.06	60,568,673.94

NOTE 10: ADVANCES

DESCRIPTION	2018	2017
	₦	₦
Purchase Advances	1,739,275,172.74	1,728,964,060.39
Imprest	165,782,500.00	155,762,500.00
Touring	47,941,230.00	47,941,230.00
Salary / Special	1,269,000.00	1,273,000.00
Motor Vehicle	-	-
Others	-	-
Total	1,954,267,902.74	1,933,940,790.39

NOTE 11: DEPOSITS

DESCRIPTION	2018	2017
	₦	₦
PAYE Tax	26,689,347.47	26,689,347.47
NULGE Dues – State/Branch	17,326,100.60	17,326,100.60
NANNM	(433,785.20)	(433,785.20)
VAT	-	-
Withholding Tax	1,626,223.64	1,626,223.64
Pension Deductions	7,264,824.94	7,264,824.94
vii Others	54,698,500.98	50,726,872.03
Total	107,171,212.43	103,202,583.48

NSIT ATAI LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Nsit Atai Local Government Council in accordance with the Provisions of the Model Financial Memoranda.

The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls 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 International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Nsit Atai Local Government Council as at 31st December, 2018 and its operations for the year ended on that date.



Mr. Ini Arthur Akpan

Director of Finance

Date: 08/08/2019



Rt. Hon. Lady Emem Ibanga

Chairman

Date: 08/08/2019

AUDIT CERTIFICATE

The Executive Chairman
Nsit Atai Local Government Council
Odot.

AUDIT CERTIFICATE ON THE ACCOUNTS OF NSIT ATAI LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Nsit Atai Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Nsit Atai Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

NSIT ATAI LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

(i) **Basis of Preparation of Financial Statements**

The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.

(ii) **Accounting Period**

A period of twelve months covering 1st January – 31st December, 2018

(iii) **Reporting Currency:**

The reporting currency is the Nigerian Naira.

(iv) **Basis of Consolidation**

The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.

(v) **Statutory Revenue**

Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.

(vi) **Internally Generated Revenue:**

This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.

(vii) **Payments**

These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.

(viii) **Cash Balances:**

This includes cash in hand, at bank and cash equivalents at the end of the financial year.

(ix) **Advances**

These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.

(x) **Deposits**

These are unremitted deductions and unpaid obligations to third parties on the reporting date.

NSIT ATAI LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

CASHFLOW FROM OPERATING ACTIVITIES	Notes	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
RECEIPTS				
Statutory Allocation	1	1,200,000,000.00	446,882,952.44	253,193,649.33
OTHERS: Derivation	1	200,000,000.00	-	-
Valued and Added Tax	1	300,000,000.00	-	-
State Allocation	1	30,000,000.00	-	-
Excess Crude	1	-	-	-
Stabilization	1	-	-	-
Taxes	2	4,000,000.00	-	-
Rates	2	3,000,000.00	370,000.00	500,000.00
Local License Fines and Fees	2	6,972,000.00	78,540.00	145,500.00
Earning From Commercial Undertaking	2	2,160,000.00	7,000.00	20,000.00
Rent on Local Govt. Property	2	1,300,000.00	443,000.00	273,500.00
Interest and Dividend Receivable	2	688,000.00	-	-
Grant	2	-	-	-
Miscellaneous	2	6,880,000.00	725,296.80	147,966.00
TOTAL RECEIPTS		1,755,000,000.00	448,506,789.24	254,280,615.33
PAYMENTS			-	-
Consolidated Revenue Fund Charge			-	-
Political/ Public Office Holders	3	75,000,000.00	68,291,771.90	20,645,491.68
Pensions/ Training Fund/ Traditional Rulers Council	3	150,000,000.00	-	-
Funding Of Primary Education	3	400,000,000.00	-	-
Internal Debt Servicing	3	10,000,000.00	-	-
Total Consolidated Revenue Fund Charges		635,000,000.00	68,291,771.90	20,645,491.68
Personnel Costs	4	260,000,000.00	235,416,469.91	209,014,902.50
Overhead Costs	5	180,000,000.00	98,699,985.28	18,783,000.00
TOTAL PAYMENTS		1,075,000,000.00	402,408,227.09	248,443,394.18
Net Cash Flow from Operating Activities A		680,000,000.00	46,098,562.15	5,837,221.15
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	791,000,000.00	44,635,000.00	2,450,000.00
Net Cash Flow From Investing Activities B			(44,635,000.00)	(2,450,000.00)
Cash Flow from Financing Activities				
Proceed from External Loans				
Net Cashflow From Financing Activities			-	-
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7		(73,338,773.20)	16,253,415.52
Increase/ Decrease in other Liabilities	8		13,592,810.95	7,739,719.01
Total Cash flow from other Cash equiv. Accounts C			(59,745,962.25)	23,993,134.53
Net Cashflow For the Year (A+B+C)			(58,282,400.10)	27,380,355.68
Cash and its equivalents as at 1st January, 2018	9		67,949,491.65	40,569,135.97
Cash and its equivalents as at 31 st Dec, 2018	9		9,667,091.55	67,949,491.65

NSIT ATAI LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	Notes	2018 ₦	2017 ₦
ASSETS:			
Liquid Assets:			
Cash in Hand	9	92,436.22	38,470,436.22
Cash at Bank	9	9,574,655.33	29,479,055.43
TOTAL LIQUID ASSETS:		9,667,091.55	67,949,491.65
Investments and Other Cash Assets:			
Advances	10	1,177,533,547.17	1,104,194,773.97
TOTAL ASSETS		<u>1,187,200,638.72</u>	<u>1,172,144,265.62</u>
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		883,137,480.75	881,673,918.60
OTHER LIABILITIES			
Deposits	11	304,063,157.97	290,470,347.02
TOTAL LIABILITIES		<u>1,187,200,638.72</u>	<u>1,172,144,265.62</u>

NSIT ATAI LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 3

**STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2018**

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
878,286,697.45	Opening Balance				881,673,918.60	
	Add Revenue:					
253,193,649.33	Statutory Allocation	1,200,000,000.00	-	1,200,000,000.00	446,882,952.44	(63)
-	Derivation	200,000,000.00	-	200,000,000.00		(100)
-	Valued Added Tax	300,000,000.00	-	300,000,000.00		(100)
-	State Allocation	30,000,000.00	-	30,000,000.00		(100)
-	Excess Crude	-	-	-	-	-
-	Stabilization	-	-	-	-	-
253,193,649.33	Sub Total Statutory Allocation	1,730,000,000.00	-	1,730,000,000.00	446,882,952.44	(74)
-	Taxes	4,000,000.00	-	4,000,000.00	-	(100)
500,000.00	Rates	3,000,000.00	-	3,000,000.00	370,000.00	(88)
145,500.00	Local License, Fines And Fees	6,972,000.00	-	6,972,000.00	78,540.00	(99)
20,000.00	Earning From Commercial Undertaking	2,160,000.00	-	2,160,000.00	7,000.00	(100)
273,500.00	Rent On Local Govt. Property	1,300,000.00	-	1,300,000.00	443,000.00	-
-	Interest & Dividends Receivable	688,000.00	-	688,000.00	-	(100)
-	Grants	-	-	-	-	-
147,966.00	Miscellaneous	6,880,000.00	-	6,880,000.00	725,296.80	(89)
1,086,966.00	Sub. Total IGR	25,000,000.00	-	25,000,000.00	1,623,836.80	(94)
1,132,567,312.78	TOTAL REVENUE	1,755,000,000.00	-	1,755,000,000.00	1,330,180,707.84	(24)
-	EXPENDITURE					
-	Consolidated Rev. Fund Charges					
20,645,491.68	Political/Public Office Holders	75,000,000.00	-	75,000,000.00	68,291,771.90	9
-	Pension/Training Fund/Traditional Rulers Council	150,000,000.00	-	150,000,000.00	-	-
-	Funding Of Primary Education	400,000,000.00	-	400,000,000.00	-	-
-	Internal Debt Servicing	10,000,000.00	-	10,000,000.00	-	-
20,645,491.68	Sub Total CRFC	635,000,000.00	-	635,000,000.00	68,291,771.90	9
209,014,902.50	Personnel Costs	260,000,000.00	-	260,000,000.00	235,416,469.91	9
18,783,000.00	Overhead Costs	180,000,000.00	-	180,000,000.00	98,699,985.28	45
248,443,394.18	Total Expenditure	1,075,000,000.00	-	1,075,000,000.00	402,408,227.09	63
884,123,918.60	Operating Balance	680,000,000.00	-	680,000,000.00	927,772,480.75	
2,450,000.00	Transfer to Capital Dev Fund	791,000,000.00	-	791,000,000.00	44,635,000.00	94
881,673,918.60	CLOSING BALANCE				883,137,480.75	

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NSIT ATAI LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 4

**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2018**

Actual 2017 N	Description	Initial Budget 2018 N	Supp-Budget 2018 N	Final Budget 2018 N	Actual 2018 N	Var. %
2,450,000.00	Transfer from Consolidated Rev. Fund A	791,000,000.00	-	791,000,000.00	44,635,000.00	94
	Less Capital Expenditure		-			
-	ECONOMIC SECTOR	233,200,000.00	-	233,200,000.00	800,000.00	99
			-			
2,450,000.00	SOCIAL SECTOR	76,450,000.00	-	76,450,000.00	6,585,000.00	91
			-			
-	ENVIRONMENTAL/REGIONAL DEVELOPMENT	30,000,000.00	-	30,000,000.00	-	100
-	General Admin	451,350,000.00	-	451,350,000.00	37,250,000.00	91
2,450,000.00	Total	791,000,000.00	-	791,000,000.00	44,635,000.00	94
	Closing Balance	0	0	0	0	

NSIT ATAI LOCAL GOVERNMENT COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
NOTE 1: STATUTORY ALLOCATION FROM FEDERATION ACCOUNT

Months	2018 ₦	2017 ₦
January	17,183,192.46	20,583,547.27
February	11,555,627.08	22,456,929.50
March	28,773,900.65	20,478,408.42
April	28,820,140.76	21,525,035.18
May	32,984,746.14	18,661,230.51
June	34,980,512.83	20,702,849.69
July	36,199,354.90	23,866,082.14
August	52,254,088.67	20,847,277.91
September	39,387,043.77	23,157,423.62
October	41,190,672.28	22,106,604.35
November	48,901,710.10	20,011,394.92
December	74,651,962.80	18,796,865.82
Total	446,882,952.44	253,193,649.33

NOTE 2: INTERNALLY GENERATED REVENUE

Head	Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
1001	Taxes	4,000,000.00	-	-
1002	Rates	3,000,000.00	370,000.00	500,000.00
1003	Local license fees and fines	6,972,000.00	78,540.00	145,500.00
1004	Earning from commercial undertaking	2,160,000.00	7,000.00	20,000.00
1005	Rent on Local Government property	1,300,000.00	443,000.00	273,500.00
1006	Interest Payment and dividend received	688,000.00	-	-
1008	Miscellaneous	6,880,000.00	725,296.80	147,966.00
	Total	25,000,000.00	1,623,836.80	1,086,966.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICE HOLDERS

Head	Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
2001A/1	Executive Chairman	4,000,000.00	9,487,621.41	2,581,490.34
2001 B/1	Vice Chairman	3,500,000.00	2,190,221.28	-
2002 A/1	Secretary	3,300,000.00	17,753,322.94	2,334,225.72
2002B	Supervisor	15,500,000.00	11,001,510.09	15,729,775.62
2002C	Special Advisers	9,700,000.00	8,073,696.28	-
2003	Councilors	39,000,000.00	19,785,399.90	-
Total		75,000,000.00	68,291,771.90	20,645,491.68

NOTE 4: PERSONNEL COSTS

Head	Departmental Section	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
2004B	Administrative Department	84,005,580.00	95,348,291.30	69,913,203.07
2005	Finance and Supplies Department	52,449,923.00	38,829,760.34	39,042,611.83
2006	Education Department	18,722,071.00	11,234,072.28	11,793,610.89
2007	Primary Health Care Department	58,702,532.00	54,836,057.58	54,009,970.92
2008	Agricultural Department	11,726,853.00	8,090,538.53	7,528,232.73
2009	Work	27,089,525.00	20,841,261.30	21,168,705.83
2010	BPRS	7,303,516.00	6,236,488.58	5,558,567.23
	Total	260,000,000.00	235,416,469.91	209,014,902.50

NOTE 5: OVERHEAD COSTS

	DESCRIPTION	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
2001A	Office of the Chairman	25,400,000.00	29,811,606.00	6,612,000.00
2001B	Office of the Vice Chairman	6,600,000.00	2,505,000.00	-
2002A	Office of the Secretary	5,000,000.00	4,246,000.00	2,180,000.00
2002B	Office of the Supervisors	6,000,000.00	4,280,000.00	2,225,000.00
2002C	Office of the Special Advisers	4,100,000.00	1,430,000.00	-
2003A	The legislative council	14,300,000.00	8,000,000.00	-
2003B	Office of the Clerk of Council and Sergeant at Arm	2,000,000.00	-	-
2003C	Office of the Leader	5,300,000.00	2,780,000.00	-
2003D	Office of Deputy Leader	4,200,000.00	1,100,000.00	-
2003E	Office of the Majority Leader	3,000,000.00	1,000,000.00	-
2003F	Office of the Deputy Majority Leader	2,250,000.00	1,000,000.00	-
2003G	Office of the Chief Whip	3,000,000.00	1,000,000.00	-
2003H	Office of the Deputy Chief Whip	2,250,000.00	1,000,000.00	-
2004A	Office of the Head of Local Government Services	10,500,000.00	14,830,039.28	660,000.00
2004B	Administration & General Services	6,300,000.00	1,503,500.00	310,500.00
2005	Finance and Supplies	9,000,000.00	5,169,840.00	1,624,500.00
2006	Social Dev. Education Information Sport and Culture	3,300,000.00	615,000.00	120,000.00
2007	Primary Health Care Department	3,400,000.00	765,000.00	95,000.00
2008	Agriculture and Natural Resources	2,600,000.00	540,000.00	80,000.00
2009	Work and Transport Housing Land and Survey	3,100,000.00	1,884,000.00	360,000.00
2010	Traditional Rules Council	1,150,000.00	235,000.00	
2011	Budget Planning Research and Statistics	5,400,000.00	230,000.00	125,000.00
2012	Miscellaneous	51,850,000.00	14,775,000.00	4,391,000.00
	Total	180,000,000.00	98,699,985.28	18,783,000.00

NOTE 6: CAPITAL EXPENDITURE

	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
Economic Sector	233,200,000.00	800,000.00	-
Social Service sector	76,450,000.00	6,585,000.00	2,450,000.00
Environmental sector	30,000,000.00	-	-
General administration	451,350,000.00	37,250,000.00	-
Total	791,000,000.00	44,635,000.00	2,450,000.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

	2018 ₦		2017 ₦
2018 Advances	1,177,533,547.17	2017 Advances	1,104,194,773.97
2017 Advances	1,104,194,773.93	2016 Advances	1,120,448,189.49
	(73,338,773.20)		16,253,415.52

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2018		2017	
₦		₦	
2018 Deposits	304,063,157.97	2017 Deposits	290,470,347.02
2017 Deposits	290,470,347.02	2016 Deposits	282,730,628.01
	13,592,810.95		7,739,719.01

NOTE 9: CASH AND BANK BALANCES

	2018	2017
	₦	₦
Cash Balance	92,436.22	38,470,436.22
Bank balance: UBA 1011066201	2,179.10	7,808,079.56
Zenith Bank 1014518310	9,572,476.23	21,670,975.87
Sub Total Bank	9,574,655.33	29,479,055.43
Total	9,667,091.55	67,949,491.65

NOTE 10: ADVANCES

	2018	2017
	₦	₦
Purchase Advance	952,560,953.76	894,677,637.56
Touring Advance	86,951,053.50	81,593,096.50
Imprest Advance	122,702,440.80	112,604,940.80
Salary Advance	1,122,053.85	1,122,053.85
Motor Vehicle Advance	14,197,045.26	14,197,045.26
Total	1,177,533,547.17	1,104,194,773.97

NOTE 11: DEPOSITS

	2018	2017
	₦	₦
PAYE Tax	2,408,421.28	2,408,421.28
7.5% Contributory Pension Fund	8,185,436.44	8,185,436.44
2½% Value Added Tax	2,749,940.70	2,749,940.70
Other deposit	290,719,359.55	277,126,548.60
Total	304,063,157.97	290,470,347.02

NSIT IBOM LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Nsit Ibom Local Government Council in accordance with the Provisions of the Model Financial Memoranda.

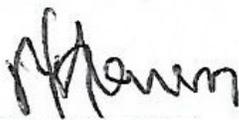
The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls 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 International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Nsit Ibom Local Government Council as at 31st December, 2018 and its operations for the year ended on that date.



Mrs. Mfon C. Ekanem
Director of Finance.
Date: 07/08/2019



Rt. Hon. Eric Akpan
Chairman.
Date: 07/08/2019

AUDIT CERTIFICATE

The Executive Chairman
Nsit Ibom Local Government Council
Afaha Offiong.

AUDIT CERTIFICATE ON THE ACCOUNTS OF NSIT IBOM LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Nsit Ibom Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Nsit Ibom Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.



Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

NSIT IBOM LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

- (i) **Basis of Preparation of Financial Statements**
The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.
- (ii) **Accounting Period**
A period of twelve months covering 1st January – 31st December, 2018
- (iii) **Reporting Currency:**
The reporting currency is the Nigerian Naira.
- (iv) **Basis of Consolidation**
The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.
- (v) **Statutory Revenue**
Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.
- (vi) **Internally Generated Revenue:**
This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.
- (vii) **Payments**
These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.
- (viii) **Cash Balances:**
This includes cash in hand, at bank and cash equivalents at the end of the financial year.
- (ix) **Advances**
These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.
- (x) **Deposits**
These are unremitted deductions and unpaid obligations to third parties on the reporting date.

NSIT IBOM LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

CASHFLOW FROM OPERATING ACTIVITIES	NOTES	Budget 2018 N	Actual 2018 N	Actual 2017 N
RECEIPTS:				
Statutory Allocation	1	1,500,000,000.00	551,836,090.92	73,059,123.17
Others: Derivation	1	250,000,000.00	-	-
Value Added Tax	1	200,000,000.00	-	-
State Allocation	1	30,000,000.00	-	-
Excess Crude	1	-	-	-
Stabilization	1	-	-	-
Taxes	2	1,060,000.00	-	-
Rates	2	4,000,000.00	960,000.00	2,156,774.00
Local License fines & fees	2	4,340,000.00	163,900.00	151,450.00
Earning from Commercial undertaking	2	4,100,000.00	-	15,000.00
Rent on Local Govt. Property	2	2,200,000.00	-	48,000.00
Interest and Dividends Receivable	2	-	-	-
Grants	2	300,000.00	-	-
Miscellaneous	2	4,000,000.00	-	40,000.00
TOTAL RECEIPTS		2,000,000,000.00	552,959,990.92	375,670,347.17
PAYMENTS:				
Consolidated Revenue Fund Charges:				
Political/Public Office Holders	3	131,000,000.00	61,893,846.50	20,645,491.68
Pension/Training Fund/Traditional Rulers Council	3	204,000,000.00	-	-
Funding of Primary Education	3	640,000,000.00	-	-
Internal Debt Servicing	3	10,000,000.00	-	-
Total Consolidated Revenue Fund Charges		985,000,000.00	61,893,846.50	20,645,491.68
Personnel Costs	4	335,000,000.00	388,543,003.26	297,053,236.22
Overhead Costs	5	262,000,000.00	63,941,340.00	9,717,051.31
TOTAL PAYMENTS		1,582,000,000.00	514,378,189.76	327,415,779.21
Net Cash flow from Operating activities (A)		418,000,000.00	38,581,801.16	48,254,567.96
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	540,000,000.00	13,521,427.00	200,000.00
Net Cash flow From Investing Activities (B)			(13,521,427.00)	(200,000.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceed from External Loans				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7		(63,622,210.00)	(14,488,500.00)
Increase/ Decrease in other Liabilities	8		12,394,909.67	1,477,593.34
Total Cash flow from other Cash equiv. Accounts C			(51,227,300.33)	(13,010,906.66)
Net Cashflow For the Year (A+B+C)			(26,166,926.17)	35,043,661.30
Cash and its equivalents as at 1st January, 2018	9		39,975,870.57	4,932,209.27
Cash and its equivalents as at 31st Dec, 2018	9		13,808,944.40	39,975,870.57

NSIT IBOM LOCAL GOVERNMENT COUNCIL
 STATEMENT NO. 2
 STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	Notes	2018 ₦	2017 ₦
ASSETS:			
Liquid Assets:			
Cash in Hand	9	397,382.69	2,061,798.44
Cash at Bank	9	13,411,561.71	37,914,072.13
TOTAL LIQUID ASSETS:		13,808,944.40	39,975,870.57
Investments and Other Cash Assets:			
Advances	10	730,765,314.75	667,143,104.75
TOTAL ASSETS		<u>744,574,259.15</u>	<u>707,118,975.32</u>
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		592,374,201.17	567,313,827.01
OTHER LIABILITIES			
Deposits	11	152,200,057.98	139,805,148.31
TOTAL LIABILITIES		<u>744,574,259.15</u>	<u>707,118,975.32</u>

**NSIT IBOM LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 3
STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER,
2018**

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
519,259,259.05	Opening Balance				567,313,827.01	
	ADD REVENUE:					
373,059,123.17	Statutory Allocation	1,500,000,000.00	-	1,500,000,000.00	551,836,090.92	(63)
	Derivation	250,000,000.00	-	250,000,000.00	-	(100)
	Value Added Tax	200,000,000.00	-	200,000,000.00	-	(100)
	State Allocation	30,000,000.00	-	30,000,000.00	-	(100)
	Excess Crude	-	-	-	-	
	Stabilization	-	-	-	-	
373,059,123.17	Sub Total Statutory Allocations	1,980,000,000.00	-	1,980,000,000.00	551,836,090.92	(72)
	Taxes	1,060,000,000.00	-	1,060,000,000.00	-	(100)
2,156,774.00	Rates	4,000,000.00	-	4,000,000.00	960,000.00	(76)
151,450.00	Local License fines & fees	4,340,000.00	-	4,340,000.00	163,900.00	(96)
15,000.00	Earning from Commercial undertaking	4,100,000.00	-	4,100,000.00	-	(100)
248,000.00	Rent on Local Govt. Property	2,200,000.00	-	2,200,000.00	-	(100)
-	Interest & Dividends Receivable	-	-	-	-	(100)
-	Grants	300,000.00	-	300,000.00	-	(100)
40,000.00	Miscellaneous	4,000,000.00	-	4,000,000.00	-	(100)
2,611,224.00	Sub Total IGR	20,000,000.00	-	20,000,000.00	1,123,900.00	(94)
894,929,606.22	TOTAL REVENUE	2,000,000,000.00	-	2,000,000,000.00	1,120,273,817.93	(44)
	EXPENDITURE:					
	Consolidated Revenue Fund Charges:					
20,645,491.68	Political/Public Office Holders	131,000,000.00	-	131,000,000.00	61,893,846.50	53
-	Pensions/Training Fund/Traditional Rulers Council	204,000,000.00	-	204,000,000.00	-	100
-	Funding of Primary Education	640,000,000.00	-	640,000,000.00	-	100
-	Internal Debt Servicing	10,000,000.00	-	10,000,000.00	-	100
20,645,491.68	Sub Total CRFC	985,000,000.00	-	985,000,000.00	61,893,846.50	94
297,053,236.22	Personnel Costs	335,000,000.00	-	335,000,000.00	388,543,003.26	(16)
9,717,051.31	Overhead Costs	262,000,000.00	-	262,000,000.00	63,941,340.00	76
327,415,779.21	Total Expenditure	1,582,000,000.00	-	1,582,000,000.00	514,378,189.76	67
567,513,827.01	Operating Balance	418,000,000.00	-	418,000,000.00	605,895,628.17	
200,000.00	Transfer to Capital Dev. Fund	540,000,000.00	-	540,000,000.00	13,521,427.00	97
567,313,827.01	Closing Balance				592,374,201.17	

**NSIT IBOM LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 4
STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER,
2018**

Actual 2017 ₦	Head	DESCRIPTION	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
		Transfer from Consolidated Rev. Fund A	540,000,000.00	-	540,000,000.00	13,521,427.00	
		Less Capital Expenditure:					
-		ECONOMIC SECTOR:-	45,000,000.00	-	45,000,000.00	2,100,000.00	95
-		SOCIAL SECTOR:-	130,000,000.00	-	130,000,000.00	3,200,000.00	98
-		ENVIRONMENTAL/REGIONAL DEV.	13,000,000.00	-	13,000,000.00	2,070,000.00	85
				-			
-		GENERAL ADMINISTRATION	352,000,000.00	-	352,000,000.00	6,151,427.00	99
-		Total Expenditure B	540,000,000.00	-	540,000,000.00	13,521,427.00	
-		Closing Balance	0	0	0	0	

NOTES TO THE ACCOUNTS

NOTES 1: STATUTORY ALLOCATION

MONTHS	2018 N	2017 N
January	-	-
February	38,237,837.15	28,895,139.21
March	37,967,507.40	30,677,283.00
April	42,542,439.39	29,630,339.93
May	45,213,907.96	31,594,169.26
June	46,745,666.66	28,961,728.95
July	49,852,386.29	30,503,348.13
August	49,439,179.37	32,318,460.92
September	69,635,381.31	29,522,388.90
October	48,043,632.89	33,504,739.40
November	69,779,284.06	32,084,003.24
December	54,378,868.44	65,367,522.23
TOTAL	<u>551,836,090.92</u>	<u>373,059,123.17</u>

NOTES 2: INTERNALLY GENERATED REVENUE

HEAD	DESCRIPTION	BUDGET 2018 N	ACTUAL 2018 N	ACTUAL 2017 N
1001	Taxes	1,060,000.00	-	-
1002	Rates	4,000,000.00	960,000.00	2,156,774.00
1003	Local License fees and fines	4,340,000.00	163,900.00	151,450.00
1004	Earnings from Comm. Undertakings	4,100,000.00	-	15,000.00
1005	Rent on Local Government property	2,200,000.00	-	248,000.00
1006	Miscellaneous	-	-	-
1007	Grants	300,000.00	-	-
1008	Miscellaneous	4,000,000.00	-	40,000.00
	TOTAL	20,000,000.00	1,123,900.00	2,611,224.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICE HOLDERS

DESCRIPTION	BUDGET 2018 N	ACTUAL 2018 N	ACTUAL 2017 N
Office of the Executive Chairman	6,400,000.00	3,808,099.79	2,582,751.01
Office of the V/Chairman	6,000,000.00	3,576,357.68	-
Office of the Supervisor	31,300,000.00	11,408,164.76	9,437,054.25
Office of the Special Advisers	6,000,000.00	3,508,142.04	6,290,681.31
Office of the Secretary	18,500,000.00	3,390,889.06	2,335,005.11
Legislative/General Council	62,800,000.00	36,202,193.21	-
Total	131,000,000.00	61,893,846.54	20,645,491.68

NOTES 4: PERSONNEL COSTS

HEAD	DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
2004	Administration	88,000,000.00	104,271,224.25	78,412,493.18
2005	Finance and Supplies	52,000,000.00	57,458,752.53	46,817,362.36
2006	Education	48,000,000.00	52,337,863.64	42,374,302.45
2007	Health and Social Services	99,000,000.00	123,256,058.05	88,732,348.99
2008	Agric. & Natural Resources	9,500,000.00	9,995,309.30	7,623,520.04
2009	Works and Housing	30,000,000.00	33,771,616.95	26,121,767.51
2010	Budget, Planning & Research	-	-	-
2011	Traditional Ruler's Council	8,500,000.00	7,452,178.54	6,971,441.69
	Total	335,000,000.00	388,543,003.26	297,053,236.22

NOTES 5: OVERHEAD COSTS

HEAD	DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
2001A	Office of the Chairman	41,000,000.00	33,980,000.00	5,300,000.00
2001B	Office of the Vice Chairman	11,000,000.00	2,150,000.00	-
2002A	Office of the Secretary	5,000,000.00	1,200,000.00	-
2002B	Office of the Supervisors	9,000,000.00	1,200,000.00	285,000.00
2002C	Office of the Special Advisers	6,000,000.00	1,625,000.00	-
2003A	Legislative Arm/General Council	13,000,000.00	11,360,000.00	-
2003B	Office of the Leader	7,500,000.00	450,000.00	-
2003C	The Office of the Deputy Leader	4,100,000.00	-	-
2003D	Office of the Majority Leader	3,000,000.00	-	-
2003E	Office of the Dep. Majority Leader	3,000,000.00	-	-
2003F	Office of the Chief Whip	3,000,000.00	-	-
2003G	Office of the Dep. Chief Whip	2,500,000.00	-	-
2003H	Office of the Clerk	1,800,000.00	999,900.00	-
2004A	Office of the HOS L/G	5,000,000.00	200,000.00	-
2004B	General Administration	6,800,000.00	2,275,000.00	45,000.00
2005	Finance and Supplies	7,300,000.00	153,940.00	677,000.00
2006	Education	3,000,000.00	30,000.00	-
2007	Health and Social Services	5,000,000.00	247,500.00	-
2008	Agriculture	3,500,000.00	30,000.00	-
2009	Works and Housing	5,000,000.00	10,000.00	62,200.00
2010	Budget, Planning & Research	3,500,000.00	10,000.00	-
2011	Traditional Rulers Council	3,000,000.00	-	-
2012	Miscellaneous	110,000,000.00	8,020,000.00	3,347,851.31
	Total	262,000,000.00	63,941,340.00	9,717,051.31

NOTE 6: CAPITAL EXPENDITURE

DESCRIPTION	BUDGET 2018 N	ACTUAL 2018 N	ACTUAL 2017 N
Economic Sector	45,000,000.00	2,100,000.00	-
Social Sector	130,000,000.00	3,200,000.00	-
Environmental Sector	13,000,000.00	2,070,000.00	200,000.00
Administrative Sector:			
General Administration (Executive)	230,000,000.00	4,307,427.00	-
General Administration (Legislative)	122,000,000.00	1,844,000.00	-
Total	540,000,000.00	13,521,427.00	200,000.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2018 N		2017 N	
2018 Advances	730,765,314.75	2017 Advances	667,143,104.75
2017 Advances	667,143,104.75	2016 Advances	652,654,604.75
	(63,622,210.00)		(14,488,500.00)

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2018 N		2017 N	
2018 Deposits	152,200,057.98	2017 Deposits	139,805,148.31
2017 Deposits	139,805,148.31	2016 Deposits	138,327,554.97
	12,394,909.67		1,477,593.34

NOTE9:CASH AND BANK BALANCES

DESCRIPTION	2018 N	2017 N
Cash in hand	397,382.69	2,061,798.44
Cash at Bank:		
Zenith Bank	13,015,113.29	33,272,007.34
Zenith Bank	40,833.00	4,433,428.97
Skye Bank	204,395.96	25,336.56
Union Bank	30,389.43	30,389.43
Ecobank	120,830.03	152,909.83
Sub Total Bank Balance	13,411,561.71	37,914,072.13
Total	13,808,944.40	39,975,870.57

NOTE 10: ADVANCES

DETAIL	2018 ₦	2017 ₦
Purchases Advance	543,581,661.59	480,753,451.59
Imprest Advance	140,761,724.70	139,967,724.70
Touring Advance	43,103,362.40	43,103,362.40
Salary Advance	3,318,566.06	3,318,566.06
Motor Vehicle	-	-
Others	-	-
TOTAL	730,765,314.75	667,143,104.75

NOTE 11: DEPOSITS

DETAIL	2018 ₦	2017 ₦
PAYE Tax	395,900.11	386,905.13
NULGE Dues-State/Branch	5,329,706.30	-
NANNM	322,425.60	-
VAT	240,000.00	240,000.00
Withholding Tax	330,000.00	330,000.00
Pension Fund	6,900,349.32	-
OTHERS	138,681,676.65	138,848,243.18
TOTAL	152,200,057.98	139,805,148.31

NSIT UBIUM LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Nsit Ubium Local Government Council in accordance with the Provisions of the Model Financial Memoranda.

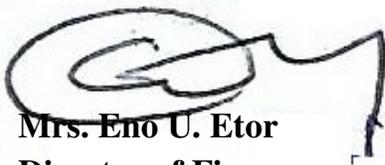
The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls 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 International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Nsit Ubium Local Government Council as at 31st December, 2018 and its operations for the year ended on that date.



Mrs. Eno U. Etor
Director of Finance
Date: 02/07/2019



Hon (Eld.) Udemeobong S. Bassey
Chairman
Date: 02/07/2019

AUDIT CERTIFICATE

The Executive Chairman
Nsit Ubium Local Government Council
Ikot Edibon.

AUDIT CERTIFICATE ON THE ACCOUNTS OF NSIT UBIUM LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Nsit Ubium Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Nsit Ubium Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

NSIT UBIUM LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

- (i) **Basis of Preparation of Financial Statements**
The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.
- (ii) **Accounting Period**
A period of twelve months covering 1st January – 31st December, 2018
- (iii) **Reporting Currency:**
The reporting currency is the Nigerian Naira.
- (iv) **Basis of Consolidation**
The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.
- (v) **Statutory Revenue**
Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.
- (vi) **Internally Generated Revenue:**
This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.
- (vii) **Payments**
These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.
- (viii) **Cash Balances:**
This includes cash in hand, at bank and cash equivalents at the end of the financial year.
- (ix) **Advances**
These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.
- (x) **Deposits**
These are unremitted deductions and unpaid obligations to third parties on the reporting date.

NSIT UBIUM LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

CASHFLOW FROM OPERATING, ACTIVITIES	Notes	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
RECEIPTS:				
Statutory Allocation	1	1,200,000,000.00	528,098,574.03	298,303,327.85
OTHERS: Derivation	1	300,000,000.00	-	-
Value Added Tax	1	350,000,000.00	-	-
State Allocation	1	30,000,000.00	-	-
Excess Crude	1	-	-	-
Stabilization	1	-	-	-
Taxes	2	1,000,000.00	-	5,000.00
Rates	2	2,000,000.00	-	580,000.00
Local License fines and fees	2	6,650,000.00	501,250.00	742,650.00
Earning from commercial undertaking	2	2,350,000.00	-	-
Rent on Local Govt. Property	2	2,300,000.00	92,000.00	503,000.00
Interest & Dividends Receivable	2	-	-	-
Grants	2	-	-	-
Miscellaneous	2	11,700,000.00	744,300.00	1,065,800.00
TOTAL RECEIPTS		1,906,000,000.00	529,436,124.03	301,199,777.85
PAYMENTS:				
Consolidated Rev. Fund Charges:				
Political/Public Office Holders	3	70,000,000.00	61,617,357.64	22,522,354.56
Pensions Training Fund/Traditional Rulers Council	3	150,000,000.00	-	-
Funding of Primary education	3	500,000,000.00	-	-
Internal Debt Servicing	3	10,000,000.00	-	-
Total Consolidated Revenue Fund Charges		730,000,000.00	61,617,357.64	22,522,354.56
Personnel Costs	4	320,000,000.00	305,236,663.04	245,482,450.67
Overhead Costs	5	200,000,000.00	79,376,973.00	30,245,500.00
TOTAL PAYMENTS		1,250,000,000.00	446,230,993.68	298,250,305.23
Net Cash flow from Operating Activities A		656,000,000.00	83,205,130.35	2,949,472.62
Cash Flow From Investing Activities				
Capital Expenditure	6	877,000,000.00	1,840,000.00	-
Net cash flow from Investing Activities B			(1,840,000.00)	-
Cashflow From Financing Activities				
Proceed from External Loans				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7		(97,761,682.69)	18,951,831.24
Increase/ Decrease in other Liabilities	8		(926,299.55)	4,066,482.39
Total Cash flow from other Cash equiv. Accounts C			(98,687,982.24)	23,018,313.63
Net Cashflow For the Year (A+B+C)			(17,322,851.89)	25,967,786.25
Cash and its equivalents as at 1st January, 2018	9		58,964,066.49	32,996,280.24
Cash and its equivalents as at 31 st Dec, 2018	9		41,641,214.60	58,964,066.49

NSIT UBIUM LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	Notes	2018 ₱	2017 ₱
ASSETS:			
Liquid Assets:			
Cash in Hand	9	26,057,952.40	24,927,167.32
Cash at Bank	9	15,583,262.20	34,036,899.17
TOTAL LIQUID ASSETS:		41,641,214.60	58,964,066.49
Investments and Other Cash Assets:			
Advances	10	2,002,763,583.75	1,905,001,901.06
TOTAL ASSETS		<u>2,044,404,798.35</u>	<u>1,963,965,967.55</u>
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		1,900,944,638.23	1,819,579,507.88
OTHER LIABILITIES			
Deposits	11	143,460,160.12	144,386,459.67
TOTAL LIABILITIES		<u>2,044,404,798.35</u>	<u>1,963,965,967.55</u>

NSIT UBIUM LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 3
STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2018

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
1,816,630,035.26	Opening Balances				1,819,579,507.88	
	Add: Revenue:					
298,303,327.85	Statutory Allocation	1,200,000,000.00	-	1,200,000,000.00	528,098,574.03	(56)
-	Derivation	300,000,000.00	-	300,000,000.00	-	(100)
-	Value Added Tax	350,000,000.00	-	350,000,000.00	-	(100)
-	State Allocation	30,000,000.00	-	30,000,000.00	-	(100)
-	Excess Crude	-	-	-	-	
-	Stabilization	-	-	-	-	
298,303,327.85	Sub Total Statutory Allocation	1,880,000,000.00	-	1,880,000,000.00	528,098,574.03	(72)
5,000.00	Taxes	1,000,000.00	-	1,000,000.00	-	(100)
580,000.00	Rates	2,000,000.00	-	2,000,000.00	-	(100)
742,650.00	Local License fines and fees	6,650,000.00	-	6,650,000.00	501,250.00	(92)
-	Earning from commercial undertaking	2,350,000.00	-	2,350,000.00	-	(100)
503,000.00	Rent on Local Govt. Property	2,300,000.00	-	2,300,000.00	92,000.00	(96)
-	Interest & Dividends Receivable	-	-	-	-	-
-	Grants	-	-	-	-	-
1,065,800.00	Miscellaneous	11,700,000.00	-	11,700,000.00	744,300.00	(94)
2,896,450.00	Sub. Total IGR	26,000,000.00	-	26,000,000.00	1,337,550.00	(95)
2,117,829,813.11	TOTAL REVENUE	1,906,000,000.00	-	1,906,000,000.00	2,349,015,631.91	23
	EXPENDITURE					
	Consolidated Rev. Fund Charges					
22,522,354.56	Political/Public Office Holders	70,000,000.00	-	70,000,000.00	61,617,357.64	12
-	Pensions/Training Fund/Traditional Rulers Council	150,000,000.00	-	150,000,000.00	-	100
-	Funding of Primary Education	500,000,000.00	-	500,000,000.00	-	100
-	Internal Debt Servicing	10,000,000.00	-	10,000,000.00	-	100
22,522,354.56	Sub. Total CRFC	730,000,000.00	-	730,000,000.00	61,617,357.64	91
245,482,450.67	Personnel Costs	320,000,000.00	-	320,000,000.00	305,236,663.04	5
30,245,500.00	Overhead Costs	200,000,000.00	-	200,000,000.00	79,376,973.00	60
298,250,305.23	Total Expenditure	1,250,000,000.00	-	1,250,000,000.00	446,230,993.68	64
1,819,579,507.88	Operating Balance	656,000,000.00	-	656,000,000.00	1,902,784,638.23	
-	Transfer to Capital Dev. Fund	877,000,000.00	-	877,000,000.00	1,840,000.00	99
1,819,579,507.88	CLOSING BALANCE				1,900,944,638.23	

**NSIT UBIUM LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 4
STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2018**

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Initial Budget 2018 ₦	Actual 2018 ₦	Var. %
	Transfer from Consolidated Rev. Fund A	877,000,000.00	-	877,000,000.00	1,840,000.00	99
	Less Capital Expenditure:					
-	ECONOMIC SECTOR	142,500,000.00	-	142,500,000.00	-	100
-	SOCIAL SECTOR	184,000,000.00	-	184,000,000.00	1,840,000.00	99
-			-			
-	ENVIRONMENTAL/REG. DEV.	70,000,000.00	-	70,000,000.00		100
-			-			
-	GENERAL ADMINISTRATION	480,000,000.00	-	480,000,000.00		100
-	Total Expenditure B	877,000,000.00	-	877,000,000.00	1,840,000.00	99
-	Closing balance	0	0	0	0	

NSIT UBIUM LOCAL GOVERNMENT COUNCIL

NOTES TO THE ACCOUNT

NOTE 1: STATUTORY ALLOCATION

MONTHS	2018 ₦	2017 ₦
January	33,649,372.65	298,303,327.85
February	34,263,850.12	
March	34,163,298.96	
April	38,671,496.56	
May	40,302,064.49	
June	41,511,407.55	
July	44,586,935.90	
August	56,448,775.29	
September	48,895,180.97	
October	53,030,615.27	
November	56,748,103.34	
December	45,827,472.93	
Total	528,098,574.03	298,303,327.85

NOTE 2: INTERNALLY GENERATED REVENUE

HEAD	DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
1001	Taxes	1,000,000.00	-	5,000.00
1002	Rates	2,000,000.00	-	580,000.00
1003	Local Licenses, Fees & Fines	6,650,000.00	501,250.00	742,650.00
1004	Earnings from Comm. Undertaking	2,350,000.00	-	-
1005	Rents on Local Govt. property	2,300,000.00	92,000.00	503,000.00
1006	Interest and Dividends	-	-	-
1007	Grants	-	-	-
1008	Miscellaneous/other receipt	11,700,000.00	744,300.00	1,065,800.00
	Total	26,000,000.00	1,337,550.00	2,896,450.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICE HOLDERS

DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
Office of the Chairman	5,000,000.00	3,808,099.71	2,816,171.28
Office of the Vice Chairman	4,000,000.00	3,576,437.28	-
Office of the Secretary	4,000,000.00	3,390,889.09	2,546,406.24
Office of the Supervisors	15,000,000.00	10,470,577.85	7,354,190.16
Office of the Special Advisor	10,000,000.00	8,073,696.28	9,805,586.88
Councilors	32,000,000.00	32,297,657.43	-
Total	70,000,000.00	61,617,357.64	22,522,354.56

NOTE 4: PERSONNEL COSTS

HEAD	DEPARTMENT	BUDGET 2018 N	ACTUAL 2018 N	ACTUAL 2017 N
2004	Administration	80,561,850.00	110,898,170.99	61,210,561.55
2005	Finance and Supplies	51,017,310.00	40,836,789.84	39,067,788.23
2006	Education	39,309,640.00	25,910,542.66	22,271,918.99
2007	Health and Social Service	106,474,330.00	94,355,738.71	89,230,866.39
2008	Agriculture & Natural Resources	10,387,200.00	7,656,979.44	7,645,999.98
2009	Works and Housing	24,307,170.00	18,996,722.85	20,322,666.13
2010	Traditional Rulers Office	-	-	-
2011	BPRS	7,942,500.00	6,581,718.55	5,732,649.40
	Total	320,000,000.00	305,236,663.04	245,482,450.67

NOTE 5: OVERHEAD COSTS

Head	Description	Budget 2018 N	Actual 2018 N	Actual 2017 N
2001A	Office of the Chairman	37,500,000.00	22,611,440.00	15,060,000.00
2001B	Office of the Vice Chairman	7,000,000.00	4,050,000.00	-
2002A	Office of the Secretary	3,000,000.00	1,149,500.00	590,000.00
2002B	Office of the Supervisor	5,000,000.00	300,000.00	800,000.00
2002C	Office of the Special Advisers	4,000,000.00	930,000.00	160,000.00
2003A	Office of the Legislative/General Council	13,000,000.00	8,660,000.00	-
2003B	Office of the leader	2,690,000.00	2,282,000.00	-
2003C	Office of the Deputy Leader	2,320,000.00	1,150,000.00	-
2003D	Office of the Majority Leader	1,200,000.00	420,000.00	-
2003E	Office of the Deputy Majority Leader	1,200,000.00	147,000.00	-
2003F	Office of the Chief Whip	1,200,000.00	125,000.00	-
2003G	Office of the Deputy Chief Whip	1,200,000.00	105,000.00	-
2003H	Office of the Clerk	1,500,000.00	500,000.00	-
2004A	Office of the Head of Local Government Service	3,000,000.00	3,540,000.00	1,980,000.00
2004B	Office of the Administration & General Service	4,800,000.00	7,903,533.00	605,000.00
2005	Finance and Supplies	4,000,000.00	4,532,000.00	1,152,000.00
2006	Education Information & Sports	2,890,000.00	2,088,000.00	55,000.00
2007	Health	4,600,000.00	90,000.00	570,000.00
2008	Agriculture Natural Resources	1,100,000.00	430,000.00	40,000.00
2009	Works and Transport	1,400,000.00	2,330,000.00	364,000.00
2010	Budget, Planning, Research & Statistics	1,500,000.00	2,958,500.00	7,649,500.00
2011	Traditional Rulers Council	3,500,000.00	2,270,000.00	70,000.00
2012	Miscellaneous	92,400,000.00	10,805,000.00	1,150,000.00
	Total	200,000,000.00	79,376,973.00	30,245,500.00

NOTE 6: CAPITAL EXPENDITURE

DESCRIPTION	BUDGET 2018 N	ACTUAL 2018 N	ACTUAL 2017 N
Economic Sector	142,500,000.00	-	-
Social Services Sector	184,000,000.00	1,840,000.00	-
Environmental Sector	70,000,000.00	-	-
Administration Sector			
General Administration (Executive)	385,500,000.00	-	-
General Administration (Legislature)	95,000,000.00	-	-
Total	877,000,000.00	1,840,000.00	-

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2018		2017	
₦		₦	
2018 Advances	2,002,763,583.75	2017 Advances	1,905,001,901.06
2017 Advances	1,905,001,901.06	2016 Advances	1,923,953,732.30
	(97,761,682.69)		18,951,831.24

NOTE 8 : INCREASE/DECREASE IN OTHER LIABILITIES

2018		2017	
₦		₦	
2018 Deposits	143,460,160.12	2017 Deposits	144,386,459.67
2017 Deposits	144,386,459.67	2016 Deposits	140,319,977.28
	(926,299.55)		4,066,482.39

NOTE 9: CASH AND BANK BALANCES

DESCRIPTION	2018	2017
	₦	₦
Cash in hand	26,057,952.40	24,927,167.32
UBA	9,451,679.00	9,451,679.00
Union Bank I 0018386223	275,212.31	7,994,254.82
Union Bank II 0036454764	32,637.76	30,653.98
Union Bank III 0018383057	124,037.60	32,637.76
Skye Bank 4040013564	72,577.51	72,577.51
Zenith Bank 1014557067	5,627,118.02	16,455,096.10
Sub Total	15,583,262.20	34,036,899.17
Total	41,641,214.60	58,964,066.49

NOTE 10: ADVANCES

DESCRIPTION	2018	2017
	₦	₦
Purchases	1,587,979,954.95	1,507,340,346.86
Imprest	184,269,980.88	178,377,725.79
Touring	171,334,338.25	160,372,318.74
Salary/Special	1,506,250.00	1,506,250.00
Motor Vehicle	57,581,380.40	57,313,580.40
Housing Loan	91,679.27	91,679.27
Total	2,002,763,583.75	1,905,001,901.06

NOTE 11: DEPOSITS

DESCRIPTION	2018	2017
	₦	₦
PAYE	3,632,699.17	4,629,816.69
NULGE	1,278,602.48	2,829,127.51
NAMMN	1,848,001.57	1,905,658.72
VAT	10,682,081.40	10,682,081.40
Withholding Tax	7,031,743.44	7,031,743.44
Others	118,987,032.06	117,308,031.91
Total	143,460,160.12	144,386,459.67

OBOT AKARA LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Obot Akara Local Government Council in accordance with the Provisions of the Model Financial Memoranda.

The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls 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 International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Obot Akara Local Government Council as at 31st December, 2018 and its operations for the year ended on that date



Mr. Uwem K. Essien
Director of Finance:
Date: 15/08/2019



Hon. (Etubom) Anietie Udo Udo
Chairman:
Date: 15/08/2019

AUDIT CERTIFICATE

The Executive Chairman
Obot Akara Local Government Council
Nto Edino.

AUDIT CERTIFICATE ON THE ACCOUNTS OF OBOT AKARA LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Obot Akara Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Obot Akara Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

OBOT AKARA LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

- (i) **Basis of Preparation of Financial Statements**
The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.
- (ii) **Accounting Period**
A period of twelve months covering 1st January – 31st December, 2018
- (iii) **Reporting Currency:**
The reporting currency is the Nigerian Naira.
- (iv) **Basis of Consolidation**
The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.
- (v) **Statutory Revenue**
Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.
- (vi) **Internally Generated Revenue:**
This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.
- (vii) **Payments**
These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.
- (viii) **Cash Balances:**
This includes cash in hand, at bank and cash equivalents at the end of the financial year.
- (ix) **Advances**
These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.
- (x) **Deposits**
These are unremitted deductions and unpaid obligations to third parties on the reporting date.

OBOT AKARA LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2018

CASHFLOW FROM OPERATING ACTIVITIES	Notes	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
RECEIPTS				
Statutory Allocation	1	2,000,000,000.00	550,379,448.11	363,305,407.26
OTHERS: Derivation	1	300,000,000.00	-	-
Value Added Tax	1	300,000,000.00	-	-
State Allocation	1	30,000,000.00	-	-
Excess Crude	1	-	-	-
Stabilization	1	-	-	-
Taxes	2	3,000,000.00	2000.00	-
Rates	2	6,000,000.00	620,000.00	2,189,548.00
Local License, Fines and Fees	2	5,000,000.00	408,910.00	205,120.00
Earnings from commercial undertaking	2	10,000,000.00	650,800.00	1,608,900.00
Rent on Local Govt. Property	2	7,000,000.00	1,100.00	455,000.00
Interest and Dividends Receivable	2	-	-	-
Grants	2	-	-	-
Miscellaneous	2	4,000,000.00	1,434,300.00	1,615,427.00
TOTAL RECEIPTS		2,665,000,000.00	553,496,558.11	369,379,402.36
PAYMENTS:				
Consolidated Rev. Fund Charges:				
Political /Public Office Holders	3	65,000,000.00	58,994,051.77	20,433,291.16
Pensions/Training Funds/Traditional Rulers Council	3	150,000,000.00	-	-
Funding of Primary Education	3	550,000,000.00	-	-
Internal Debt Servicing	3	10,000,000.00	-	-
Total Consolidated Revenue Fund Charges		775,000,000.00	58,994,051.77	20,433,291.16
Personnel Costs	4	363,358,190.00	370,129,309.75	283,015,250.61
Overhead Costs	5	200,000,000.00	79,575,760.18	25,252,704.40
TOTAL PAYMENTS		1,338,358,190.00	508,699,121.70	328,701,246.19
Net Cash Flow From Operating Activities A		1,326,641,810.00	44,797,436.41	40,678,156.17
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	970,500,000.00	10,796,150.00	1,040,000.00
Net Cash Flow From Investing Activities B			(10,796,150.00)	(1,040,000.00)
Cash Flow From Financing Activities				
Proceed from External Loans				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7		(83,597,925.03)	(9,658,500.00)
Increase/ Decrease in other Liabilities	8		21,584,265.58	3,544,014.10
Total Cash flow from other Cash equiv. Accounts C			(62,013,659.45)	(6,114,485.90)
Net Cashflow For the Year (A+B+C)			(28,012,373.04)	33,523,670.27
Cash and its equivalents as at 1st January, 2018	9		51,957,019.91	18,433,349.70
Cash and its equivalents as at 31 st Dec, 2018	9		23,944,646.93	51,957,019.97

OBOT AKARA LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 2
STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	Notes	2018 ₦	2017 ₦
ASSETS:			
Liquid Assets:			
Cash in Hand	9	5,965,915.03	6,359,716.05
Cash at Bank	9	17,978,731.90	45,597,303.92
TOTAL LIQUID ASSETS:		23,944,646.93	51,957,019.97
Investments and Other Cash Assets:			
Advances	10	1,306,645,350.09	1,223,047,425.06
TOTAL ASSETS		1,330,589,997.02	1,275,004,445.03
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		893,290,414.83	859,289,128.42
OTHER LIABILITIES			
Deposits	11	437,299,582.19	415,715,316.61
TOTAL LIABILITIES		1,330,589,997.02	1,275,004,445.03

OBOT AKARA LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 3
STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2018

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
819,650,972.25	Opening Balances				859,289,128.42	
	Add Revenue:	-	-	-		
363,305,407.26	Statutory Allocation	2,000,000,000.00	-	2,000,000,000.00	550,379,448.11	(72.5)
-	Derivation	300,000,000.00	-	300,000,000.00	-	(100)
-	Value Added Tax	300,000,000.00	-	300,000,000.00	-	(100)
-	State Allocation	30,000,000.00	-	30,000,000.00	-	(100)
-	Excess Crude	-	-	-	-	-
-	Stabilization	-	-	-	-	-
363,305,407.26	Sub Total Statutory Allocation	2,630,000,000.00	-	2,630,000,000.00	550,379,448.11	(79)
-	Taxes	3,000,000.00	-	3,000,000.00	2,000.00	(99)
2,189,548.00	Rates	6,000,000.00	-	6,000,000.00	620,000.00	(90)
205,120.00	Local License, Fines and Fees	5,000,000.00	-	5,000,000.00	408,910.00	(92)
1,608,900.00	Earning from commercial undertaking	10,000,000.00	-	10,000,000.00	650,800.00	(93)
455,000.00	Rent on Local Govt. Property	7,000,000.00	-	7,000,000.00	1,100.00	(99)
-	Interest and Dividends Receivable	-	-	-	-	
-	Grants	-	-	-	-	
1,615,427.10	Miscellaneous	4,000,000.00	-	4,000,000.00	1,434,300.00	(64)
6,073,995.10	Sub. Total IGR	35,000,000.00	-	35,000,000.00	3,117,110.00	(91)
1,189,030,374.61	TOTAL REVENUE	2,665,000,000.00	-	2,665,000,000.00	1,412,785,686.53	(46)
-	EXPENDITURE					
-	Consolidated Rev. Fund Charges:					
20,433,291.16	Political /Public Office Holders	65,000,000.00	-	65,000,000.00	58,994,051.77	9.2
-	Pensions/Training Funds/Traditional Rulers Council	150,000,000.00	-	150,000,000.00	-	100
-	Funding of Primary Education	550,000,000.00	-	550,000,000.00	-	100
-	Internal Debt Servicing	10,000,000.00	-	10,000,000.00	-	100
20,433,291.16	Sub Total CRFC	775,000,000.00	-	775,000,000.00	58,994,051.77	92
283,015,250.61	Personnel Costs	363,358,190.00	-	363,358,190.00	370,129,309.75	(2)
25,252,704.42	Overhead Costs	200,000,000.00	-	200,000,000.00	79,575,760.18	60
328,701,246.19	Total Expenditure	1,338,358,190.00	-	1,338,358,190.00	508,699,121.70	62
860,329,128.42	Operating Balance	1,326,641,810.00	-	1,326,641,810.00	904,086,564.83	
1,040,000.00	Transfer to Capital Dev. Fund	970,500,000.00	-	970,500,000.00	10,796,150.00	99
859,289,128.42	CLOSING BALANCE				893,290,414.83	

OBOT AKARA LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31STDECEMBER, 2018

Actual 2017 N	Description	Initial Budget 2018 N	Supp-Budget 2018 N	Final Budget 2018 N	Actual 2018 N	Var. %
1,040,000.00	Transfer from Consolidated Rev. Fund A	970,500,000.00	-	970,500,000.00	10,796,150.00	99
	Less Capital Expenditure :					
-	ECONOMIC SECTOR	354,500,000.00	-	354,500,000.00	5,971,150.00	98
-	SOCIAL SECTOR	186,500,000.00	-	186,500,000.00	2,200,000.00	99
-	Sub Total	136,000,000.00	-	136,000,000.00	-	100
			-			
1,040,000.00	GENERAL ADMINISTRATION	293,500,000.00	-	293,500,000.00	2,625,000.00	99
1,040,000.00	TOTAL EXPENDITURE B	970,500,000.00	-	970,500,000.00	10,796,150.00	99
	Closing Balance	0	0	0	0	

OBOT AKARA LOCAL GOVERNMENT COUNCIL

NOTES TO THE ACCOUNTS

NOTE 1: STATUTORY ALLOCATION

MONTHS	2018 ₦	2017 ₦
January	37,289,942.24	27,764,568.80
February	37,109,296.74	27,764,568.80
March	35,766,076.39	30,062,281.25
April	40,718,560.49	27,815,455.37
May	42,723,025.64	30,690,691.29
June	43,921,254.72	27,499,583.63
July	47,010,314.21	29,601,532.86
August	46,733,675.93	33,950,710.40
September	49,306,204.74	29,646,763.80
October	58,969,554.84	31,952,482.80
November	63,146,573.78	30,267,532.27
December	47,684,968.39	36,289,235.99
Total	550,379,448.11	363,305,407.26

NOTE 2: INTERNALLY GENERATED REVENUE

Head	Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
1001	Taxes	3,000,000.00	2,000.00	-
1002	Rates	6,000,000.00	620,000.00	2,189,548.00
1003	local Licenses, Fines and Fees	5,000,000.00	408,910.00	205,120.00
1004	Earnings from commercial undertaking	10,000,000.00	650,800.00	1,608,900.00
1005	Rent on local government properties	7,000,000.00	1,100.00	455,000.00
1006	Interest on Dividends	-	-	-
1007	Grants	-	-	-
1008	Miscellaneous	4,000,000.00	1,434,300.00	1,615,427.10
	Total	35,000,000.00	3,117,110.00	6,073,995.10

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICE HOLDERS

Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
Office of the Executive Chairman	4,000,000.00	3,743,707.43	2,581,490.34
Office of the Vice Chairman	3,300,000.00	3,021,950.88	-
Office of the Supervisors	15,000,000.00	10,717,770.93	-
Office of the Special Advisers	9,000,000.00	7,812,337.61	-
Office of the Secretary	3,200,000.00	3,861,142.41	2,122,005.20
Legislative/General Council	30,500,000.00	29,837,142.51	15,729,795.62
Total	65,000,000.00	58,994,051.77	20,433,291.16

NOTE 4: PERSONNEL COSTS

Head	Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
2004	Administration	92,959,150.00	106,239,084.19	79,708,445.65
2005	Finance and Supplies	38,621,230.00	43,044,719.99	35,270,340.10
2006	Social Development, Information, Youth, Sports and Culture	38,469,890.00	34,925,788.27	26,322,446.09
2007	Primary Health Care	151,465,390.00	136,493,359.65	105,862,423.56
2008	Agriculture and Natural Resources	11,653,500.00	9,731,588.75	6,386,005.96
2009	Works and Housing, Lands and Survey	24,435,500.00	29,374,610.90	22,282,354.29
2010	Budget, Planning, Research and Statistics	10,289,740.00	10,320,158.00	7,183,234.96
2011	Traditional Rulers Office	2,105,600.00	-	-
	Total	370,000,000.00	370,129,309.75	283,015,250.61

NOTE5: OVERHEAD COSTS

Head	Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
2001A	Office of the Executive Chairman	40,000,000.00	32,895,000.00	5,900,000.00
2001B	Office of the Vice Chairman	7,000,000.00	2,010,000.00	-
2002A	Office of the Secretary	4,000,000.00	-	-
2002B	Office of the Supervisors	8,000,000.00	1,200,000.00	805,000.00
2002C	Office of the Special Advisers	6,000,000.00	675,000.00	300,000.00
2003A	Office of the Legislative/General Council	17,000,000.00	5,000,000.00	120,000.00
2003B	Office of the Leader	5,000,000.00	2,220,000.00	-
2003C	Office of the Deputy Leader	3,500,000.00	1,100,000.00	450,000.00
2003D	Office of the Majority Leader	3,000,000.00	1,000,000.00	-
2003E	Office of the Deputy Majority Leader	3,000,000.00	-	-
2003F	Office of the Chief Whip	3,000,000.00	1,000,000.00	-
2003G	Office of the Deputy Chief Whip	3,000,000.00	1,000,000.00	-
2003H	Office of the Clerk	3,000,000.00	1,050,000.00	-
2004A	Office of the Head of Local Government Service	7,000,000.00	1,116,000.00	355,000.00
2004B	Office of the Administration & General Services	8,000,000.00	1,715,400.00	858,500.00
2005	Finance & Supplies	5,000,000.00	1,146,810.18	582,840.00
2006	Education, Information & Sports	2,650,000.00	305,000.00	300,000.00
2007	Health	4,250,000.00	750,000.00	720,000.00
2008	Agriculture and Natural Resources	2,550,000.00	490,000.00	235,000.00
2009	Works and transport	2,850,000.00	2,052,700.00	780,000.00
2010	Budget, Planning, Research & Statistics	2,850,000.00	345,000.00	853,000.00
2011	Traditional Rulers Council	4,350,000.00	-	-
2012	Miscellaneous	55,000,000.00	22,504,850.00	12,993,364.42
	TOTAL	200,000,000.00	79,575,760.18	25,252,704.42

NOTE 6: CAPITAL EXPENDITURE

Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
Economic Sector	354,500,000.00	5,971,150.00	-
Social Sector	186,500,000.00	2,200,000.00	-
Environmental Sector	136,000,000.00	-	-
Administration Sector			
General Administration (Executive)	193,500,000.00	875,000.00	640,000.00
General Administration (Legislative)	100,000,000.00	1,750,000.00	400,000.00
Total	970,500,000.00	10,796,150.00	1,040,000.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2018		2017	
₦		₦	
2018 Advances	1,306,645,350.09	2017 Advances	1,223,047,425.06
2017 Advances	1,223,047,425.06	2016 Advances	1,213,388,925.06
	(83,597,925.03)		(9,658,500.00)

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2018		2017	
₦		₦	
2018 Deposits	437,299,582.19	2017 Deposits	415,715,316.61
2017 Deposits	415,715,316.61	2016 Deposits	412,171,302.51
	21,584,265.58		3,544,014.10

NOTE 9: CASH AND BANK BALANCES

Description	2018	2017
	₦	₦
CASH	5,965,915.03	6,359,716.05
BANKS:		
Zenith Bank A/c (Salary)	13,997,409.17	33,662,199.59
Zenith Bank A/c (Project)	3,795.33	7,996,725.93
Skye Bank	881,147.51	881,147.51
First Bank A/c No. 2014083367	66,937.56	27,788.56
FCMB	2,892,591.00	2,892,591.00
UBA	136,851.33	136,851.33
Sub Total Bank Bal.	17,978,731.90	45,597,303.92
Total	23,944,646.93	51,957,019.97

NOTE 10: ADVANCES

Detail	2018	2017
	₦	₦
Purchase Advances	1,099,031,299.29	1,028,327,373.26
ii Imprest	117,166,510.00	106,397,510.00
iii Touring	79,159,757.50	77,034,758.50
iv Salary/Special	1,687,400.00	1,687,400.00
v Motor Vehicle	9,600,383.30	9,600,383.30
Total	1,306,645,350.09	1,223,047,425.06

NOTE 11: DEPOSITS

Detail	2018	2017
	₦	₦
i. PAYE Tax	8,070,040.36	7,018,052.96
ii. NULGE Dues-State/ Branch	2,745,015.08	2,409,661.94
iii. NANNM	685,636.49	687,932.03
iv. VAT	26,840,852.49	26,840,852.49
v. Withholding Tax	23,465,180.91	23,465,180.91
vi. Pension Deductions	-	-
vii. Others	375,492,856.86	355,293,636.28
Total	437,299,582.19	415,715,316.61

OKOBO LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Okobo Government Council in accordance with the Provisions of the Model Financial Memoranda.

The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

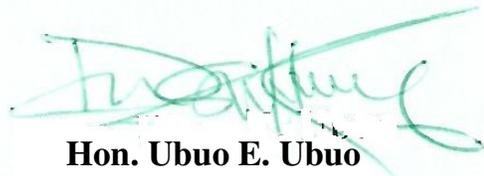
The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls has operated adequately throughout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

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Okobo Local Government Council as at 31st December, 2018 and its operations for the year ended on that date



Mrs. Rita A. Equere
Director of Finance:
Date: 08/08/2019



Hon. Ubuo E. Ubuo
Chairman
Date: 08/08/2019

AUDIT CERTIFICATE

The Executive Chairman
Okobo Local Government Council
Okopedi.

AUDIT CERTIFICATE ON THE ACCOUNTS OF OKOBO LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Okobo Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Okobo Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

OKOBO LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

(i) **Basis of Preparation of Financial Statements**

The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.

(ii) **Accounting Period**

A period of twelve months covering 1st January – 31st December, 2018

(iii) **Reporting Currency:**

The reporting currency is the Nigerian Naira.

(iv) **Basis of Consolidation**

The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.

(v) **Statutory Revenue**

Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.

(vi) **Internally Generated Revenue:**

This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.

(vii) **Payments**

These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.

(viii) **Cash Balances:**

This includes cash in hand, at bank and cash equivalents at the end of the financial year.

(ix) **Advances**

These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.

(x) **Deposits**

These are unremitted deductions and unpaid obligations to third parties on the reporting date.

OKOBO LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

CASHFLOW FROM OPERATING ACTIVITIES	Notes	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
RECEIPTS:				
Statutory Allocation	1	1,800,000,000.00	567,657,862.70	328,108,709.16
OTHERS: Derivation	1	300,000,000.00	-	-
Value Added Tax	1	300,000,000.00	-	-
State Allocation	1	30,000,000.00	-	-
Excess Crude	1	-	-	-
Stabilization	1	-	-	-
Taxes	2	1,000,000.00	-	-
Rates	2	2,500,000.00	700,000.00	500,000.00
Local License Fines & Fees	2	4,500,000.00	436,895.00	237,610.00
Earning from Commercial undertaking	2	16,000,000.00	402,100.00	1,437,000.00
Rent on Local Govt. Property	2	6,000,000.00	-	-
Interest and Dividends Receivable	2	-	-	-
Grants	2	-	-	43,000.00
Miscellaneous	2	10,000,000.00	1,026,500.00	1,797,000.00
TOTAL RECEIPTS		2,470,000,000.00	570,223,357.70	332,123,319.16
PAYMENTS:				
Consolidated Revenue Fund Charges:				
Political/Public Office Holders	3	91,300,000.00	62,977,982.18	20,206,527.68
Pension/Training Fund/Traditional Rulers Council	3	180,000,000.00	-	-
Funding of Primary Education	3	400,000,000.00	-	-
Internal Debt Servicing	3	12,000,000.00	-	-
Total Consolidated Revenue Fund Charges		683,300,000.00	62,977,982.18	20,206,527.68
Personnel Costs	4	390,727,400.00	381,541,608.27	249,430,543.99
Overhead Costs	5	234,690,000.00	80,342,777.00	38,752,346.91
TOTAL PAYMENTS		1,308,717,400.00	524,862,367.45	308,389,418.58
Net Cash flow from Operating activities (A)		1,161,282,600.00	45,360,990.25	23,733,900.58
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	1,483,554,200.00	37,288,000.00	226,225.00
Net Cash flow From Investing Activities (B)			(37,288,000.00)	(226,225.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceed from External Loans				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7		(33,378,940.00)	(2,500,544.95)
Increase/ Decrease in other Liabilities	8		8,263,918.83	2,302,927.59
Total Cash flow from other Cash equiv. Accounts C			(25,115,021.17)	(197,617.36)
Net Cashflow For the Year (A+B+C)			(17,042,030.92)	23,310,058.22
Cash and its equivalents as at 1st January, 2018	9		31,652,672.81	8,342,614.59
Cash and its equivalents as at 31 ST Dec, 2018	9		14,610,641.89	31,652,672.81

OKOBO LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	Notes	2018 ₦	2017 ₦
ASSETS:			
Liquid Assets:			
Cash in Hand	9	3,851,304.38	3,917,212.13
Cash at Bank	9	10,759,337.51	27,735,460.68
TOTAL LIQUID ASSETS:		14,610,641.89	31,652,672.81
Investments and Other Cash Assets:			
Advances	10	1,332,643,312.95	1,299,264,372.95
TOTAL ASSETS		1,347,253,954.84	1,330,917,045.76
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		1,033,521,891.20	1,025,448,900.95
OTHER LIABILITIES			
Deposits	11	313,732,063.64	305,468,144.81
TOTAL LIABILITIES		1,347,253,954.84	1,330,917,045.76

**OKOBO LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 3
STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER,
2018**

Actual 2017 N	Description	Notes	Initial Budget 2018 N	Supp-Budget 2018 N	Final Budget 2018 N	Actual 2018 N	Var. %
1,001,941,225.37	Opening Balance					1,025,448,900.95	
	ADD REVENUE:						
328,108,709.16	Statutory Allocation		1,800,000,000.00	-	1,800,000,000.00	567,657,862.70	(69)
-	Derivation		300,000,000.00	-	300,000,000.00	-	(100)
-	Value Added Tax		300,000,000.00	-	300,000,000.00	-	(100)
-	State Allocation		30,000,000.00	-	30,000,000.00	-	(100)
-	Excess Crude		-	-	-	-	-
-	Stabilization		-	-	-	-	-
328,108,709.16	Sub Total -Statutory Allocations		2,430,000,000.00	-	2,430,000,000.00	567,657,862.70	(77)
-	Taxes		1,000,000.00	-	1,000,000.00	-	(100)
500,000.00	Rates		2,500,000.00	-	2,500,000.00	700,000.00	(72)
237,610.00	Local License fines & fees		4,500,000.00	-	4,500,000.00	436,895.00	(90)
1,437,000.00	Earning from Commercial undertaking		16,000,000.00	-	16,000,000.00	402,100.00	(97)
-	Rent on Local Govt. Property		6,000,000.00	-	6,000,000.00	-	(100)
-	Interest & Dividends Receivable		-	-	-	-	-
43,000.00	Grants		-	-	-	-	-
1,797,000.00	Miscellaneous		10,000,000.00	-	10,000,000.00	1,026,500.00	(90)
4,014,610.00	Sub Total IGR		40,000,000.00	-	40,000,000.00	2,565,495.00	(93)
1,334,064,544.53	TOTAL REVENUE		2,470,000,000.00	-	2,470,000,000.00	1,595,672,258.65	(35)
	EXPENDITURE:						
	Consolidated Revenue Fund Charges:						
20,206,527.68	Political/Public Office Holders		91,300,000.00	-	91,300,000.00	62,977,982.18	31
-	Pensions/Training Fund/Traditional Rulers Council		180,000,000.00	-	180,000,000.00	-	100
-	Funding of Primary Education		400,000,000.00	-	400,000,000.00	-	100
-	Internal Debt Servicing		12,000,000.00	-	12,000,000.00	-	100
20,206,527.68	Sub Total CRFC		683,300,000.00	-	683,300,000.00	62,977,982.18	91
249,430,543.99	Personnel Costs		390,727,400.00	-	390,727,400.00	381,541,608.27	2
38,752,346.91	Overhead Costs		234,690,000.00	-	234,690,000.00	80,342,777.00	66
308,389,418.58	Total Expenditure		1,308,717,400.00	-	1,308,717,400.00	524,862,367.45	60
1,025,675,125.95	Operating Balance		1,161,282,600.00	-	1,161,282,600.00	1,070,809,891.20	8
226,225.00	Transfer to Capital Dev Fund		1,483,554,200.00	-	1,483,554,200.00	37,288,000.00	26
1,025,448,900.95	Closing Balance					1,033,521,891.20	

**OKOBO LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 4**

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2018

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
	Transfer from Consolidated Rev. Fund A	1,483,554,200.00	-	1,483,554,200.00	37,288,000.00	
	Less Capital Expenditure:					
-	ECONOMIC SECTOR	447,000,000.00	-	447,000,000.00	7,100,000.00	98
-	SOCIAL SECTOR:-	335,000,000.00	-	335,000,000.00	9,363,000.00	99
-	ENVIRONMENTAL/REGIONAL DEV.	54,000,000.00	-	54,000,000.00	3,650,000.00	93
			-			
226,225.00	GENERAL ADMINISTRATION	647,554,200.00	-	647,554,200.00	17,175,000.00	99
226,225.00	TOTAL EXPENDITURE B	1,483,554,200.00	-	1,483,554,200.00	37,288,000.00	
	CLOSING BALANCE	0	0	0	0	

NOTES TO THE ACCOUNTS

NOTE 1: STATUTORY ALLOCATION

MONTHS	2018 N	2017 N
January	44,425,483.04	24,398,759.99
February	36,902,778.80	27,702,520.86
March	36,670,292.50	24,370,284.69
April	41,244,915.50	30,114,830.84
May	43,582,404.99	24,249,321.87
June	44,880,767.18	28,532,560.23
July	48,311,537.07	33,198,958.03
August	46,701,433.92	26,197,452.04
September	50,555,626.35	28,783,885.07
October	77,729,594.98	28,007,761.54
November	50,146,820.13	27,030,872.71
December	46,506,208.24	25,521,501.29
TOTAL	567,657,862.70	328,108,709.16

NOTE 2: INTERNALLY GENERATED REVENUE

HEAD	DESCRIPTION	BUDGET 2018 N	ACTUAL 2018 N	ACTUAL 2017 N
1001	Taxes		-	-
1002	Rates	1,000,000.00	700,000.00	500,000.00
1003	Local License fees and fines	2,500,000.00	436,895.00	237,610.00
1004	Earnings from Comm. Undertakings	4,500,000.00	402,100.00	1,437,000.00
1005	Rent on Local Government property	16,000,000.00	-	-
1006	Miscellaneous	6,000,000.00	-	-
1007	Grants	-	-	43,000.00
1008	Miscellaneous	10,000,000.00	1,026,500.00	1,797,000.00
	TOTAL	40,000,000.00	2,565,495.00	4,014,610.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICEHOLDERS

DESCRIPTION	BUDGET 2018 N	ACTUAL 2018 N	ACTUAL 2017 N
Office of the Executive Chairman	5,600,000.00	5,245,998.59	20,206,527.68
Office of the V/Chairman	4,900,000.00	3,576,437.28	-
Office of the Supervisors	19,200,000.00	10,435,526.86	-
Office of the Special Advisers	19,200,000.00	8,031,469.91	-
Office of the Secretary	3,500,000.00	2,865,169.88	-
Legislative/General Council	38,900,000.00	32,823,379.66	-
Total	91,300,000.00	62,977,982.18	20,206,527.68

NOTE 4: PERSONNEL COSTS

HEAD	DESCRIPTION	BUDGET 2018 N	ACTUAL 2018 N	ACTUAL 2017 N
2004	Administration	122,783,000.00	137,410,724.25	87,052,028.71
2005	Finance and Supplies	76,035,800.00	68,566,961.28	41,387,355.00
2006	Education	37,617,100.00	30,881,931.75	22,631,634.96
2007	Health and Social Services	90,994,900.00	102,651,123.91	67,336,495.27
2008	Agric. & Natural Resources	18,607,800.00	11,256,185.33	7,141,541.90
2009	Works and Housing	21,550,500.00	20,628,655.42	14,048,074.91
2010	Budget, Planning & Research	16,390,190.00	-	-
2011	Traditional Ruler's Council	6,748,200.00	10,146,026.33	9,833,413.24
	Total	390,727,400.00	381,541,608.27	249,430,543.99

NOTE 5: OVERHEAD COSTS

HEAD	DESCRIPTION	BUDGET 2018 N	ACTUAL 2018 N	ACTUAL 2017 N
2001A	Office of the Chairman	36,050,000.00	28,658,500.00	8,091,000.00
2001B	Office of the Vice Chairman	11,020,000.00	5,263,100.00	-
2002A	Office of the Secretary	7,140,000.00	1,145,000.00	-
2002B	Office of the Special Advisers	5,400,000.00	450,000.00	-
2002C	Office of the Supervisors	7,000,000.00	522,000.00	130,000.00
2003A	Office of the Clerk	2,400,000.00	400,000.00	-
2003B	Office of the Leader	6,100,000.00	-	-
2003C	The Office of the Deputy Leader	3,600,000.00	-	-
2003D	Office of the Majority Leader	3,140,000.00	170,000.00	-
2003E	Office of the Dep. Majority Leader	3,000,000.00	170,000.00	-
2003F	Office of the Chief Whip	2,500,000.00	-	-
2003G	Office of the Dep. Chief Whip	2,300,000.00	-	-
2003H	Office of the Minority Leader	3,000,000.00	160,000.00	-
2003I	Office of the Dep. Minority Leader	2,500,000.00	-	-
2003J	General Council	15,400,000.00	5,800,000.00	-
2004A	Office of the HOS L/G	10,400,000.00	639,487.00	923,925.00
2004B	Director of Administration & General Services	10,100,000.00	1,214,000.00	1,273,988.00
2005	Finance and Supplies	11,160,000.00	4,482,940.00	2,583,070.00
2006	Education	5,530,000.00	130,000.00	63,100.00
2007	Health and Social Services	6,250,000.00	937,500.00	64,410.00
2008	Agriculture	5,550,000.00	125,000.00	150,000.00
2009	Works and Housing	6,700,000.00	872,000.00	444,092.00
2010	Budget, Planning & Research	6,050,000.00	200,000.00	71,500.00
2011	Traditional Rulers Council	2,100,000.00	-	-
2012	Miscellaneous	60,300,000.00	29,003,250.00	24,957,261.91
	Total	234,690,000.00	80,342,777.00	38,752,346.91

NOTE 6: CAPITAL EXPENDITURE

DESCRIPTION	BUDGET 2018 N	ACTUAL 2018 N	ACTUAL 2017 N
Economic Sector	447,000,000.00	7,100,000.00	-
Social Sector	335,000,000.00	9,763,000.00	-
Environmental Sector	54,000,000.00	3,650,000.00	-
Administrative Sector:			
General Administration (Executive)	384,154,200.00	12,865,000.00	226,225.00
General Administration (Legislative)	263,400,000.00	4,310,000.00	-
Total	1,483,554,200.00	37,288,000.00	226,225.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2018 N		2017 N	
2018 Advances	1,332,643,312.95	2017 Advances	1,299,264,372.95
2017 Advances	1,299,264,372.95	2016 Advances	1,296,763,828.00
	(33,378,940.00)		(2,500,544.95)

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2018 N		2017 N	
2018 Deposits	313,732,063.64	2017 Deposits	305,468,144.81
2017 Deposits	305,468,144.81	2016 Deposits	303,165,217.22
	8,263,918.83		2,302,927.59

NOTE 9: CASH AND BANK BALANCES

DESCRIPTION	2018 N	2017 N
Cash in Hand	3,851,304.38	3,917,212.13
Cash at Bank:		
Zenith Bank A/c	5,260,567.28	5,210.85
Zenith Bank A/c	84,854.57	56,333.97
Zenith Bank A/c	5,229,019.07	27,673,915.86
UBA A/c	184,896.59	-
Sub Total	10,759,337.51	27,735,460.68
Total	14,610,641.89	31,652,672.81

NOTE 10: ADVANCES

DETAIL	2018 N	2017 N
Purchases Advance	1,018,156,213.72	994,913,213.72
Imprest Advance	206,344,919.00	198,433,419.00
Touring Advance	98,706,776.70	96,482,336.70
Salary Advance	8,593,532.68	8,593,532.68
Motor Vehicle	841,870.85	841,870.85
Others	-	-
TOTAL	1,332,643,312.95	1,299,264,372.95

NOTE 11: DEPOSITS

DETAIL	2018 N	2017 N
PAYE Tax	1,066,680.37	1,266,680.37
NULGE Dues-State/Branch	2,464,289.40	2,464,239.40
NANNM	634,410.88	307,221.19
VAT	-	-
Withholding Tax	879,950.00	879,950.00
Pension Fund	13,228,229.75	13,228,229.75
OTHERS	295,458,503.24	287,321,824.10
TOTAL	313,732,063.64	305,468,144.81

ONNA LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Onna Government Council in accordance with the Provisions of the Model Financial Memoranda.

The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls 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 International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Onna Local Government Council as at 31st December, 2019 and its operations for the year ended on that date.



Mr. Christian H. Akpan
Director of Finance
Date: 07/08/2019



Rt. Hon. Imo S. Attat
Chairman
Date: 07/08/2019

AUDIT CERTIFICATE

The Executive Chairman
Onna Local Government Council
Abat.

AUDIT CERTIFICATE ON THE ACCOUNTS OF ONNA LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Onna Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Onna Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

ONNA LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

CASHFLOW FROM OPERATING, ACTIVITIES	Notes	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
RECEIPTS:				
Statutory Allocation	1	1,200,000,000.00	571,689,648.11	375,692,004.44
OTHERS: Derivation	1	250,000,000.00	-	-
Value Added Tax	1	300,000,000.00	-	-
State Allocation	1	30,000,000.00	-	-
Excess Crude	1	-	-	-
Stabilization	1	-	-	-
Taxes	2	2,950,000.00	-	15,900.00
Rates	2	9,050,000.00	530,000.00	850,000.00
Local License fines and fees	2	5,676,000.00	117,000.00	937,774.00
Earning from commercial undertaking	2	4,900,000.00	354,500.00	560,500.00
Rent on Local Govt. Property	2	4,424,000.00	-	30,000.00
Interest & Dividends Receivable	2	-	-	-
Grants	2	-	-	-
Miscellaneous	2	13,000,000.00	1,783,600.00	10,022,724.21
TOTAL RECEIPTS		1,780,000,000.00	574,474,748.11	388,108,902.65
PAYMENTS:				
Consolidated Rev. Fund Charges:				
Political/Public Office Holders	3	70,000,000.00	72,286,662.35	19,011,227.20
Pensions Training Fund/Traditional Rulers Council	3	200,000,000.00	-	-
Funding of Primary Education	3	600,000,000.00	-	-
Internal Debt Servicing	3	20,000,000.00	-	-
Total Consolidated Revenue Fund Charges		890,000,000.00	72,286,662.35	19,011,227.20
Personnel Costs	4	350,000,000.00	362,292,052.79	364,232,826.85
Overhead Costs	5	220,000,000.00	83,464,615.45	26,753,341.92
TOTAL PAYMENTS		1,460,000,000.00	518,043,330.59	409,997,395.96
Net Cash flow from Operating Activities A		581,000,000.00	56,431,417.52	(21,888,493.31)
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	221,000,000.00	226,141,002.72	45,517,795.26
Net cash flow from Investing Activities B			(226,141,002.72)	(45,517,795.26)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceed from External Loans				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7		131,544,321.53	102,415,890.01
Increase/ Decrease in other Liabilities	8		7,457,721.12	4,418,232.18
Total Cash flow from other Cash equiv. Accounts C			139,002,042.65	106,834,122.19
Net Cashflow For the Year (A+B+C)			(30,707,542.55)	39,427,833.62
Cash and its equivalents as at 1st January, 2018	9		42,388,736.33	2,960,902.71
Cash and its equivalents as at 31 ST Dec, 2018	9		11,681,193.78	42,388,736.33

ONNA LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	Notes	2018 ₦	2017 ₦
ASSETS:			
Liquid Assets:			
Cash in Hand	9	12,000.00	-
Cash at Bank	9	11,669,193.78	42,388,736.33
TOTAL LIQUID ASSETS:		287,515,080.98	280,057,359.86
Investments and Other Cash Assets:			
Advances	10	957,140,534.05	1,088,684,855.58
TOTAL ASSETS		968,821,727.83	1,131,073,591.91
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		681,306,646.85	851,016,232.05
OTHER LIABILITIES			
Deposits	11	287,515,080.98	280,057,359.86
TOTAL LIABILITIES		968,821,727.83	1,131,073,591.91

**ONNA LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 3
STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2018**

Actual 2017 ₦	DESCRIPTION	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
918,422,520.63	Opening Balances	-	-	-	851,016,232.05	
	Add Revenue:				-	
375,692,004.44	Statutory Allocation	1,200,000,000.00	-	1,200,000,000.00	571,689,648.11	(52)
-	Derivation	250,000,000.00	-	250,000,000.00	-	(100)
-	Value Added Tax	300,000,000.00	-	300,000,000.00	-	(100)
-	State Allocation	30,000,000.00	-	30,000,000.00	-	(100)
-	Excess Crude	-	-	-	-	
-	Stabilization	-	-	-	-	
375,692,004.44	Sub Total Statutory Allocation	1,780,000,000.00	-	1,780,000,000.00	571,689,648.11	(68)
15,900.00	Taxes	2,950,000.00	-	2,950,000.00	530,000.00	(82)
850,000.00	Rates	9,050,000.00	-	9,050,000.00	117,000.00	(98)
937,774.00	Local License fines and fees	5,676,000.00	-	5,676,000.00	354,500.00	(93)
560,500.00	Earning from commercial undertaking	4,900,000.00	-	4,900,000.00	-	(100)
30,000.00	Rent on Local Govt. Property	4,424,000.00	-	4,424,000.00	-	-
-	Interest & Dividends Receivable	-	-	-	-	-
-	Grants	-	-	-	-	
10,022,724.21	Miscellaneous	13,000,000.00	-	13,000,000.00	1,783,600.00	(86)
12,416,898.21	Sub. Total IGR	40,000,000.00	-	40,000,000.00	2,785,100.00	(95)
1,306,531,423.28	TOTAL REVENUE	1,820,000,000.00	-	1,820,000,000.00	1,425,490,980.16	(22)
	EXPENDITURE					
	Consolidated Rev. Fund Charges		-			
19,011,227.20	Political/Public Office Holders	70,000,000.00	-	70,000,000.00	72,286,662.35	33
-	Pensions/Training Fund/Traditional Rulers Council	200,000,000.00	-	200,000,000.00	-	100
-	Funding of Primary Education	600,000,000.00	-	600,000,000.00	-	100
-	Internal Debt Servicing	20,000,000.00	-	20,000,000.00	-	100
19,011,227.20	Sub Total CRFC	890,000,000.00	-	890,000,000.00	72,286,662.35	92
364,232,826.85	Personnel Costs	350,000,000.00	-	350,000,000.00	362,292,052.79	35
26,753,341.92	Overhead Costs	220,000,000.00	-	220,000,000.00	83,464,615.45	62
409,997,395.97	TOTAL EXPENDITURE	1,460,000,000.00	-	1,460,000,000.00	518,043,330.59	
896,534,027.31	Operating Balance		-		907,447,649.57	
45,517,795.26	Transfer to Capital Dev. Fund	581,000,000.00	-	581,000,000.00	(226,141,002.72)	61
851,016,232.05	CLOSING BALANCE	221,000,000.00	-	221,000,000.00	681,306,646.85	2

**ONNA LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 4
STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER,
2018**

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
45,517,795.26	Transfer from Consolidated Rev. Fund A	581,000,000	-	581,000,000	226,141,002.72	61
	Less Capital Expenditure					
5,871,500.00	ECONOMIC SECTOR	165,100,000.00	-	165,100,000.00	689,530.72	95
2,730,000.00	SOCIAL SECTOR	1,080,000,000.00	-	1,080,000,000.00	6,550,000.00	99
6,066,400.00	ENVIRONMENTAL /REG. DEV.	81,400,000.00	-	81,400,000.00	280,000.00	65
			-			
30,849,895.26	GENERAL ADMINISTRATION	226,000,000.00	-	226,000,000.00	218,621,472.00	34
45,517,795.26	Total Expenditure	581,000,000	-	581,000,000	226,141,002.72	
0	Closing Balance	0	0	0	0	65

NOTES TO THE ACCOUNTS

NOTE 1: STATUTORY ALLOCATION

MONTHS	2018 ₦	2017 ₦
January	38,853,618.62	-
February	39,145,547.17	29,623,251.23
March	38,626,621.19	31,357,392.25
April	43,795,493.65	29,325,471.13
May	46,275,838.57	32,093,636.89
June	47,532,712.71	29,091,917.26
July	50,635,186.41	30,733,536.44
August	49,700,541.24	34,070,943.83
September	52,700,365.04	30,503,927.22
October	63,257,680.43	32,415,848.82
November	49,898,071.17	31,109,979.60
December	51,267,971.91	65,366,099.77
Total	571,689,648.11	375,692,004.44

NOTE 2: INTERNALLY GENERATED REVENUE

HEAD	DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
1001	Taxes	2,950,000	-	15,900.00
1002	Rates	9,050,000	530,000.00	850,000.00
1003	Local Licenses Fines and Fees	5,676,000	117,000.00	937,774.00
1004	Earnings from Commercial Undertaking	4,900,000	354,500.00	560,500.00
1005	Rent on Local Government Properties	4,424,000	-	30,000.00
1006	Interest on Dividends	-	-	-
1007	Grants	-	-	-
1008	Miscellaneous	13,000,000	1,783,600.00	10,022,724.21
	Total	40,000,000	2,785,100.00	12,416,898.21

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICE HOLDERS

DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
Office of the Chairman	4,500,000	3,542,518.36	19,011,227.20
Office of the Vice Chairman	3,500,000	3,326,918.40	-
Supervisor	13,750,000	15,771,577.20	-
Special Advisers	11,000,000	10,508,371.03	-
Secretary to Council	3,500,000	3,154,315.44	-
Office of the Leader	3,500,000	3,245,199.12	-
Councilors	16,500,000	20,750,073.96	-
House/Deputy Leader	5,500,000	2,964,496.28	-
Deputy Leader	2,750,000	3,094,200.00	-
Chief/Deputy Chief Whip	5,500,000	5,928,992.56	-
Pension Training Fund/ Traditional Rulers	200,000,000	-	-
Funding of Training Education	600,000,000	-	-
Internal Debt Servicing	20,000,000	-	-
Total	890,000,000	72,286,662.35	19,011,227.20

NOTE 4: PERSONNEL COSTS

Head	Departments	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
2004	Administration	63,594,886.00	89,304,109.63	79,878,545.39
2005	Finance and Supplies	38,276,685.00	56,608,034.15	48,937,236.24
2006	Social Development Information Youth Sports and Culture	33,327,491.00	35,996,838.23	31,853,358.40
2007	Primary Health Care	170,287,883.00	124,483,821.36	155,063,086.03
2008	Agriculture and Natural Resources	8,554,701.00	9,295,402.71	7,545,555.18
2009	Works and Housing Lands & Survey	23,406,693.00	36,104,096.07	32,365,449.89
2010	Traditional Rulers Office	4,167,736.00	505,680.00	-
2011	Budget Planning Research and Statistics	8,383,925.00	9,994,070.64	8,589,595.72
	Total	350,000,000.00	362,292,052.79	364,232,826.85

NOTE 5: OVERHEAD COSTS

HEAD	DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
2001A	Office of the Executive Chairman	35,500,000.00	33,108,890.00	10,482,000.00
2001B	Office of the Vice Chairman	8,600,000.00	-	-
2002A	Office of the Secretary	6,040,000.00	1,750,000.00	665,000.00
2002B	Office of the Supervisors	6,800,000.00	-	-
2002C	Office of the Special Advisers	6,600,000.00	-	-
2003A	Office of the Legislative/General Council	10,800,000.00	19,131,250.00	1,514,992.00
2003B	Office of the Leader	7,540,000.00	-	-
2003C	Office of the Deputy Leader	5,820,000.00	-	-
2003D	Office of the Majority Leader	6,000,000.00	-	-
2003E	Office of the Deputy Majority Leader	5,200,000.00	-	-
2003F	Office of the Chief Whip	3,800,000.00	-	-
2003G	Office of the Deputy Chief Whip	3,700,000.00	-	-
2003H	Office of the Clerk	3,500,000.00	-	-
2004A	Office of the Head of Local Government Service	8,000,000.00	3,379,234.48	1,402,308.00
2004B	Office of the Administration & General Services	11,000,000.00	-	-
2005	Finance and Supplies	10,200,000.00	3,429,307.11	1,261,514.21
2006	Education Information & Sports	5,100,000.00	514,000.00	141,350.00
2007	Health	9,700,000.00	1,380,500.00	650,000.00
2008	Agricultural/Natural Resources	4,000,000.00	540,000.00	220,000.00
2009	Works and Transport	8,300,000.00	205,000.00	280,000.00
2010	Budget, Planning, Research & Statistics	4,900,000.00	455,000.00	260,000.00
2011	Traditional Rulers Council	3,400,000.00	945,000.00	630,000.00
2012	Miscellaneous	45,500,000.00	18,626,433.86	9,246,177.71
	Total	220,000,000.00	83,464,615.45	26,753,341.92

NOTE 6: CAPITAL EXPENDITURE

DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
Economic Sector	165,100,000.00	689,530.72	5,851,500.00
Social Sector	108,000,000.00	6,550,000.00	2,730,000.00
Environmental Sector	81,400,000.00	280,000.00	6,066,400.00
Administration Sector			
General Administration (Executive)	226,500,000.00	218,621,472.00	30,869,895.26
General Administration (Legislative)	-	-	-
Total	581,000,000.00	226,141,002.72	45,517,795.26

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2018 ₦		2017 ₦	
Advances 2017	1,088,684,855.58	Advances 2016	1,191,100,745.59
Advances 2018	957,140,534.05	Advances 2017	1,088,684,855.58
	131,544,321.53		102,415,890.01

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2018 ₦		2017 ₦	
2018 Deposits	287,515,080.98	Deposits 2017	280,057,359.86
2017 Deposits	280,057,359.86	Deposits 2016	275,639,127.68
	7,457,721.12		4,418,232.18

NOTES 9: CASH AND BANK BALANCES

DETAILS	2018 ₦	2017 ₦
Cash in hand	12,000.00	-
At BANK:		
(i) Zenith Bank – 1010915485	45.33	45.33
(ii) Zenith Bank – 1011731798	932.25	932.25
(iii) Zenith Bank – 1014046439	8,907.06	3,225.92
(iv) Zenith Bank – 1014046422	192,592.17	192,592.47
(v) Skye Bank – 4040014437	317,175.82	285,256.66
(vi) Skye Bank 4040013777	-	16,956.08
(vii) UBA PLC – 1006216255	268,819.41	268,819.41
(viii) Fidelity Bank – 5030040218	227,678.00	227,678.00
(ix) Zenith Bank – 1014557050	10,648,918.59	41,393,230.21
(x) Zenith Bank - 1015487921	4,125.15	-
Total	11,681,193.78	42,388,736.33

NOTE 10: ADVANCES

S/N	DETAILS	2018 ₦	2017 ₦
I	Purchases Advances	487,516,124.05	579,214,159.15
II	Impress	252,528,120.00	265,035,069.43
III	Touring	160,237,970.00	187,006,267.00
IV	Salary/Special	2,903,221.00	3,474,261.00
V	Motor Vehicle	37,800,099.00	37,800,099.00
VI	Fueling/Car Maintenance	16,155,000.00	16,155,000.00
	Total	957,140,534.05	1,088,684,855.58

NOTE 11: DEPOSITS

DETAILS	2018 ₦	2017 ₦
(i) PAYE Tax	24,729,262.44	23,588,758.00
(ii) NULGE Dues State/Branch	2,078,249.07	-
(iii) NANNM	(2,067,665.61)	-
(iv) VAT	3,308,222.00	3,308,222.00
(v) Withholding Tax	7,145,680.00	7,145,680.00
(vi) Pension Deduction	7,521,855.73	7,521,855.73
(vii) NULGE Dues	2,078,249.07	1,694,605.00
(viii) Others	242,721,228.28	236,798,239.13
TOTAL	287,515,080.98	280,057,359.86

ORON LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Oron Government Council in accordance with the Provisions of the Model Financial Memoranda.

The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls 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 International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Oron Local Government Council as at 31st December, 2019 and its operations for the year ended on that date



Mrs. Enobong S. Andrews

Director of Finance

Date: 03/06/2019



Rt. Hon. Anthony B. Etim

Chairman

Date: 03/06/2019

AUDIT CERTIFICATE

The Executive Chairman
Oron Local Government Council
Oron.

AUDIT CERTIFICATE ON THE ACCOUNTS OF ORON LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Oron Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Oron Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

ORON LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

- (i) **Basis of Preparation of Financial Statements**
The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.
- (ii) **Accounting Period**
A period of twelve months covering 1st January – 31st December, 2018
- (iii) **Reporting Currency:**
The reporting currency is the Nigerian Naira.
- (iv) **Basis of Consolidation**
The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.
- (v) **Statutory Revenue**
Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.
- (vi) **Internally Generated Revenue:**
This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.
- (vii) **Payments**
These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.
- (viii) **Cash Balances:**
This includes cash in hand, at bank and cash equivalents at the end of the financial year.
- (ix) **Advances**
These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.
- (x) **Deposits**
These are unremitted deductions and unpaid obligations to third parties on the reporting date.

ORON LOCAL GOVERNMENT COUNCIL

STATEMENT NO.1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

CASHFLOW FROM OPERATING ACTIVITIES	Notes	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
RECEIPTS:				
Statutory Allocations	1	1,500,000,000.00	510,420,786.59	290,048,228.71
Derivation	1	300,000,000.00	-	--
Value Added Tax (VAT)	1	300,000,000.00	-	-
State Allocation	1	30,000,000.00	-	-
Excess Crude	1	-	-	-
Stabilization	1	-	-	-
Total – Stat. Allocation		2,155,000,000.00	510,420,786.59	290,048,228.71
Taxes	2	3,000,000.00	15,000.00	-
Rates	2	2,370,000.00	-	1,389,774.00
Local Licenses and fees	2	4,420,000.00	6,176,360.00	973,550.00
Earnings from Comm. Undertaking	2	6,850,000.00	518,000.00	588,000.00
Rent on Local Govt. Property	2	3,600,000.00	155,000.00	-
Interest Payments & Dividends	2	200,000.00	-	-
Miscellaneous	2	4,560,000.00	4,856,268.39	1,114,855.53
Total IGR			11,720,628.39	4,066,179.53
Total Revenue			522,141,414.98	294,114,408.24
Expenditure				
Consolidated Revenue Fund Charge:				
Political/ Public Office Holders	3	63,000,000.00	59,645,176.49	21,205,462.56
Pension/Training Fund/ TRC	3	250,000,000.00	-	-
Funding of Prim. Education	3	680,000,000.00	-	-
Internal Debt Servicing	3	30,000,000.00	-	-
Total Consolidated Revenue Fund Charge:	3	1,023,000,000.00	59,645,176.49	21,205,462.56
Personnel Costs	4	320,000,000.00	317,019,703.19	236,654,439.50
Overhead Costs	5	245,550,000.00	130,854,141.00	106,231,103.42
Total Payments		1,588,550,000.00	507,519,020.68	364,091,005.48
Net Cash Flow From Operating Activities (A)		566,450,000.00	14,622,394.30	(69,976,597.24)
Cash Flow From Investing Activities				
Capital Expenditure	6	705,500,000.00	(56,119,600.00)	(383,977,670.14)
Net Cash Flow From Investing Activities (B)			(56,119,600.00)	(383,977,670.14)
Cash Flow From Financing Activities				
Proceed from External Loans				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7		25,054,037.39	463,628,004.59
Increase/ Decrease in other Liabilities	8		8,147,126.74	1,724,902.28
Total Cash flow from other Cash equiv. Accounts C			33,201,164.13	465,352,906.87
Net Cashflow For the Year (A+B+C)			(8,296,041.57)	11,398,639.49
Cash and its equivalents as at 1st January, 2018	9		16,866,256.27	5,467,616.78
Cash and its equivalents as at 31 st Dec, 2018	9		8,570,214.70	16,866,256.27

ORON LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	Notes	2018 ₦	2017 ₦
ASSETS:			
Liquid Assets:			
Cash in Hand	9	376,434.51	4,434.84
Cash at Bank	9	8,193,780.19	16,861,821.43
TOTAL LIQUID ASSETS:		8,570,214.70	16,866,256.27
Investments and Other Cash Assets:			
Advances	10	366,540,627.94	391,594,665.33
TOTAL ASSETS		<u>375,110,842.64</u>	<u>408,460,921.60</u>
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		209,800,289.20	251,297,494.90
OTHER LIABILITIES			
Deposits	11	165,310,553.44	157,163,426.70
TOTAL LIABILITIES		<u>375,110,842.64</u>	<u>408,460,921.60</u>

**ORON LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 3**

**STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER,
2018**

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
705,251,762.28	Opening Balance				251,297,494.90	
	ADD REVENUE:					
	Internal Generated Revenue:					
290,048,228.71	Federal Allocations	1,500,000,000.00	-	1,500,000,000.00	510,420,786.59	(66)
-	Derivation	300,000,000.00	-	300,000,000.00	-	(100)
-	Value Added Tax (VAT)	300,000,000.00	-	300,000,000.00	-	(100)
-	State Allocation	30,000,000.00	-	30,000,000.00	-	(100)
-	Excess Crude	-	-	-	-	-
-	Stabilization	-	-	-	-	-
290,048,228.71	Sub Total – Stat. Allocation	2,130,000,000.00	-	2,130,000,000.00	510,420,786.59	(76)
-	Taxes	3,000,000.00	-	3,000,000.00	15,000.00	(99)
1,389,774.00	Rates	2,370,000.00	-	2,370,000.00	-	(100)
973,550.00	Local Licenses and fees	4,420,000.00	-	4,420,000.00	6,176,360.00	40
588,000.00	Earnings from Comm. Undertaking	6,850,000.00	-	6,850,000.00	518,000.00	(92)
-	Rent on Local Govt. Property	3,600,000.00	-	3,600,000.00	155,000.00	(96)
-	Internal Payments & Dividends	200,000.00	-	200,000.00	-	(100)
1,114,855.53	Miscellaneous	4,560,000.00	-	4,560,000.00	4,856,268.39	(7)
4,066,179.53	TOTAL IGR	25,000,000.00	-	25,000,000.00	11,720,628.39	(53)
999,366,170.52	Total Revenue	2,155,000,000.00	-	2,155,000,000.00	773,438,909.88	(76)
	EXPENDITURE					
	Consolidated Revenue Fund Charge:					
21,205,462.56	Political/Public Office Holders	63,000,000.00	-	63,000,000.00	59,645,176.49	99
-	Pension/Training Fund/TRC	250,000,000.00	-	250,000,000.00	-	100
-	Funding of Prim. Education	680,000,000.00	-	680,000,000.00	-	100
-	Internal Debt Servicing/Charges	30,000,000.00	-	30,000,000.00	-	100
21,205,462.56	Sub Total- CRFC	1,023,000,000.00	-	1,023,000,000.00	59,645,176.49	94
236,654,439.50	Personnel Costs	320,000,000.00	-	320,000,000.00	317,019,703.19	1
106,231,103.42	Overhead Costs	245,550,000.00	-	245,550,000.00	130,854,141.00	35
364,091,005.48	Total –Expenditure	1,588,550,000.00	-	1,588,550,000.00	507,519,020.68	68
635,275,165.04	Operating Balance	566,450,000.00	-	566,450,000.00	265,919,889.20	
383,977,670.14	Transfer to Capital Dev. Fund	705,500,000.00	-	705,500,000.00	56,119,600.00	92
251,297,494.90	Closing Balance				209,800,289.20	

ORON LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2018

Actual 2017 ₪	Description of Items	Initial Budget 2018 ₪	Supp-Budget 2018 ₪	Final Budget 2018 ₪	Actual 2018 ₪	Var. %
383,977,670.14	Transfer from Consolidated Fund	705,500,000.00	-	705,500,000.00	56,119,600.00	92
	Less Capital Expenditure:					
208,674,289.59	ECONOMIC SECTOR	251,500,000.00	-	251,500,000.00	7,572,005.00	97
82,111,422.00	SOCIAL SECTOR	160,000,000.00	-	160,000,000.00	2,000,000.00	
5,765,000.00	ENVIRONMENTAL SECTOR	49,000,000.00	-	49,000,000.00	12,920,095.00	74
			-			
22,750,927.55	ADMINISTRATION SECTOR	245,000,000.00	-	245,000,000.00	33,027,500.00	87
383,977,670.14	GRAND TOTAL	705,500,000.00	-	705,500,000.00	56,119,600.00	92

NOTES TO THE ACCOUNT

NOTE 1 - STATUTORY ALLOCATION

MONTHS	2018 ₦	2017 ₦
January	32,594,545.44	21,998,096.22
February	34,124,442.39	24,149,132.28
March	34,048,566.14	21,998,096.22
April	38,119,909.57	21,998,096.22
May	41,384,886.45	21,886,604.60
June	42,116,650.93	23,728,223.78
July	45,503,689.15	27,855,521.79
August	46,545,725.88	23,424,940.18
September	47,999,989.28	25,610,609.28
October	56,209,739.52	24,917,553.16
November	47,439,576.82	22,863,658.93
December	44,333,065.02	29,617,696.10
Total	<u>510,420,786.59</u>	<u>290,048,228.71</u>

NOTE 2. INTERNALLY GENERATED REVENUE

HEAD	DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
1001	Taxes	3,000,000.00	15,000.00	-
1002	Rates	2,370,000.00	-	1,389,774.00
1003	Local Licenses Fines and Fees	4,420,000.00	6,176,360.00	973,550.00
1004	Earnings from Comm. Undertaking	6,850,000.00	518,000.00	588,000.00
1005	Rent on Local Government Properties	3,600,000.00	155,000.00	-
1006	Interest on Dividends	200,000.00	-	-
1007	Grants	-	-	-
1008	Miscellaneous	4,560,000.00	4,856,268.39	1,114,855.53
	Total	25,000,000.00	11,720,628.39	4,066,179.53

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICE HOLDERS

DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
Office of the Executive Chairman	5,000,000.00	3,959,779.64	2,823,993.98
Office of the Vice Chairman	4,000,000.00	3,780,720.34	-
Office of the Secretary	3,000,000.00	3,595,172.15	2,341,279.08
Office of the Supervisors	14,500,000.00	17,342,979.30	14,005,155.33
Office of the Special Advisers	6,000,000.00	2,018,424.07	2,035,034.17
Legislative/ General Council	30,500,000.00	28,948,100.99	-
Total	63,000,000.00	59,645,176.49	21,205,462.56

NOTE 4: PERSONNEL COSTS:

Head	DEPARTMENTS	Budget 2018 N	Actual 2018 N	Actual 2017 N
2001	Office of the Chairman	1,332,220.00	-	-
2002	Office of the secretary	334,340.00	-	-
2004A	Office of the Head of Service	3,254,980.00	-	-
2004	Administration	100,015,080.00	103,692,236.84	84,487,691.37
2005	Finance and Supplies	53,337,600	48,191,543.47	36,387,297.57
2006	Social Development, Information, Youth, Sports & Culture	50,515,900.00	47,396,358.52	38,390,951.73
2007	Primary Health Care	75,288,680.00	86,872,663.24	61,428,618.69
2008	Agriculture and Natural Resources	4,891,640.00	4,668,910.44	4,045,388.35
2009	Works and Housing, Lands & Survey	12,244,000.00	11,114,999.95	9,784,186.06
2010	Budget, Planning, Research and Statistics	5,473,950.00	2,447,555.40	-
2011	Traditional Rulers Office	2,875,830.00	-	-
	Arrears of Leave Grant (2014-2017)	10,435,780.00	12,635,435.33	2,130,305.73
	Total	320,000,000.00	317,019,703.19	236,654,439.50

NOTE 5: OVERHEAD COSTS

Head	DESCRIPTION	BUDGET 2018 N	ACTUAL 2018 N	ACTUAL 2017 N
2001A	Office of the Executive Chairman	39,800,000.00	35,865,020.00	20,489,883.00
2001B	Office of the Vice Chairman	8,000,000.00	6,438,100.00	2,871,658.00
2002A	Office of the Secretary	5,100,000.00	4,608,500.00	4,043,890.00
2002B	Office of the Supervisors	14,000,000.00	11,097,898.00	4,743,360.00
2002C	Office of the Special Advisers	5,000,000.00	1,970,000.00	998,000.00
2003A	Office of the Legislative/General Council	20,000,000.00	14,602,787.00	5,000,000.00
2003B	Office of the Leader	3,000,000.00	1,051,412.00	5,648,500.00
2003C	Office of the Deputy Leader	2,500,000.00	1,801,802.00	2,391,940.00
2003D	Office of the Majority Leader	2,400,000.00	712,500.00	2,395,524.00
2003E	Office of the Deputy Majority Leader	2,000,000.00	-	1,893,720.00
2003F	Office of the Chief Whip	2,100,000.00	-	-
2003G	Office of the Deputy Chief Whip	2,000,000.00	-	-
2003H	Office of the Clerk	2,600,000.00	-	-
2004A	Office of the Head of Local Government Service	5,000,000.00	3,028,800.00	443,180.00
2004B	Office of the Administration & General Services	5,000,000.00	3,415,000.00	897,600.00
2005	Finance and Supplies	5,000,000.00	3,431,200.00	1,673,370.00
2006	Education, Information & Sports	3,000,000.00	1,088,500.00	90,000.00
2007	Health	4,000,000.00	876,100.00	95,000.00
2008	Agriculture and Natural Resources	3,050,000.00	594,340.00	20,000.00
2009	Works and Transport	4,000,000.00	420,000.00	90,000.00
2010	Budget, Planning, Research & Statistics	3,500,000.00	547,100.00	3,324,500.00
2011	Traditional Rulers Council	3,000,000.00	2,050,000.00	1,420,000.00
2012	Miscellaneous	101,500,000.00	37,255,082.00	47,700,978.42
	Total	245,550,000.00	130,854,141.00	106,231,103.42

NOTE 6: CAPITAL EXPENDITURE

	Budget 2018 N	Actual 2018 N	Actual 2017 N
Economic Sector	251,500,000.00	7,572,005.00	273,350,320.59
Social Sector	160,000,000.00	2,000,000.00	82,111,422.00
Environmental Sector	49,000,000.00	12,920,095.00	5,765,000.00
Administration Sector			
General Administration (Executive)	180,000,000.00	19,027,500.00	22,750,927.55
General Administration (Legislature)	65,000,000.00	14,600,000.00	-
	705,500,000.00	56,119,600.00	383,977,670.14

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2018		2017	
₦		₦	
2018Advances	366,540,627.94	2017Advances	391,594,665.33
2017Advances	391,594,665.33	2016Advances	855,222,669.92
	25,054,037.39		463,628,004.59

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2018		2017	
₦		₦	
2018 Deposits	165,310,553.44	2017 Deposits	157,163,426.70
2017 Deposits	157,163,426.70	2016 Deposits	155,438,524.42
Total	8,147,126.74		1,724,902.28

NOTE 9. CASH ANDBANK BALANCES

DESCRIPTION	2018	2017
	₦	₦
CASH	376,434.51	4,434.84
BANKS:		
Zenith Bank A/c (Salary)-1014518327	7,806,441.04	8,688,899.66
Zenith Bank A/c (Project)-1012846147	85,107.17	7,990,429.00
Access Bank A/c No. 0019489180	302,231.98	151,597.94
Skye Bank	-	30,894.83
Sub Total Bank Bal.	8,193,780.19	16,861,821.43
Total	8,570,214.70	16,866,256.27
NOTE 10: ADVANCES	2018	2017
	₦	₦
i. Purchase Advances	330,304,784.94	375,023,822.33
ii Imprest	34,290,100.00	14,625,100.00
iii Touring	(2,351,700.00)	(2,351,700.00)
iv Upkeep	(1,015,000.00)	(1,015,000.00)
v Motor Vehicle	4,543,150.00	4,543,150.00
vi Salary/Special	769,293.00	769,293.00
Total	366,540,627.94	391,594,665.33
NOTE 11. DEPOSITS	2018	2017
	₦	₦
I. PAYE Tax	537,989.31	537,989.31
Ii. NULGE Dues-State/ Branch	1,650,739.74	1,650,739.74
iii. NANNM	1,047,793.90	1,047,793.90
iv. 5% VAT	1,335,109.28	1,335,109.28
v. 5% Withholding Tax	1,348,547.28	1,348,547.28
vi. Pension Deductions	-	-
vii. Others	159,390,373.93	151,243,247.19
Total	165,310,553.44	157,163,426.70

ORUK ANAM LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Oruk Anam Government Council in accordance with the Provisions of the Model Financial Memoranda.

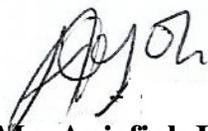
The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls 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 International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Oruk Anam Local Government Council as at 31st December, 2018 and its operations for the year ended on that date.



Mr. Aniefiok I. Oyoh
Director of Finance
Date: 06/08/2019



Rt. Hon. Ubong S. Idiong
Chairman
Date: 06/08/2019

AUDIT CERTIFICATE

The Executive Chairman
Oruk Anam Local Government Council
Ikot Ibritam.

AUDIT CERTIFICATE ON THE ACCOUNTS OF ORUK ANAM LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Oruk Anam Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Oruk Anam Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

ORUK ANAM LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

(i) **Basis of Preparation of Financial Statements**

The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.

(ii) **Accounting Period**

A period of twelve months covering 1st January – 31st December, 2018

(iii) **Reporting Currency:**

The reporting currency is the Nigerian Naira.

(iv) **Basis of Consolidation**

The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.

(v) **Statutory Revenue**

Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.

(vi) **Internally Generated Revenue:**

This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.

(vii) **Payments**

These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.

(viii) **Cash Balances:**

This includes cash in hand, at bank and cash equivalents at the end of the financial year.

(ix) **Advances**

These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.

(x) **Deposits**

These are unremitted deductions and unpaid obligations to third parties on the reporting date.

ORUK ANAM LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

CASHFLOW FROM OPERATING ACTIVITIES	NOTES	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
RECEIPTS				
Statutory Allocation	1	1,600,000,000.00	560,737,887.27	355,836,000.64
OTHERS: Derivation	1	200,000,000.00	-	-
Valued and Added Tax	1	330,000,000.00	-	-
State Allocation	1	30,000,000.00	-	-
Excess Crude	1	-	-	-
Stabilization	1	-	-	-
Taxes	2	2,800,000.00	300.00	-
Rates	2	1,700,000.00	1,240,000.00	1,870,000.00
Local License Fines and Fees	2	4,110,000.00	202,610.00	297,360.00
Earning From Commercial Undertaking	2	6,470,000.00	5,000.00	642,910.00
Rent on Local Govt. Property	2	2,300,000.00	-	3,566,000.00
Interest and Dividend Receivable	2	500,000.00	-	-
Grant	2	-	-	-
Miscellaneous	2	4,120,000.00	2,318,122.04	201,931.33
TOTAL RECEIPTS		2,182,000,000.00	564,503,919.31	362,414,201.97
PAYMENTS				
Consolidated Revenue Fund Charge				
Political/ Public Office Holders	3	80,000,000.00	71,177,212.98	19,215,510.26
Pensions/ Training Fund/ Traditional Rulers Council	3	250,000,000.00	-	-
Funding Of Primary Education	3	800,000,000.00	-	-
Internal Debt Servicing	3	10,000,000.00	-	-
Total Consolidated Revenue Fund Charges		1,140,000,000.00	71,177,212.98	19,215,510.26
Personnel Costs	4	360,000,000.00	370,756,713.62	304,650,783.63
Overhead Costs	5	200,200,000.00	94,139,105.40	23,632,863.38
TOTAL PAYMENTS		1,700,200,000.00	536,073,032.00	347,499,157.27
Net Cash Flow from Operating Activities A		481,800,000.00	28,430,887.31	14,915,044.70
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	737,000,000.00	2,000,000.00	55,880,200.00
Net Cash Flow From Investing Activities B				
Cash Flow From Financing Activities			(2,000,000.00)	(55,880,200.00)
Proceed from External Loans				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7		(63,720,100.00)	75,842,750.00
Increase/ Decrease in other Liabilities	8		1,688,136.60	5,612,311.11
Total Cash flow from other Cash equiv. Accounts C			(62,031,963.40)	81,455,061.11
Net Cashflow For the Year (A+B+C)			(35,601,076.09)	40,489,905.81
Cash and its equivalents as at 1st January, 2018	9		51,976,618.88	11,486,713.07
Cash and its equivalents as at 31st Dec, 2018	9		16,375,542.79	51,976,618.88

ORUK ANAM LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2

STATEMENT OF ASSET AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	Notes	2018 ₦	2017 ₦
ASSETS:			
Liquid Assets:			
Cash in Hand	9	100,760.00	9,804,092.10
Cash at Bank	9	16,274,782.79	42,172,526.78
TOTAL LIQUID ASSETS:		16,375,542.79	51,976,618.88
Investments and Other Cash Assets:			
Advances	10	1,675,177,540.98	1,611,457,440.98
TOTAL ASSETS		<u>1,691,553,083.77</u>	<u>1,663,434,059.86</u>
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		1,515,726,412.01	1,489,295,524.70
OTHER LIABILITIES			
Deposits	11	175,826,671.76	174,138,535.16
TOTAL LIABILITIES		<u>1,691,553,083.77</u>	<u>1,663,434,059.86</u>

ORUK ANAM LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2018

ACTUAL 2017 N	DESCRIPTION OF ITEMS	Initial Budget 2018 N	Supp-Budget 2018 N	Final Budget 2018 N	Actual 2018 N	Var. %
1,530,260,680.00	Opening Balance				1,489,295,524.70	
	Add revenue:					
355,836,000.64	Statutory Allocation	1,600,000,000.00	-	1,600,000,000.00	560,737,887.27	35
-	Derivation	200,000,000.00	-	200,000,000.00	-	100
-	Valued Added Tax	330,000,000.00	-	330,000,000.00	-	100
-	State Allocation	30,000,000.00	-	30,000,000.00	-	100
-	Excess Crude	-	-	-	-	-
-	Stabilization	-	-	-	-	-
355,836,000.64	Sub Total Statutory Allocation	2,160,000,000.00	-	2,160,000,000.00	560,737,887.27	
-	Taxes	2,800,000.00	-	2,800,000.00	300.00	0.01
1,870,000.00	Rates	1,700,000.00	-	1,700,000.00	1,240,000.00	73
297,360.00	Local License, Fines and Fees	4,110,000.00	-	4,110,000.00	202,610.00	4.9
642,910.00	Earning From Commercial Undertaking	6,470,000.00	-	6,470,000.00	5,000.00	0.07
3,566,000.00	Rent On Local Govt. Property	2,300,000.00	-	2,300,000.00	-	100
-	Interest & Dividends Receivable	500,000.00	-	500,000.00	-	100
-	Grants	-	-	-	-	-
201,931.33	Miscellaneous	4,120,000.00	-	4,120,000.00	2,318,122.04	56
6,578,201.33	Sub. Total IGR	22,000,000.00	-	22,000,000.00	3,766,032.04	
1,892,664,881.97	TOTAL REVENUE	2,182,000,000.00	-	2,182,000,000.00	2,053,799,444.01	
-	EXPENDITURE	-	-	-	-	
	Consolidated Rev. Fund Charges					
19,215,510.26	Political/Public Office Holders	80,000,000.00	-	80,000,000.00	71,177,212.98	89
-	Pension/Training Fund/Traditional Rulers Council	250,000,000.00	-	250,000,000.00	-	100
-	Funding Of Primary Education	800,000,000.00	-	800,000,000.00	-	100
-	Internal Debt Servicing	10,000,000.00	-	10,000,000.00	-	100
19,215,510.26	Sub Total CRFC	1,140,000,000.00	-	1,140,000,000.00	71,177,212.98	
304,650,783.63	Personnel Costs	360,000,000.00	-	360,000,000.00	370,756,713.62	3
23,632,863.38	Overhead Costs	200,200,000.00	-	200,200,000.00	94,139,105.40	53
347,499,157.27	Total Recurrent Expenditure	1,700,200,000.00	-	1,700,200,000.00	536,073,032.00	69
1,545,165,724.70	Operating Balance	481,800,000.00	-	481,800,000.00	1,517,726,412.01	
55,880,200.00	Transfer to Capital Dev. Fund	737,000,000.00	-	737,000,000.00	2,000,000.00	99
1,489,285,524.70	CLOSING BALANCE				1,515,726,412.01	

ORUK ANAM LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2018

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Final Budget 2018 ₦	Actual 2018 ₦	Var. %
55,880,200.00	Transfer from Consolidated Rev. Fund A	737,000,000.00	-	737,000,000.00	2,000,000.00	99
	Less Capital Expenditure :					
-	ECONOMIC SECTOR	170,000,000.00	-	170,000,000.00	2,000,000.00	99
-						
-	SOCIAL SECTOR	174,000,000.00	-	174,000,000.00	-	100
2,000,000.00	Environmental/Regional Development	65,000,000	-	65,000,000		100
53,880,200.00	GENERAL ADMINISTRATION	328,000,000.00	-	328,000,000.00		
55,880,200.00	Total Expenditure B	737,000,000.00	-	737,000,000.00	2,000,000.00	99
	Closing Balance	0	0	0	0	

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATUTORY ALLOCATION

4. MONTHS	2018 ₦	2017 ₦
January	37,266,950.48	27,292,229.59
February	37,236,892.80	29,198,719.98
March	36,579,313.96	27,292,229.59
April	42,752,593.19	29,402,688.25
May	46,261,025.12	27,131,744.69
June	46,575,875.42	29,876,363.87
July	49,467,070.17	33,955,986.82
August	48,402,829.97	29,373,152.62
September	51,193,136.22	30,657,004.56
October	63,421,841.45	29,581,131.28
November	51,271,206.76	27,660,356.07
December	50,309,151.73	34,414,393.32
Total	560,737,887.27	355,836,000.64

NOTE 2: INTERNALLY GENERATED REVENUE

Head	Sub Head	DETAILS	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
1001	1-11	Taxes	2,800,000.00	300.00	-
1002	1-7	Rates	1,700,000.00	1,240,000.00	1,870,000.00
1003	1-97	Local Licenses, Fines & Fees	4,110,000.00	202,610.00	297,360.00
1004	1-9	Earning from commercial undertaking	6,470,000.00	5,000.00	642,910.00
1005	1-3	Rent on Local Govt. Property	2,300,000.00	-	3,566,000.00
1006	1-6	Interest and Dividends	500,000.00	-	-
1007	1-3	Grants	-	-	-
1008	1-9	Miscellaneous	4,120,000.00	2,318,122.04	201,931.33
		Total	22,000,000.00	3,766,032.04	6,578,201.33

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICE HOLDERS

DESCRIPTION	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
Office of the Executive Chairman	7,000,000.00	3,808,099.71	19,215,510.26
Office of the Vice Chairman	4,000,000.00	3,576,437.25	-
Office of the Supervisors	15,000,000.00	10,470,574.85	-
Office of the Special Advisers	10,000,000.00	8,073,696.28	-
Office of the Secretary	4,000,000.00	3,390,889.09	-
Legislative /General Council	40,000,000.00	41,857,515.80	-
Total	80,000,000.00	71,177,212.98	19,215,510.26

NOTE 4: PERSONNEL COSTS

Head/ Subhead	DETAILS	Budget 2018 N	Actual 2018 N	Actual 2017 N
2004	Administration	90,164,085.00	87,306,946.39	72,253,157.72
2005	Finance and Supplies	54,661,323.00	46,491,776.70	42,828,052.83
2006	Social Development, Information, Youth Sport & Culture	63,022,471.00	55,681,396.16	47,194,215.43
2007	Primary Health Care	97,834,572.00	128,910,733.73	99,143,584.70
2008	Agriculture and Natural Resources	3,755,192.00	3,202,190.47	2,011,441.04
2009	Works And Housing, Land & Survey	41,632,318.00	37,224,848.15	32,872,819.71
2010	Traditional Rulers Office	-	-	-
2011	Budget, Planning, Research and Statistics	8,930,039.00	11,938,822.02	8,347,512.20
	Total	360,000,000.00	370,756,713.62	304,650,783.63

NOTE 5: OVERHEAD COSTS

Head	DESCRIPTION	Budget 2018 N	Actual 2018 N	Actual 2017 N
2001A	Office of the Chairman	40,000,000.00	23,690,000.00	4,000,000.00
2001B	Office of the Vice Chairman	10,000,000.00	3,600,000.00	-
2002A	Office of the Secretary	8,000,000.00	2,940,000.00	1,684,000.00
2002B	Office of the Supervisors	8,000,000.00	3,687,000.00	4,480,000.00
2002C	Office of the Special Advisers	5,000,000.00	2,225,000.00	-
2003A	General Council	11,000,000.00	16,775,000.00	-
2003B	Office of the Leader	4,200,000.00	580,000.00	-
2003C	Office of the Deputy Leader	3,000,000.00	570,000.00	-
2003D	Office of the Majority Leader	2,500,000.00	185,000.00	-
2003E	Office of the Dep. Majority Leader	2,000,000.00	6,575,000.00	-
2003F	Office of the Chief Whip	2,500,000.00	370,000.00	-
2003G	Office of the Dep. Chief Whip	2,000,000.00	185,000.00	-
2003H	Office of the Clerk	2,000,000.00	2,300,000.00	-
2004A	Head of Local Govt. Service	8,000,000.00	561,998.70	-
2004B	Administration Department	6,000,000.00	11,260,253.36	6,202,000.00
2005	Finance/Supplies Department	7,000,000.00	3,259,220.00	1,376,100.00
2006	Education information & Sport	4,000,000.00	960,000.00	263,000.00
2007	Medical and Health Department	5,000,000.00	988,000.00	90,000.00
2008	Agricultural and Natural Resources	3,000,000.00	590,000.00	135,000.00
2009	Works and Housing Department	4,000,000.00	709,500.00	235,000.00
2010	Budget, Planning, Research & Statistic	3,000,000.00	639,000.00	305,000.00
2011	Traditional Rulers Office	3,000,000.00	60,000.00	-
2012	Miscellaneous	57,000,000.00	11,429,133.34	4,862,763.38
	Total	200,200,000.00	94,139,105.40	23,632,863.38

NOTE 6: CAPITAL EXPENDITURE

DESCRIPTION	Budget 2018 N	Actual 2018 N	Actual 2017 N
Economic Sector	170,000,000.00	2,000,000.00	-
Social Sector	174,000,000.00	-	-
Environmental Sector	65,000,000.00	-	2,000,000.00
Administration Sector		-	
General Administration (Executive)	233,000,000.00	-	53,880,200.00
General Administration (Legislature)	95,000,000.00	-	-
TOTAL	737,000,000.00	2,000,000.00	55,880,200.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2018 N		2017 N	
2018 Advances	1,675,177,540.98	2017 Advances	1,611,457,440.98
2017 Advances	1,611,457,440.98	2016 Advances	1,687,300,190.98
	63,720,100.00		75,842,750.00

NOTE 8 : INCREASE/DECREASE IN OTHER LIABILITIES

2018 N		2017 N	
2018 Deposits	175,826,671.76	2017 Deposits	174,138,535.16
2017 Deposits	174,138,535.16	2016 Deposits	168,526,224.05
	1,688,136.60		5,612,311.11

NOTE 9: CASH AND BANK BALANCES

Description	2018 N	2017 N
Cash	100,760.00	9,804,092.10
Cash at Bank:		
Zenith Bank A/c (Salary) 1014518334	15,911,771.27	42,116,123.66
Zenith Bank A/c (Main) 1010450304	306,608.40	
UBA	45,027.59	45,027.59
Skye Bank	11,375.53	11,375.53
Sub Total	16,274,782.79	42,172,526.78
Total	16,375,542.79	51,976,618.88

NOTE 10: ADVANCES

		2018 N	2017 N
(1)	Purchases	1,242,331,483.98	1,193,681,383.98
(2)	Imprest	210,732,000.00	200,592,000.00
(3)	Touring	101,610,449.00	99,460,449.00
(4)	Salary/Special	22,387,208.00	22,412,208.00
(5)	Motor Vehicle	61,919,125.00	61,919,125.00
(6)	Project Advance	20,452,275.00	18,352,275.00
(7)	Upkeep	15,745,000.00	15,040,000.00
	TOTAL	1,675,177,540.98	1,611,457,440.98

NOTE 11: DEPOSITS

	2018 N	2017 N
PAYE Tax	5,481,441.14	5,481,441.14
NULGE Dues State/ Branch	601,460.01	601,460.01
NANM	63,770.47	63,770.47
Vat	5,973,758.00	5,973,758.00
Withholding Tax	6,698,181.00	6,698,181.00
Pension Deductions	22,178,463.00	22,178,463.00
Others	134,829,598.14	133,141,461.54
Total	175,826,671.76	174,138,535.16

UDUNG UKO LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Udung Uko Government Council in accordance with the Provisions of the Model Financial Memoranda.

The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls 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 International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Udung Uko Local Government Council as at 31st December, 2018 and its operations for the year ended on that date.



Mr. Okon Edet Effiong
Director of Finance
Date: 12/08/2019



Hon. Okon Edet Oku
Chairman
Date: 12/08/2019

AUDIT CERTIFICATE

The Executive Chairman
Udung Uko Local Government Council
Eyofin.

AUDIT CERTIFICATE ON THE ACCOUNTS OF UDUNG UKO LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Udung Uko Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Udung Uko Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

UDUNG UKO LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

- (i) **Basis of Preparation of Financial Statements**
The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.
- (ii) **Accounting Period**
A period of twelve months covering 1st January – 31st December, 2018
- (iii) **Reporting Currency:**
The reporting currency is the Nigerian Naira.
- (iv) **Basis of Consolidation**
The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.
- (v) **Statutory Revenue**
Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.
- (vi) **Internally Generated Revenue:**
This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.
- (vii) **Payments**
These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.
- (viii) **Cash Balances:**
This includes cash in hand, at bank and cash equivalents at the end of the financial year.
- (ix) **Advances**
These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.
- (x) **Deposits**
These are unremitted deductions and unpaid obligations to third parties on the reporting date.

UDUNG UKO LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

CASHFLOW FROM OPERATING ACTIVITIES	Notes	Budget 2018 N	Actual 2018 N	Actual 2017 N
RECEIPTS:				
Statutory Allocation	1	1,300,000,000.00	433,090,998.41	262,580,790.78
OTHERS: Derivation	1	250,000,000.00	-	-
Value Added Tax	1	280,000,000.00	-	-
State Allocation	1	30,000,000.00	-	-
Excess Crude	1	-	-	-
Stabilization	1	-	-	-
Taxes	2	1,050,000.00	-	2,750.00
Rates	2	6,825,000.00	-	-
Local License fines & fees	2	4,555,000.00	28,320.00	665,120.00
Earning from Commercial undertaking	2	6,785,000.00	265,500.00	47,000.00
Rent on Local Govt. Property	2	2,100,000.00	86,000.00	-
Interest and Dividends Receivable	2	260,000.00	-	-
Grants	2	900,000.00	220,000.00	-
Miscellaneous	2	4,667,500.00	221,700.00	594,893.63
TOTAL RECEIPTS		1,887,142,500.00	433,912,518.41	263,890,554.45
PAYMENTS:				
Consolidated Revenue Fund Charges:				
Political/Public Office Holders	3	70,000,000.00	61,649,779.81	20,645,491.68
Pension/Training Fund/Traditional Rulers Council	3	160,000,000.00	-	-
Funding of Primary Education	3	570,000,000.00	-	-
Internal Debt Servicing	3	10,000,000.00	-	-
Total Consolidated Revenue Fund Charges		810,000,000.00	61,649,779.81	20,645,491.68
Personnel Costs	4	250,000,000.00	206,910,808.95	208,704,956.76
Overhead Costs	5	200,000,000.00	113,654,198.60	17,656,915.15
TOTAL PAYMENTS		1,260,000,000.00	382,214,787.36	247,007,363.59
Net Cash flow from Operating activities (A)		627,142,500.00	51,697,731.05	16,883,190.82
Cash Flow From Investing Activities				
Capital Expenditure	6	691,500,000.00	30,052,327.98	1,390,000.00
Net Cash flow From Investing Activities (B)			(30,052,327.98)	(1,390,000.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceed from External Loans				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7		(44,677,199.74)	(9,255,999.00)
Increase/ Decrease in other Liabilities	8		1,241,346.81	1,531,472.73
Total Cash flow from other Cash equiv. Accounts C			(43,435,852.93)	(7,724,526.27)
Net Cashflow For the Year (A+B+C)			(21,790,449.86)	7,768,664.55
Cash and its equivalents as at 1st January, 2018	9		37,736,962.73	29,968,298.18
Cash and its equivalents as at 31st Dec, 2018	9		15,946,512.87	37,736,962.73

UDUNG UKO LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 2
STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	Notes	2018 N	2017 N
ASSETS:			
Liquid Assets:			
Cash in Hand	9	7,208,917.54	4,529,313.29
Cash at Bank	9	8,737,595.33	33,207,649.44
TOTAL LIQUID ASSETS:		15,946,512.87	37,736,962.73
Investments and Other Cash Assets:			
Advances	10	1,122,241,481.34	1,077,564,281.60
TOTAL ASSETS		<u>1,138,187,994.21</u>	<u>1,115,301,244.33</u>
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		973,966,354.71	952,320,951.64
OTHER LIABILITIES			
Deposits	11	164,221,639.50	162,980,292.69
TOTAL LIABILITIES		<u>1,138,187,994.21</u>	<u>1,115,301,244.33</u>

**UDUNG UKO LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 3
STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2018**

Actual 2017 N	Description	Initial Budget 2018 N	Supp-Budget 2018 N	Final Budget 2018 N	Actual 2018 N	Var. %
936,827,760.82	Opening Balance				952,320,951.64	
	ADD REVENUE:					
2,750,000.00	Taxes	1,050,000.00	-	1,050,000.00	-	(100)
-	Rates (Tenement)	6,825,000.00	-	6,825,000.00	-	(100)
665,120.00	Local License Fines & Fees	4,555,000.00	-	4,555,000.00	28,320.00	(99)
47,000.00	Earning from Commercial Undertaking	6,785,000.00	-	6,785,000.00	265,500.00	(96)
-	Rent on Local Govt. Property	2,100,000.00	-	2,100,000.00	86,000.00	(96)
-	Interest & Dividends Receivable	260,000.00	-	260,000.00		(100)
-	Grants	900,000.00	-	900,000.00	220,000.00	(76)
594,893.63	Miscellaneous	4,667,500.00	-	4,667,500.00	221,700.00	(95)
1,309,763.63	Sub Total IGR	27,142,500.00	-	27,142,500.00	821,520.00	(97)
262,580,790.78	Statutory Allocation	1,300,000,000.00	-	1,300,000,000.00	433,090,998.41	(67)
-	Derivation	250,000,000.00	-	250,000,000.00	-	(100)
-	Value Added Tax	280,000,000.00	-	280,000,000.00	-	(100)
-	State Allocation	30,000,000.00	-	30,000,000.00	-	(100)
-	Excess Crude	-	-	-	-	-
-	Stabilization	-	-	-	-	-
262,580,790.78	Sub Total Statutory Allocations	1,860,000,000.00	-	1,860,000,000.00	433,090,998.41	(77)
1,200,718,315.23	TOTAL REVENUE	1,887,142,500.00	-	1,887,142,500.00	1,386,233,470.05	(27)
	EXPENDITURE:					
	Consolidated Revenue Fund Charges:					
20,645,491.68	Political/Public Office Holders	70,000,000.00	-	70,000,000.00	61,649,779.81	12
-	Pensions/Training Fund/Traditional Rulers Council	160,000,000.00	-	160,000,000.00	-	100
-	Funding of Primary Education	570,000,000.00	-	570,000,000.00	-	100
-	Internal Debt Servicing	10,000,000.00	-	10,000,000.00	-	100
20,645,491.68	Sub Total CRFC	810,000,000.00	-	810,000,000.00	61,649,779.81	92
208,704,956.76	Personnel Costs	250,000,000.00	-	250,000,000.00	206,910,808.95	17
17,656,915.15	Overhead Costs	200,000,000.00	-	200,000,000.00	113,654,198.60	43
247,007,363.59	Total Recurrent Expenditure	1,260,000,000.00	-	1,260,000,000.00	382,214,787.36	70
953,710,951.64	Operating Balance	627,142,500.00	-	627,142,500.00	1,004,018,682.69	
1,390,000.00	Transfer to Capital Development Fund	691,500,000.00	-	691,500,000.00	30,052,327.98	96
952,320,951.64	Closing Balance				973,966,354.71	

**UDUNG UKO LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 4
STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER,
2018**

Actual 2017 N	Description	Initial Budget 2018 N	Supp-Budget 2018 N	Final Budget 2018 N	Actual 2018 N	Var. %
1,390,000.00	Transfer from Consolidated Fund A	691,500,000.00	-	691,500,000.00	30,052,327.98	96
	Less Capital Expenditure					
	:-					
-	ECONOMIC SECTOR	200,050,000.00	-	200,050,000.00	20,250,000.00	90
	:-					
-	SOCIAL SECTOR	160,350,000.00	-	160,350,000.00	500,000.00	99
-	ENVIRONMENTAL/REGIONAL DEV.	53,700,000.00	-	53,700,000.00	5,985,000.00	89
1,390,000.00	GENERAL ADMINISTRATION	277,400,000.00	-	277,400,000.00	3,317,327.98	98
1,390,000.00	Total Expenditure B	691,500,000.00	-	691,500,000.00	30,052,327.98	
	Closing Balance	0	0	0	0	

NOTES TO THE ACCOUNTS

NOTE 1: STATUTORY ALLOCATION

MONTHS	2018 ₦	2017 ₦
January	28,927,178.02	19,557,299.94
February	28,903,906.11	21,403,669.74
March	29,205,600.47	19,445,808.31
April	33,553,255.61	19,493,948.33
May	37,035,400.64	22,269,187.25
June	36,915,004.94	21,685,410.01
July	39,912,050.84	24,783,990.62
August	38,921,293.69	21,219,676.34
September	41,164,471.11	23,236,381.80
October	45,007,887.47	22,503,899.62
November	73,544,949.51	20,406,454.28
December	-	26,575,064.54
TOTAL	433,090,998.41	262,580,790.78

NOTES 2: INTERNALLY GENERATED REVENUE

Head	Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
1001	Taxes	1,050,000.00	-	2,750.00
1002	Rates	6,825,000.00	-	-
1003	Local License fees and fines	4,555,000.00	28,320.00	665,120.00
1004	Earnings from Comm. Undertakings	6,785,000.00	265,500.00	47,000.00
1005	Rent on Local Government property	2,100,000.00	86,000.00	-
1006	Interest on Dividends	260,000.00	-	-
1007	Grants	900,000.00	220,000.00	-
1008	Miscellaneous	4,667,500.00	221,700.00	594,893.63
	TOTAL	27,142,500.00	821,520.00	1,309,763.63

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICE HOLDERS

Description	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
Office of the Executive Chairman	4,000,000.00	3,808,099.21	2,581,490.34
Office of the V/Chairman	3,500,000.00	3,576,437.28	-
Office of the Supervisor	16,500,000.00	8,170,073.02	8,988,454.64
Office of the Special Advisers	9,900,000.00	10,373,198.35	6,741,340.98
Office of the Secretary	3,100,000.00	3,424,231.00	2,334,205.72
Legislative/General Council	33,000,000.00	32,297,740.95	-
Total	70,000,000.00	61,649,779.81	20,645,491.68

NOTES 4: PERSONNEL COSTS

HEAD	DESCRIPTION	BUDGET 2018 N	ACTUAL 2018 N	ACTUAL 2017 N
2004A	Head of Local Government Service	7,010,390.00	-	-
2004B	Administration	65,502,815.00	52,974,474.67	59,907,973.95
2005	Finance and Supplies	45,081,398.00	36,506,672.54	37,223,220.16
2006	Education	32,184,277.00	24,628,947.83	12,776,762.53
2007	Health and Social Services	73,186,079.00	68,385,382.55	65,737,256.68
2008	Agric. & Natural Resources	5,351,174.00	5,090,444.70	4,808,586.06
2009	Works and Housing	12,347,964.00	10,773,823.28	10,441,928.21
2010	Budget, Planning & Research	4,077,220.00	3,357,602.28	17,809,229.17
2011	Traditional Ruler's Council	5,258,686.00	5,193,461.10	-
	Total	250,000,000.00	206,910,808.95	208,704,956.76

NOTES 5: OVERHEAD COSTS

HEAD	DESCRIPTION	BUDGET 2018 N	ACTUAL 2018 N	ACTUAL 2017 N
2001A	Office of the Chairman	45,900,000.00	28,505,000.00	4,140,000.00
2001B	Office of the Vice Chairman	15,400,000.00	8,817,298.60	-
2002A	Office of the Secretary	8,500,000.00	1,620,000.00	5,000.00
2002B	Office of the Supervisors	11,500,000.00	20,000.00	60,000.00
2002C	Office of the Special Advisers	8,000,000.00	1,100,000.00	20,000.00
2003A	Legislative Arm/General Council	23,600,000.00	12,380,000.00	-
2003B	Office of the Leader	6,640,000.00	2,632,500.00	-
2003C	The Office of the Deputy Leader	5,920,000.00	1,160,000.00	-
2003D	Office of the Majority Leader	4,200,000.00	1,420,000.00	-
2003E	Office of the Dep. Majority Leader	3,800,000.00	1,297,500.00	-
2003F	Office of the Chief Whip	3,300,000.00	1,172,500.00	-
2003G	Office of the Dep. Chief Whip	2,800,000.00	1,130,000.00	-
2003H	Office of the Clerk	2,000,000.00	642,500.00	-
2004A	Office of the HOS L/G	3,000,000.00	2,661,500.00	290,000.00
2004B	General Administration	5,256,000.00	4,402,900.00	313,500.00
2005	Finance and Supplies	3,000,000.00	2,469,000.00	652,000.00
2006	Education	2,900,000.00	2,665,000.00	5,000.00
2007	Health and Social Services	5,400,000.00	4,120,000.00	10,000.00
2008	Agriculture	2,950,000.00	970,000.00	15,000.00
2009	Works and Housing	3,600,000.00	2,940,000.00	375,000.00
2010	Budget, Planning & Research	4,000,000.00	2,245,000.00	10,000.00
2011	Traditional Rulers Council	2,900,000.00	1,850,000.00	-
2012	Miscellaneous	25,434,000.00	27,433,500.00	11,761,415.15
	Total	200,000,000.00	113,654,198.60	17,656,915.15

NOTE 6: CAPITAL EXPENDITURE

DESCRIPTION	BUDGET 2018 N	ACTUAL 2018 N	ACTUAL 2017 N
Economic Sector	200,050,000.00	20,250,000.00	
Social Sector	160,350,000.00	500,000.00	
Environmental Sector	53,700,000.00	5,985,000.00	
Administrative Sector:			
General Administration (Executive)	193,000,000.00	3,317,327.98	1,390,000.00
General Administration (Legislative)	84,400,000.00	-	
Total	691,500,000.00	30,052,327.98	1,390,000.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2018 N		2017 N	
2018 Advances	1,122,241,481.34	2017 Advances	1,077,564,281.60
2017 Advances	1,077,564,281.60	2016 Advances	1,068,308,282.60
	44,677,199.74		(9,255,999.00)

NOTE 7: INCREASE/DECREASE IN OTHER LIABILITIES

2018 N		2017 N	
2018 Deposits	164,221,639.50	2017 Deposits	162,980,292.69
2017 Deposits	162,980,292.69	2016 Deposits	161,448,819.96
	1,241,346.81		1,531,472.73

NOTE 9: CASH AND BANK BALANCES

DESCRIPTION	2018 N	2017 N
Cash in Hand	7,208,917.54	4,529,313.29
Cash at Bank:		
Zenith Bank A/c – (Salary)	8,717,630.00	25,230,089.17
Zenith Bank A/c – (Project)	19,965.33	7,977,560.27
Sub Total Bank Balance	8,737,595.33	33,207,649.44
Total	15,946,512.87	37,736,962.73

NOTE 10: ADVANCES

DETAIL	2018 N	2017 N
Purchases Advance	715,970,264.00	695,247,764.26
Imprest Advance	263,435,730.00	240,615,980.00
Touring Advance	141,689,087.34	140,554,637.34
Salary Advance	1,146,400.00	1,145,900.00
Motor Vehicle	-	-
Others	-	-
TOTAL	1,122,241,481.34	1,077,564,281.60

NOTES 11: DEPOSITS

DETAIL	2018 N	2017 N
PAYE Tax	2,034,937.53	(31,231.93)
NULGE Dues-State/Branch	(228,739.91)	(340,954.08)
NANNM	484,125.19	484,125.19
VAT	908,454.00	908,454.00
Withholding Tax	1,055,854.90	1,055,854.90
Pension Fund	(468,394.75)	(468,394.75)
OTHERS	160,435,402.54	161,372,439.36
TOTAL	164,221,639.50	162,980,292.69

UKANAFUN LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Ukanafun Government Council in accordance with the Provisions of the Model Financial Memoranda.

The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls 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 International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Ukanafun Local Government Council as at 31st December, 2019 and its operations for the year ended on that date.



Mr. Iniobong J. Udoh
Director of Finance
Date: 05/08/2019



Rt. Hon. Uko Okon Idiong
Chairman
Date: 05/08/2019

AUDIT CERTIFICATE

The Executive Chairman
Ukanafun Local Government Council
Ikot Akpa Nkuk.

AUDIT CERTIFICATE ON THE ACCOUNTS OF UKANAFUN LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Ukanafun Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Ukanafun Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

UKANAFUN LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

(i) **Basis of Preparation of Financial Statements**

The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.

(ii) **Accounting Period**

A period of twelve months covering 1st January – 31st December, 2018

(iii) **Reporting Currency:**

The reporting currency is the Nigerian Naira.

(iv) **Basis of Consolidation**

The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.

(v) **Statutory Revenue**

Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.

(vi) **Internally Generated Revenue:**

This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.

(vii) **Payments**

These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.

(viii) **Cash Balances:**

This includes cash in hand, at bank and cash equivalents at the end of the financial year.

(ix) **Advances**

These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.

(x) **Deposits**

These are unremitted deductions and unpaid obligations to third parties on the reporting date.

UKANAFUN LOCAL GOVERNMENT COUNCIL

STATEMENT NO.1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

CASHFLOW FROM OPERATING ACTIVITIES	Notes	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
RECEIPTS:				
Statutory Allocation	1	1,700,000,000.00	543,813,304.36	318,864,769.51
OTHERS: Derivation	1	250,000,000.00	-	-
Value Added Tax	1	350,000,000.00	-	-
State Allocation	1	30,000,000.00	-	-
Excess Crude	1	-	-	-
Stabilization	1	-	-	-
Taxes	2	1,000,000.00	-	-
Rates	2	3,500,000.00	655,000.00	700,000.00
Local License fines and fees	2	3,000,000.00	288,550.00	597,910.00
Earning from Commercial Undertaking	2	6,500,000.00	3,480,450.00	2,581,010.00
Rent on Local Govt. Property	2	2,000,000.00	-	16,000.00
Interest & Dividends Receivables	2	500,000.00	-	29,000.00
Grants	2	-	-	-
Miscellaneous	2	3,500,000.00	1,490,500.00	420,000.00
TOTAL RECEIPTS		2,350,000,000.00	549,727,804.36	323,208,689.51
PAYMENTS:				
Consolidated Rev. Fund Charges:				
Political/Public Office Holders	3	80,000,000.00	56,164,673.91	23,330,927.46
Pensions/Training Fund/Traditional Rulers Council	3	180,000,000.00	-	-
Funding of Primary Education	3	550,000,000.00	-	-
Internal Debt Servicing	3	10,000,000.00	-	-
Total Consolidated Revenue Fund Charges		820,000,000.00	56,164,673.91	23,330,927.46
Personnel Costs	4	310,000,000.00	306,732,354.05	271,753,951.64
Overhead Costs	5	200,000,000.00	93,488,697.01	36,508,133.78
TOTAL PAYMENTS		1,330,000,000.00	456,385,724.97	331,593,012.88
Net Cash Flow from Operating Activities A		1,020,000,000.00	93,342,079.39	(8,384,323.37)
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	1,161,000,000.00	59,134,104.00	56,884,282.90
Net Cash Flow from Investing Activities B			(59,134,104.00)	(56,884,282.90)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceed from External Loans				
Net Cashflow From Financing Activities			-	-
Movement in other Cash Equivalents Accounts			(48,135,670.00)	76,356,443.97
Increase/ Decrease in other Cash Assets	7		-	-
Increase/ Decrease in other Liabilities	8		13,574,481.65	392,478.40
Total Cash flow from other Cash equiv. Accounts C			(34,561,188.35)	76,748,922.37
Net Cashflow For the Year (A+B+C)			(353,212.96)	11,480,316.10
Cash and its equivalents as at 1st January, 2018	9		24,061,114.40	12,580,798.30
Cash and its equivalents as at 31 ST Dec, 2018	9		23,707,901.44	24,061,114.40

UKANAFUN LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	Notes	2018 ₦	2017 ₦
ASSETS:			
Liquid Assets:			
Cash in Hand	9	4,530,533.69	3,701,443.06
Cash at Bank	9	19,177,367.75	20,359,671.34
TOTAL LIQUID ASSETS:		23,707,901.44	24,061,114.40
Investments and Other Cash Assets:			
Advances	10	850,731,660.14	802,595,990.14
TOTAL ASSETS		<u>874,439,561.58</u>	<u>826,657,104.54</u>
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		624,922,240.49	590,714,265.10
OTHER LIABILITIES			
Deposits	11	249,517,321.09	235,942,839.44
TOTAL LIABILITIES		<u>874,439,561.58</u>	<u>826,657,104.54</u>

UKANAFUN LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED
31ST DECEMBER, 2018

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Initial Budget 2018 ₦	Actual 2018 ₦	Var. %
655,982,871.37	Opening Balances				590,714,265.10	
	Add: Revenue					
318,864,769.51	Statutory Allocation	1,700,000,000.00	-	1,700,000,000.00	543,813,304.36	(68)
-	Derivation	250,000,000.00	-	250,000,000.00	-	(100)
-	Value Added Tax	350,000,000.00	-	350,000,000.00	-	(100)
-	State Allocation	30,000,000.00	-	30,000,000.00	-	(100)
-	Excess Crude	-	-	-	-	
-	Stabilization	-	-	-	-	
318,864,769.51	Sub Total Statutory Allocation	2,330,000,000.00	-	2,330,000,000.00	543,813,304.36	(77)
-	Taxes	1,000,000.00	-	1,000,000.00	-	(100)
700,000.00	Rates	3,500,000.00	-	3,500,000.00	655,000.00	(81)
597,910.00	Local license, fines & fees	3,000,000.00	-	3,000,000.00	288,550.00	(90.)
2,581,010.00	Earnings from Commercial undertaking	6,500,000.00	-	6,500,000.00	3,480,450.00	(46)
16,000.00	Rent on Local Govt. Property	2,000,000.00	-	2,000,000.00	-	(100)
29,000.00	Interest & Dividends Receivable	500,000.00	-	500,000.00	-	(100)
-	Grants	-	-	-	-	
420,000.00	Miscellaneous	3,500,000.00	-	3,500,000.00	1,490,500.00	(57)
4,343,920.00	Sub. Total IGR	20,000,000.00	-	20,000,000.00	5,914,500.00	(70)
979,191,560.88	TOTAL REVENUE	2,350,000,000.00	-	2,350,000,000.00	1,140,442,069.46	(52)
	EXPENDITURE					
	Consolidated Rev. Fund Charges:					
23,330,927.46	Political/Public Office Holders	80,000,000.00	-	80,000,000.00	56,164,673.91	70
-	Pensions/Training Fund/Traditional Rulers Council/ Other Charges	180,000,000.00	-	180,000,000.00	-	
-	Funding of Primary Education	550,000,000.00	-	550,000,000.00	-	
-	Internal Debt Servicing	10,000,000.00	-	10,000,000.00	-	
23,330,927.46	Sub Total CRFC	820,000,000.00	-	820,000,000.00	56,164,673.91	7
271,753,951.64	Personnel Costs	310,000,000.00	-	310,000,000.00	306,732,354.05	99
36,508,133.78	Overhead Costs	200,000,000.00	-	200,000,000.00	93,488,697.01	47
331,593,012.88	Total Recurrent Expenditure	1,330,000,000.00	-	1,330,000,000.00	456,385,724.97	66
647,598,548.00	Operating Balance	1,020,000,000.00	-	1,020,000,000.00	684,056,344.49	
56,884,282.90	Transfer to Capital Dev. Fund	1,161,000,000.00	-	1,161,000,000.00	59,134,104.00	5
590,714,265.10	CLOSING BALANCE				624,922,240.49	

UKANAFUN LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 4

STATEMENT OF CAPITAL DEVELOPMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Initial Budget 2018 ₦	Actual 2018 ₦	Var. %
56,884,242.90	Transfer from Consolidated Fund A	1,161,000,000.00	-	1,161,000,000.00	59,134,104.00	5
	Less Capital Expenditure :					
31,999,282.90	ECONOMIC SECTOR	328,700,000.00	-	328,700,000.00	16,275,000.00	95
75,000.00	SOCIAL SECTOR	215,800,000.00	-	215,800,000.00	3,955,000.00	98
85,000.00	ENVIRONMENTAL/REG. DEV.	90,500,000.00	-	90,500,000.00	100,000.00	99
24,725,000.00	GENERAL ADMINISTRATION	526,000,000.00	-	526,000,000.00	38,804,104.00	93
56,884,242.90	Total Expenditure B	1,161,000,000.00	-	1,161,000,000.00	59,134,104.00	
	Closing Balance	0	0	0	0	

UKANAFUN LOCAL GOVERNMENT COUNCIL

NOTES TO THE ACCOUNTS

NOTE 1: STATUTORY ALLOCATION

MONTHS	2018 ₦	2017 ₦
January	31,174,995.80	25,521,066.58
February	35,482,516.34	25,135,344.77
March	35,237,249.32	23,135,817.71
April	34,246,512.82	25,211,373.63
May	39,285,014.80	22,910,180.22
June	41,435,979.79	26,651,799.40
July	42,450,208.94	31,057,287.34
August	45,596,523.27	25,528,595.30
September	45,330,407.94	28,865,686.31
October	47,455,460.93	28,341,525.40
November	55,383,052.47	30,185,134.21
December	90,735,381.94	26,320,958.64
Total	543,813,304.36	318,864,769.51

NOTE 2: INTERNALLY GENERAL REVENUE

HEAD	DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
1001-	Taxes	1,000,000.00	-	-
1002-	Rates	3,500,000.00	655,000.00	700,000.00
1003-	Local License, Fines & Fees	3,000,000.00	288,550.00	597,910.00
1004-	Earnings from Commercial Undertaking	6,500,000.00	3,480,450.00	2,581,010.00
1005-	Rent on Local Government Properties	2,000,000.00	-	16,000.00
1006-	Interest on Dividends	500,000.00	-	29,000.00
1007-	Grants	-	-	-
1008-	Miscellaneous	3,500,000.00	1,490,500.00	420,000.00
	Total	20,000,000.00	5,914,500.00	4,343,920.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICE HOLDERS

DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
Office of the Executive Chairman	4,250,000.00	3,157,156.06	2,945,285.15
Office of the Vice Chairman	4,150,000.00	2,743,707.78	-
Office of the Supervisors	17,500,000.00	17,130,309.93	17,704,521.89
Office of the Special Advisers	10,500,000.00	7,391,797.06	1,634,264.52
Office of the Secretary	3,500,000.00	3,128,029.95	1,046,855.90
Legislative/General Council	40,100,000.00	22,613,673.13	-
Total	80,000,000.00	56,164,673.91	23,330,927.46

NOTE 4: PERSONNEL COSTS

HEAD	DEPARTMENTS	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
2004	Administration	77,318,900.00	75,207,290.37	64,167,948.54
2005	Finance and Supplies	53,498,170.00	46,566,577.22	48,514,508.97
2006	Social Development, Information, Youth, Sports & Culture	32,240,620.00	32,076,184.91	28,391,132.45
2007	Primary Health Care	106,234,950.00	115,525,737.74	91,702,061.89
2008	Agriculture and Natural Resources	7,863,840.00	7,668,102.00	10,854,390.67
2009	Works and Housing, Lands & Survey	28,467,970.00	25,095,860.54	24,169,679.13
2010	Traditional Rulers Office	-	-	-
2011	Budget, Planning, Research and Statistics	4,375,550.00	4,592,601.27	3,954,229.99
	Total	310,000,000.00	306,732,354.05	271,753,951.64

NOTE 5: OVERHEAD COSTS

HEAD	DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
2001A	Office of the Executive Chairman	35,000,000.00	27,450,000.00	10,817,200.00
2001B	Office of the Vice Chairman	8,000,000.00	3,950,000.00	100,000.00
2002A	Office of the Secretary	3,500,000.00	910,000.00	280,000.00
2002B	Office of the Supervisors	8,000,000.00	1,200,000.00	220,000.00
2002C	Office of the Special Advisers	4,800,000.00	602,000.00	2,105,000.00
2003A	Office of the Legislative/General Council	10,000,000.00	6,230,000.00	1,050,000.00
2003B	Office of the Leader	3,000,000.00	1,470,000.00	340,000.00
2003C	Office of the Deputy Leader	2,800,000.00	1,185,000.00	-
2003D	Office of the Majority Leader	2,650,000.00	1,000,000.00	70,000.00
2003E	Office of the Deputy Majority Leader	2,500,000.00	1,000,000.00	420,000.00
2003F	Office of the Chief Whip	2,650,000.00	1,000,000.00	510,000.00
2003G	Office of the Deputy Chief Whip	2,500,000.00	1,000,000.00	105,000.00
2003H	Office of the Clerk	2,000,000.00	140,000.00	-
2004A	Office of the Head of Local Government Service	8,500,000.00	3,900,000.00	1,461,799.21
2004B	Office of the Administration & General Services	5,000,000.00	715,000.00	779,300.00
2005	Finance and Supplies	7,000,000.00	1,118,000.00	1,059,034.57
2006	Education, Information & Sports	3,500,000.00	330,000.00	253,000.00
2007	Health	10,000,000.00	524,000.00	1,110,000.00
2008	Agriculture & Natural Resources	3,500,000.00	-	1,320,000.00
2009	Works & Transport	4,000,000.00	310,000.00	94,000.00
2010	Budget, Planning, Research & Statistics	3,500,000.00	660,000.00	295,000.00
2011	Traditional Rulers Council	3,500,000.00	-	375,000.00
2012	Miscellaneous	64,100,000.00	38,794,697.01	13,743,800.00
	Total	200,000,000.00	93,488,697.01	36,508,133.78

NOTE 6: CAPITAL EXPENDITURE

DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
Economic Sector	328,700,000.00	16,275,000.00	31,999,282.90
Social Sector	215,800,000.00	3,955,000.00	50,000.00
Environmental Sector	90,500,000.00	100,000.00	110,000.00
Administration Sector			
General Administration (Executive)	324,000,000.00	14,950,000.00	19,305,000.00
General Administration (Legislature)	202,000,000.00	23,854,104.00	5,420,000.00
Total	1,161,000,000.00	59,134,104.00	56,884,282.90

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2018		2017	
₦		₦	
2018 Advances	850,731,660.14	2017 Advances	802,595,990.14
2017 Advances	802,595,990.14	2016 Advances	878,952,434.11
	(48,135,670.00)		76,356,443.97

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2018		2017	
₦		₦	
2018 Deposits	249,517,321.09	2017 Deposits	235,942,839.44
2017 Deposits	235,942,839.44	2016 Deposits	235,550,361.04
	13,574,481.65		392,478.40

NOTE 9: CASH AND BANK BALANCES

DESCRIPTION	2018	2017
	₦	₦
CASH	4,530,533.69	3,701,443.06
BANK:		
UBA A/C - 1003849656	52,997.83	5,933,750.49
Zenith Bank A/c – 101458358	18,885,159.64	14,186,710.57
Enterprise Bank	12,724.38	12,724.38
Fidelity Bank	215,748.56	215,748.56
Skye Bank	10,737.34	10,737.34
Sub Total Bank Bal.	19,177,367.75	20,359,671.34
Total	23,707,901.44	24,061,114.40

NOTE 10: ADVANCES

DESCRIPTION	2018	2017
	₦	₦
Purchase Advances	531,057,481.14	498,339,631.14
Imprest	81,716,200.00	80,626,200.00
Touring	101,840,600.00	100,080,500.00
Salary / Special	132,387,379.00	120,119,659.00
Motor Vehicle	2,200,000.00	2,200,000.00
Others	1,530,000.00	1,230,000.00
Total	850,731,660.14	802,595,990.14

NOTE 11: DEPOSITS

DESCRIPTION	2018	2017
	₦	₦
PAYE Tax	-	-
NULGE Dues-State/Branch	724,446.04	2,691,459.59
NANNM	650,836.02	(34,400.81)
VAT	26,000.00	26,000.00
Withholding Tax	33,200.00	33,200.00
Pension Deductions	-	-
Others	248,082,839.03	233,226,580.66
Total	249,517,321.09	235,942,839.44

URUAN LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Uruan Government Council in accordance with the Provisions of the Model Financial Memoranda.

The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls 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 International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Uruan Local Government Council as at 31st December, 2018 and its operations for the year ended on that date.



Mr. Saviour A. Okon
Director of Finance
Date: 05/08/2019



Rt. Hon. Henry Isaiah Udofia
Chairman
Date: 05/08/2019

AUDIT CERTIFICATE

The Executive Chairman
Uruan Local Government Council
Idu.

AUDIT CERTIFICATE ON THE ACCOUNTS OF URUAN LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Uruan Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Uruan Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

URUAN LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

(i) **Basis of Preparation of Financial Statements**

The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.

(ii) **Accounting Period**

A period of twelve months covering 1st January – 31st December, 2018

(iii) **Reporting Currency:**

The reporting currency is the Nigerian Naira.

(iv) **Basis of Consolidation**

The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.

(v) **Statutory Revenue**

Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.

(vi) **Internally Generated Revenue:**

This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.

(vii) **Payments**

These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.

(viii) **Cash Balances:**

This includes cash in hand, at bank and cash equivalents at the end of the financial year.

(ix) **Advances**

These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.

(x) **Deposits**

These are unremitted deductions and unpaid obligations to third parties on the reporting date.

URUAN LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

CASHFLOW FROM OPERATING ACTIVITIES	NOTES	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
RECEIPTS:				
Statutory Allocation	1	1,600,000,000.00	581,243,292.74	394,738,857.79
OTHERS: Derivation	1	200,000,000.00	-	-
Value Added Tax	1	300,000,000.00	-	-
State Allocation	1	30,000,000.00	-	-
Excess Crude	1	-	-	-
Stabilization	1	-	-	-
Taxes	2	800,000.00	-	185,000.00
Rates	2	2,600,000.00	120,000.00	1,030,000.00
Local License fines & fees	2	4,420,000.00	475,220.00	1,912,984.00
Earning from Commercial undertaking	2	3,080,000.00	4,317,000.00	142,500.00
Rent on Local Govt. Property	2	1,800,000.00	40,000.00	192,500.00
Interest and Dividends Receivable	2	400,000.00	-	-
Grants	2	-	-	-
Miscellaneous	2	8,900,000.00	1,743,255.00	1,603,607.96
TOTAL RECEIPTS		2,152,000,000.00	587,938,767.74	399,805,449.75
PAYMENTS:				
Consolidated Revenue Fund Charges:				
Political/Public Office Holders	3	75,000,000.00	61,003,465.66	18,155,779.42
Pension/Training Fund/Traditional Rulers Council	3	200,000,000.00	-	-
Funding of Primary Education	3	620,000,000.00	-	-
Internal Debt Servicing	3	10,000,000.00	2,633,900.00	1,400,000.00
Total Consolidated Revenue Fund Charges		905,000,000.00	63,637,365.66	19,555,779.42
Personnel Costs	4	360,000,000.00	372,565,119.27	284,794,147.09
Overhead Costs	5	200,000,000.00	147,913,562.47	23,011,542.00
TOTAL PAYMENTS		1,465,000,000.00	584,116,047.40	327,361,468.51
Net Cash flow from Operating activities (A)		687,000,000.00	3,822,720.34	72,443,981.24
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	837,500,000.00	40,642,220.00	(36,416,906.24)
Net Cash flow From Investing Activities (B)			(40,642,220.00)	(36,416,906.24)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceed from External Loans				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7		(9,094,570.00)	643,650.00
Increase/ Decrease in other Liabilities	8		10,069,522.89	7,068,060.42
Total Cash flow from other Cash equiv. Accounts C			974,952.89	7,711,710.42
Net Cashflow For the Year (A+B+C)			(35,844,546.77)	43,738,785.42
Cash and its equivalents as at 1st January, 2018	9		48,612,570.52	4,873,785.10
Cash and its equivalents as at 31 st Dec, 2018	9		12,768,023.75	48,612,570.52

URUAN LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	Notes	2018 ₱	2017 ₱
ASSETS:			
Liquid Assets:			
Cash in Hand	9	1,609,816.96	2,946,284.80
Cash at Bank	9	11,158,206.79	45,666,285.72
TOTAL LIQUID ASSETS:		12,768,023.75	48,612,570.52
Investments and Other Cash Assets:			
Advances	10	1,176,528,659.02	1,167,434,089.02
TOTAL ASSETS		<u>1,189,296,682.77</u>	<u>1,216,046,659.54</u>
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		965,348,970.49	1,002,168,470.15
OTHER LIABILITIES			
Deposits	11	223,947,712.28	213,878,189.39
TOTAL LIABILITIES		<u>1,189,296,682.77</u>	<u>1,216,046,659.54</u>

**URUAN LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 3
STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER,
2018**

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Initial Budget 2018 ₦	Actual 2018 ₦	Var. %
966,141,395.15	Opening Balance				1,002,168,470.15	
	ADD REVENUE:					
394,738,857.79	Statutory Allocation	1,600,000,000.00	-	1,600,000,000.00	581,243,292.74	(64)
-	Derivation	200,000,000.00	-	200,000,000.00	-	(100)
-	Value Added Tax	300,000,000.00	-	300,000,000.00	-	(100)
-	State Allocation	30,000,000.00	-	30,000,000.00	-	(100)
-	Excess Crude	-	-	-	-	-
-	Stabilization	-	-	-	-	-
394,738,857.79	Sub Total Statutory Allocations	2,130,000,000.00	-	2,130,000,000.00	581,243,292.74	(73)
185,000.00	Taxes	800,000.00	-	800,000.00	-	(100)
1,030,000.00	Rates (Tenement)	2,600,000.00	-	2,600,000.00	120,000.00	(95)
1,912,984.00	Local License fines & fees	4,420,000.00	-	4,420,000.00	475,220.00	(89)
142,500.00	Earning from Commercial Undertaking	3,080,000.00	-	3,080,000.00	4,317,000.00	40
192,500.00	Rent on Local Govt. Property	1,800,000.00	-	1,800,000.00	40,000.00	(98)
-	Interest & Dividends Receivable	400,000.00	-	400,000.00	-	(100)
-	Grants	-	-	-	-	-
1,603,607.96	Miscellaneous	8,900,000.00	-	8,900,000.00	1,743,255.00	(80)
5,066,591.96	Sub Total IGR	22,000,000.00	-	22,000,000.00	6,695,475.00	(70)
1,365,946,844.90	TOTAL REVENUE	2,152,000,000.00	-	2,152,000,000.00	1,590,107,237.89	(26)
-	EXPENDITURE:				-	-
-	Consolidated Revenue Fund Charges:				-	-
18,155,779.42	Political/Public Office Holders	75,000,000.00	-	75,000,000.00	61,003,465.66	(19)
-	Pensions/Training Fund/Traditional Rulers Council	200,000,000.00	-	200,000,000.00	-	100
-	Funding of Primary Education	620,000,000.00	-	620,000,000.00	-	100
1,400,000.00	Internal Debt Servicing	10,000,000.00	-	10,000,000.00	2,633,900.00	74
19,555,779.42	Sub Total CRFC	905,000,000.00	-	905,000,000.00	63,637,365.66	93
284,794,147.09	Personnel Costs	360,000,000.00	-	360,000,000.00	372,565,119.27	(3)
23,011,542.00	Overhead Costs	200,000,000.00	-	200,000,000.00	147,913,562.47	26
327,361,468.51	Total Re Current Expenditure	1,465,000,000.00	-	1,465,000,000.00	584,116,047.40	60
1,038,585,376.39	Operating Balance	687,000,000.00	-	687,000,000.00	1,005,991,190.49	
36,416,906.24	Transfer to Capital Dev. Fund	837,500,000.00	-	837,500,000.00	40,642,220.00	95
1,002,168,470.15	Closing Balance				965,348,970.49	

URUAN LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 4
STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER,
2018

Actual 2017 ₹	Description	Initial Budget 2018 ₹	Supp-Budget 2018 ₹	Initial Budget 2018 ₹	Actual 2018 ₹	Var. %
36,416,906.24	Transfer from Consolidated Rev. Fund A	837,500,000.00	-	837,500,000.00	40,642,220.00	
	Less Capital Expenditure:					
	∴					
3,134,908.24	ECONOMIC SECTOR	176,500,000.00	-	176,500,000.00	20,252,000.00	89
	∴					
1,541,998.00	SOCIAL SECTOR	124,600,000.00	-	124,600,000.00	867,500.00	99
	.					
2,500,000.00	ENVIRONMENTAL/REGIONAL DEV	43,900,000.00	-	43,900,000.00	680,000.00	98
			-			
29,240,000.00	GENERAL ADMINISTRATION	492,500,000.00	-	492,500,000.00	18,842,720.00	96
36,416,906.24	Total Expenditure B	837,500,000.00	-	837,500,000.00	40,642,220.00	95
	Closing Balance	0	0	0	0	

NOTES TO THE ACCOUNTS

NOTES 1: STATUTORY ALLOCATION

MONTHS	AMOUNT 2018 ₦	AMOUNT 2017 ₦
January	38,312,690.78	30,182,432.65
February	41,910,080.16	29,960,604.06
March	42,103,157.47	32,152,958.83
April	41,389,431.85	29,981,858.86
May	46,657,884.07	32,787,285.99
June	49,477,165.14	30,412,572.07
July	50,723,513.58	32,130,255.13
August	53,837,943.97	35,975,010.85
September	53,028,606.85	32,344,744.62
October	57,251,791.38	35,399,781.20
November	51,133,781.01	33,877,099.07
December	55,417,246.48	39,534,254.46
TOTAL	581,243,292.74	394,738,857.79

NOTES 2: INTERNALLY GENERATED REVENUE

HEAD	DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
1001	Taxes	800,000.00	-	185,000.00
1002	Rates	2,600,000.00	120,000.00	1,030,000.00
1003	Local License fees and fines	4,420,000.00	475,220.00	1,912,984.00
1004	Earnings from Comm. Undertakings	3,080,000.00	4,317,000.00	142,500.00
1005	Rent on Local Government property	1,800,000.00	40,000.00	192,500.00
1006	Miscellaneous	400,000.00	-	-
1007	Grants	-	-	-
1008	Miscellaneous	8,900,000.00	1,743,255.00	1,603,607.96
	TOTAL	22,000,000.00	6,695,475.00	5,066,591.96

NOTES 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICE HOLDERS

DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
Office of the Executive Chairman	4,000,000.00	3,747,579.12	2,346,809.20
Office of the V/Chairman	3,500,000.00	3,299,194.08	-
Office of the Supervisor	16,500,000.00	3,340,229.99	-
Office of the Special Advisers	9,900,000.00	7,661,988.44	2,042,832.60
Office of the Secretary	3,300,000.00	8,495,973.35	2,122,005.20
Legislative/General Council	37,800,000.00	34,458,500.68	11,644,132.42
Internal Debt Servicing	10,000,000.00	2,633,900.00	1,400,000.00
Total	85,000,000.00	63,637,365.66	19,555,779.42

NOTES 4: PERSONNEL COSTS

HEAD	DESCRIPTION	BUDGET 2018 N	ACTUAL 2018 N	ACTUAL 2017 N
2004	Administration	90,248,165.00	102,839,574.00	77,512,500.85
2005	Finance and Supplies	72,506,678.00	68,771,964.33	53,655,071.64
2006	Education	34,059,657.00	32,224,566.03	24,932,167.31
2007	Health and Social Services	104,243,600.00	115,152,654.61	85,397,456.73
2008	Agric. & Natural Resources	9,651,770.00	8,341,565.88	6,715,054.47
2009	Works and Housing	38,899,658.00	37,338,558.22	30,288,031.81
2010	Budget, Planning & Research	8,363,579.00	-	-
2011	Traditional Ruler's Council	2,026,893.00	7,896,236.20	6,293,864.28
	Total	360,000,000.00	372,565,119.27	284,794,147.09

NOTES 5: OVERHEAD COSTS

HEAD	DESCRIPTION	BUDGET 2018 N	ACTUAL 2018 N	ACTUAL 2017 N
2001A	Office of the Chairman	45,000,000.00	36,716,850.00	7,713,000.00
2001B	Office of the Vice Chairman	10,000,000.00	6,395,000.00	-
2002A	Office of the Secretary	5,000,000.00	2,872,400.00	20,000.00
2002B	Office of the Supervisors	7,100,000.00	4,870,000.00	180,000.00
2002C	Office of the Special Advisers	5,200,000.00	3,960,000.00	-
2003A	Legislative Arm/General Council	19,000,000.00	9,892,000.00	60,000.00
2003B	Office of the Leader	5,540,000.00	3,470,000.00	550,000.00
2003C	The Office of the Deputy Leader	4,000,000.00	2,755,000.00	-
2003D	Office of the Majority Leader	3,000,000.00	1,740,000.00	-
2003E	Office of the Dep. Majority Leader	-	-	-
2003F	Office of the Chief Whip	2,750,000.00	1,700,000.00	70,000.00
2003G	Office of the Dep. Chief Whip	2,220,000.00	1,600,000.00	-
2003H	Office of the Clerk	2,000,000.00	1,360,000.00	440,000.00
2004A	Office of the HOS L/G	4,750,000.00	3,279,000.00	350,500.00
2004B	General Administration	7,000,000.00	4,306,300.00	1,759,700.00
2005	Finance and Supplies	7,200,000.00	6,384,280.00	1,748,880.00
2006	Education	2,500,000.00	1,930,000.00	60,000.00
2007	Health and Social Services	4,550,000.00	4,371,000.00	606,000.00
2008	Agriculture	2,520,000.00	1,942,334.41	75,000.00
2009	Works and Housing	5,670,000.00	4,943,450.00	1,119,000.00
2010	Budget, Planning & Research	3,000,000.00	1,940,000.00	550,000.00
2011	Traditional Rulers Council	2,000,000.00	1,040,000.00	200,000.00
2012	Miscellaneous	50,000,000.00	40,445,948.00	7,509,462.00
	Total	200,000,000.00	147,913,562.41	23,011,542.00

NOTE 6: CAPITAL EXPENDITURE

DESCRIPTION	BUDGET 2018 N	ACTUAL 2018 N	ACTUAL 2017 N
Economic Sector	176,500,000.00	20,252,000.00	3,134,908.24
Social Sector	124,600,000.00	867,500.00	1,541,998.00
Environmental Sector	43,900,000.00	680,000.00	2,500,000.00
Administrative Sector:			
General Administration (Executive)	401,000,000.00	9,822,720.00	28,740,000.00
General Administration (Legislative)	91,500,000.00	9,020,000.00	500,000.00
Total	837,500,000.00	40,642,220.00	36,416,906.24

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2018 N		2017 N	
2018 Advances	1,176,528,659.02	2017 Advances	1,167,434,089.02
2017 Advances	1,167,434,089.02	2016 Advances	1,168,077,739.02
	(9,094,570.00)		643,650.00

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2018 N		2017 N	
2018 Deposits	223,947,712.28	2017 Deposits	213,878,189.39
2017 Deposits	213,878,189.39	2016 Deposits	206,810,128.97
	10,069,522.89		7,068,060.42

NOTE 9: CASH AND BANK BALANCES

DESCRIPTION	2018 N	2017 N
Cash in hand	1,609,816.96	2,946,284.80
Cash at Bank:		
Zenith Bank 1014513676	10,531,347.27	37,265,217.93
Zenith Bank 1010452322	10,932.60	8,003,317.80
Eco Bank 0026323564	3,056.00	3,056.00
Eco Bank 2413010106	8,137.00	8,137.00
UBA PLC 1004466104	220,880.55	2,703.62
FBN 2010837737	192,340.00	192,340.00
Skye Bank 4040013629	191,513.37	191,513.37
Sub Total	11,158,206.79	45,666,285.72
Total	12,768,023.75	48,612,570.52

NOTE 10: ADVANCES

DETAIL	2018 N	2017 N
Purchases Advance	778,884,956.78	776,574,586.78
Imprest Advance	209,094,863.00	202,650,363.00
Touring Advance	109,018,879.24	109,078,879.24
Salary Advance	13,583,000.00	13,583,000.00
Motor Vehicle	65,946,960.00	65,547,260.00
Others	-	-
TOTAL	1,176,528,659.02	1,167,434,089.02

NOTE 11: DEPOSITS

DETAIL	2018 N	2017 N
PAYE Tax	3,187,718.84	2,508,371.61
NULGE Dues-State/Branch	2,258,817.46	3,249,335.48
NANNM	-	-
VAT	1,295,580.50	1,295,580.50
Withholding Tax	856,013.84	856,013.84
Pension Fund	6,799,131.00	6,799,131.00
Others	209,550,450.64	199,169,756.96
TOTAL	223,947,712.28	213,878,189.39

URUE-OFFONG/ORUKO LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Urue-Offong/Oruko Government Council in accordance with the Provisions of the Model Financial Memoranda.

The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls 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 International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Urue-Offong/Oruko Local Government Council as at 31st December, 2018 and its operations for the year ended on that date.



Mr. Nyaknobong J. Etuk
Director of Finance
Date: 09/08/2019



Hon. Umanah Edet Efombruh
Chairman
Date: 09/08/2019

AUDIT CERTIFICATE

The Executive Chairman
Urue Offong/Oruko Local Government Council
Urue Offong.

AUDIT CERTIFICATE ON THE ACCOUNTS OF URUE OFFONG/ORUKO LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Urue Offong/Oruko Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Urue Offong/Oruko Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

URUE OFFONG/ORUKO LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

- (i) **Basis of Preparation of Financial Statements**
The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.
- (ii) **Accounting Period**
A period of twelve months covering 1st January – 31st December, 2018
- (iii) **Reporting Currency:**
The reporting currency is the Nigerian Naira.
- (iv) **Basis of Consolidation**
The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.
- (v) **Statutory Revenue**
Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.
- (vi) **Internally Generated Revenue:**
This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.
- (vii) **Payments**
These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.
- (viii) **Cash Balances:**
This includes cash in hand, at bank and cash equivalents at the end of the financial year.
- (ix) **Advances**
These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.
- (x) **Deposits**
These are unremitted deductions and unpaid obligations to third parties on the reporting date.

URUE OFFONG/ORUKO LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

CASHFLOW FROM OPERATING ACTIVITES	NOTES	Budget 2018 ₦	Actual 2018 ₦	Actual 2017 ₦
RECIPTS:				
Statutory Allocation	1	1,400,000,000.00	480,519,662.94	285,884,585.16
OTHERS: Derivation	1	250,000,000.00	-	-
Value Added Tax	1	300,000,000.00	-	-
State Allocation	1	30,000,000.00	-	-
Excess Crude	1	-	-	-
Stabilization	1	-	-	-
Taxes	2	5,000,000.00		
Rates	2	4,000,000.00	370,000.00	1,336,774.00
Local License fines and fees	2	10,000,000.00	138,870.00	623,590.00
Earning from commercial Undertaking	2	26,000,000.00	1,108,480.00	930,450.00
Rent on Local Govt. Property	2	6,000,000.00	595,000.00	-
Interest & Dividends Receivable	2	-	-	-
Grants	2	-	-	270,000.00
Miscellaneous	2	9,000,000.00	423,100.00	912,200.00
TOTAL RECEIPTS		2,040,000,000.00	483,155,112.94	289,957,599.16
PAYMENTS:				
Consolidated Revenue Fund Charges:				
Political / Public Office Holders	3	70,000,000.00	59,201,416.55	21,296,656.20
Pensions/ Training Fund/ Traditional Rulers Council	3	150,000,000.00	-	-
Funding of Primary Education	3	610,000,000.00	-	-
Internal Debt Servicing	3	10,000,000.00	-	-
Total Consolidated Revenue Fund Charges		840,000,000.00	59,201,416.55	21,296,656.20
Personnel Costs	4	350,000,000.00	269,840,795.95	233,343,180.49
Overhead Costs	5	200,000,000.00	110,579,275.57	158,342,794.08
TOTAL PAYMENTS		1,390,000,000.00	439,621,488.07	412,982,630.77
Net Cash Flow From Operating Activities A		650,000,000.00	43,533,624.87	(123,025,031.61)
CASH FLOW FROM INVESTING ACTIVITES				
Capital Expenditure	6	720,100,000.00	23,790,000.00	1,620,000.00
Net Cash Flow From Investing Activities B			(23,790,000.00)	(1,620,000.00)
CASH FLOW FROM FINANCING ACTIVITES				
Proceed from External Loans				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalents Accounts				
Increase/ Decrease in other Cash Assets	7		(54,148,884.91)	146,877,416.99
Increase/ Decrease in other Liabilities	8		1,853,906.90	3,629,720.36
Total Cash flow from other Cash equiv. Accounts C			(52,294,978.01)	150,507,137.35
Net Cashflow For the Year (A+B+C)			(32,551,353.14)	25,862,105.74
Cash and its equivalents as at 1st January, 2018	9		49,275,905.45	23,413,799.71
Cash and its equivalents as at 31 ST Dec, 2018	9		16,724,552.31	49,275,905.45

URUE- OFFONG/ORUKO LOCAL GOVERNMENT COUNCIL
STATEMENT NO.2
STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	Notes	2018 ₦	2017 ₦
ASSETS:			
Liquid Assets:			
Cash in Hand	9	9,029,475.71	23,730,785.69
Cash at Bank	9	7,695,076.60	25,545,119.76
TOTAL LIQUID ASSETS:		16,724,552.31	49,275,905.45
Investments and Other Cash Assets:			
Advances	10	1,173,272,835.85	1,119,123,950.94
TOTAL ASSETS		<u>1,189,997,388.16</u>	<u>1,168,399,856.39</u>
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		704,085,300.19	684,341,675.32
OTHER LIABILITIES			
Deposits	11	485,912,087.97	484,058,181.07
TOTAL LIABILITIES		<u>1,189,997,388.16</u>	<u>1,168,399,856.39</u>

URUE- OFFONG/ ORUKO LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2018

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Initial Budget 2018 ₦	Actual 2018 ₦	Var. %
808,986,706.93	Opening Balances				684,341,675.32	
	Add Revenue					
285,884,585.16	Statutory Allocation	1,400,000,000.00	-	1,400,000,000.00	480,519,662.94	(66)
	Derivation	250,000,000.00	-	250,000,000.00	-	(100)
	Value Added Tax	300,000,000.00	-	300,000,000.00	-	(100)
	State Allocation	30,000,000.00	-	30,000,000.00	-	(100)
	Excess Crude	-	-	-	-	-
	Stabilization	-	-	-	-	-
285,884,585.16	Sub. Total Statutory Allocation	1,980,000,000.00	-	1,980,000,000.00	480,519,662.94	(76)
	Taxes	5,000,000.00	-	5,000,000.00	-	(100)
1,336,774.00	Rates	4,000,000.00	-	4,000,000.00	370,000.00	(91)
623,590.00	Local License fines and fees	10,000,000.00	-	10,000,000.00	138,870.00	(99)
930,450.00	Earning from commercial undertaking	26,000,000.00	-	26,000,000.00	1,108,480.00	(96)
-	Rent on Local Govt. Property	6,000,000.00	-	6,000,000.00	595,000.00	(90)
270,000.00	Interest & Dividends Receivable	-	-	-	-	-
-	Grants	-	-	-	-	-
912,200.00	Miscellaneous	9,000,000.00	-	9,000,000.00	423,100.00	(95)
4,073,014.00	Sub. Total IGR	60,000,000.00	-	60,000,000.00	2,635,450.00	(96)
1,098,944,306.09	TOTAL REVENUE	2,040,000,000.00	-	2,040,000,000.00	1,167,496,788.26	(67)
	EXPENDITURE					
	Consolidated Rev. Fund Charges:					
21,296,656.20	Political/Public Office Holders	70,000,000.00	-	70,000,000.00	59,201,416.55	15
	Pension/Training Fund/Traditional Rulers Council	150,000,000.00	-	150,000,000.00	-	100
	Funding Of Primary Education	610,000,000.00	-	610,000,000.00	-	100
	Internally Debt Servicing	10,000,000.00	-	10,000,000.00	-	100
21,296,656.20	Sub. Total CRFC	840,000,000.00	-	840,000,000.00	59,201,416.55	93
233,343,180.49	Personnel Costs	350,000,000.00	-	350,000,000.00	269,840,795.95	23
158,342,794.08	Overhead Costs	200,000,000.00	-	200,000,000.00	110,579,275.57	45
412,982,630.77	Total Recurrent Expenditure	1,390,000,000.00	-	1,390,000,000.00	439,621,488.07	68
685,961,675.32	Operating balance	650,000,000.00	-	650,000,000.00	727,875,300.19	
1,620,000.00	Transfer to Capital Dev. Fund	720,100,000.00	-	720,100,000.00	23,790,000.00	97
684,341,675.32	CLOSING BALANCE				704,085,300.19	

URUE- OFFONG ORUKO LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 4
STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2018

Actual 2017 ₦	Description	Initial Budget 2018 ₦	Supp-Budget 2018 ₦	Initial Budget 2018 ₦	Actual 2018 ₦	Var. %
1,620,000.00	Transfer from Consolidated Fund A	720,100,000.00	-	720,100,000.00	23,790,000.00	97
	Less Capital Expenditure		-			
			-			
400,000.00	ECONOMIC SECTOR	195,000,000.00	-	195,000,000.00	10,400,000.00	95
			-			
430,000.00	SOCIAL SECTOR	163,000,000.00	-	163,000,000.00	5,210,000.00	96
			-			
150,000.00	ENVIRONMENTAL/REG. DEV.	90,500,000.00	-	90,500,000.00	4,380,000.00	
			-			
640,000.00	GENERAL ADMINISTRATION	271,600,000.00	-	271,600,000.00	3,800,000.00	99
1,620,000.00	Total Expenditure B	720,100,000.00	-	720,100,000.00	23,790,000.00	97
	Closing Balance	0	0	0	0	

NOTES TO THE ACCOUNTS

NOTE 1: STATUTORY ALLOCATIONS

MONTHS	2018 ₦	2017 ₦
January	31,326,412.10	21,937,643.17
February	31,175,027.39	23,559,514.59
March	30,859,219.17	21,338,749.46
April	35,831,666.66	24,615,831.76
May	38,835,180.65	21,340,277.83
June	39,508,601.70	23,281,897.02
July	42,646,160.64	26,691,928.33
August	42,425,193.46	22,951,944.01
September	46,049,796.61	25,271,053.42
October	39,994,773.91	24,340,321.81
November	54,891,533.84	21,900,693.31
December	46,976,096.81	28,654,730.45
TOTAL	480,519,662.94	285,884,585.16

NOTE 2. INTERNALY GENERATED REVENUE

HEAD	DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
1001	Taxes	5,000,000.00	-	-
1002	Rates	4,000,000.00	370,000.00	1,336,774.00
1003	Local Licenses Fines and Fees	10,000,000.00	138,870.00	623,590.00
1004	Earnings from Commercial Undertaking	26,000,000.00	1,108,480.00	930,450.00
1005	Rent on Local Government Properties	6,000,000.00	595,000.00	-
1006	Interest on Dividends	-	-	270,000.00
1007	Grants	-	-	-
1008	Miscellaneous	9,000,000.00	423,100.00	912,200.00
	Total	60,000,000.00	2,635,450.00	4,073,014.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICE HOLDERS

DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
Office of the Executive chairman	3,750,000.00	3,789,719.45	2,816,171.28
Office of the Vice Chairman	3,550,000.00	3,599,565.50	-
Office of the Supervisors	16,500,000.00	10,893,550.23	-
Office of the Special Advisers	12,700,000.00	5,548,554.87	-
Office of the Secretary	3,200,000.00	3,112,365.91	2,546,406.24
Legislative/General Council	30,300,000.00	32,257,660.59	15,934,078.68
TOTAL	70,000,000.00	59,201,416.55	21,296,656.20

NOTE 4: PERSONNEL COSTS

HEAD	DEPARTMENTS	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
2004	Administration	101,960,790.00	80,112,948.21	72,028,700.15
2005	Finance and Supplies	49,596,730.00	56,243,866.15	48,726,931.43
2006	Social Development, Information, Youth, Sports & Culture	24,126,350.00	17,972,575.74	15,653,990.28
2007	Primary Health Care	134,265,340.00	86,003,115.25	70,509,478.90
2008	Agriculture and Natural Resources	4,246,120.00	3,452,989.10	3,050,684.94
2009	Works and Housing , Lands & Survey	24,015,550.00	21,563,377.64	18,609,806.23
2010	Budget, Planning, Research and Statistics	8,353,150.00	4,491,923.86	4,763,588.56
2011	Traditional Rulers Office	3,435,970.00	-	-
	TOTAL	350,000,000.00	269,840,795.95	233,343,180.49

NOTE 5: OVERHEAD COSTS

HEAD	DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
2001 A	Office of the Executive Chairman	33,000,000.00	24,173,000.00	4,000,000.00
2001 B	Office of the Vice Chairman	6,000,000.00	2,499,500.00	-
2002 A	Office of the Secretary	4,000,000.00	740,000.00	-
2002 B	Office of the Supervisors	10,000,000.00	3,705,000.00	1,684,000.00
2002 C	Office of the Special Advisers	7,000,000.00	2,573,000.00	4,480,000.00
2003 A	Office of the Legislative/ General Council	16,000,000.00	5,500,000.00	-
2003 B	Office of the Leader	3,850,000.00	3,150,000.00	-
2003 C	Office of the Deputy Leader	3,650,000.00	1,445,000.00	-
2003 D	Office of the Majority Leader	2,750,000.00	1,410,000.00	-
2003 E	Office of the Deputy Majority Leader	2,750,000.00	-	-
2003 F	Office of the Chief Whip	2,750,000.00	1,000,000.00	-
2003 G	Office of the Deputy Chief Whip	2,750,000.00	900,000.00	-
2003 H	Office of the Clerk	2,000,000.00	1,308,000.00	-
2004 A	Office of the Head of Local Government Service	5,000,000.00	695,000.00	-
2004 B	Office of the Administration & General Service	5,500,000.00	4,962,000.00	4,568,000.00
2005	Finance and Supplies	5,000,000.00	1,506,000.00	1,376,100.00
2006	Education, Information & Sport	3,000,000.00	765,000.00	263,000.00
2007	Health	3,000,000.00	680,000.00	90,000.00
2008	Agriculture and Natural Resources	3,000,000.00	436,000.00	135,000.00
2009	Works and Transport	3,000,000.00	1,821,110.00	235,000.00
2010	Budget, Planning, Research & Statistics	3,000,000.00	180,000.00	305,000.00
2011	Traditional Rulers Council	3,000,000.00	-	-
2012	Miscellaneous	70,000,000.00	51,130,665.57	141,206,694.08
	TOTAL	200,000,000.00	110,579,275.57	158,342,794.08

NOTE 6: CAPITAL EXPENDITURE

DESCRIPTION	BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
Economic Sector	195,000,000.00	10,400,000.00	400,000.00
Social Sector	163,000,000.00	5,210,000.00	430,000.00
Environmental Sector	90,500,000.00	4,380,000.00	790,000.00
Administration Sector			
General Administration (Executive)	161,600,000.00	1,770,000.00	-
General Administration (Legislature)	110,000,000.00	2,030,000.00	-
TOTAL	720,100,000.00	23,790,000.00	1,620,000.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2018		2017	
₦		₦	
2018 Advances	1,173,272,835.85	2017 Advances	1,119,123,950.94
2017 Advances	1,119,123,950.94	2016 Advances	1,266,001,367.93
	(54,148,884.91)		146,877,416.99

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2018		2017	
₦		₦	
2018 Deposits	485,912,087.97	2017 Deposits	484,058,181.07
2017 Deposits	484,058,181.07	2016 Deposits	480,428,460.71
	1,853,906.90		3,629,720.36

NOTE9. CASH AND BANK BALANCES

DESCRIPTION	2018	2017
	₦	₦
CASH	9,029,475.71	23,730,785.69
BANKS:		
Diamond Bank Main A/c	23,980.43	23,980.43
Diamond Bank Sure-P	20,231.26	20,231.26
Skye Bank	50,714.93	50,714.93
Zenith Bank A/C No. 1014604590	191,526.59	2,990.00
Zenith Bank A/C No. 1014513968	7,408,623.39	25,447,203.14
Sub Total Bank	7,695,076.60	25,545,119.76
TOTAL	16,724,552.31	49,275,905.45
10. ADVANCES	2018	2017
	₦	₦
i. Purchases	438,269,830.00	396,975,030.00
ii. Imprest	251,080,926.56	241,332,839.65
iii. Touring	196,846,375.90	193,740,375.90
iv. Special / Salary	2,331,780.69	2,331,780.69
v. Motor Vehicle	54,367,179.08	54,367,179.08
vi. Miscellaneous	213,324,793.62	213,324,795.62
vii. Upkeep	17,051,950.00	17,051,950.00
TOTAL	1,173,272,835.85	1,119,123,950.94
11. DEPOSITS		
i. PAYE Tax	6,878,429.24	6,878,429.24
ii NULGE Dues State / Branch	15,055,324.07	14,888,344.02
iii NANNM	3,798,660.12	3,785,786.79
iv VAT	16,920.00	16,920.00
v. Withholding Tax	-	-
vi. Pension Deductions	11,850,591.88	11,850,591.88
vii Others	448,312,162.66	446,638,109.14
TOTAL	485,912,087.97	484,058,181.07

UYO LOCAL GOVERNMENT COUNCIL

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Uyo Government Council in accordance with the Provisions of the Model Financial Memoranda.

The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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

The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls 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 International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Uyo Local Government Council as at 31st December, 2018 and its operations for the year ended on that date.



Mr. Anietie O. Akpakpan
Director of Finance
Date: 09/08/2019



Eld. (Hon.) Imoh A. Okon
Chairman
Date: 09/08/2019

AUDIT CERTIFICATE

The Executive Chairman
Uyo Local Government Council
Uyo.

AUDIT CERTIFICATE ON THE ACCOUNTS OF UYO LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

I have examined the Financial Statements of Uyo Local Government Council for the year ended 31st December, 2018 in accordance with Section 9 (3) of the Akwa Ibom State Audit Law, 1997.

Management's and Auditors' Responsibilities

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

Basis of Opinion

I have conducted the audit in accordance with Section 9 (3) of the Akwa Ibom State Audit Law 1997 and Public Sector Auditing Standards. Proper books of account were kept, projects have been verified and appropriate comments included in my inspection report to the Management of the Council and in my Annual Report to the Akwa Ibom State House of Assembly. The Financial Statements comply with converted to IPSAS Cash Basis Financial Statements in line with best practice.

Audit Opinion

The Financial Statement give a true and fair view of the financial position of Uyo Local Government Council as at 31st December, 2018 and of its operations for the year ended on that date.


Francis Udofa Okon
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/00000009474
September, 2020

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2018

UYO LOCAL GOVERNMENT COUNCIL

A Summary of the principal accounting policies applied consistently throughout the financial year is set out below:

(i) **Basis of Preparation of Financial Statements**

The Financial Statements have been prepared under the historical cost convention and in line with International Public Sector Accounting Standards (IPSAS) Cash Basis as well as in accordance with the guidelines of the Model Financial Memoranda and in conformity with the new format adopted by the Federation Account Allocation Committee (FAAC) and the Financial Reporting Council of Nigeria Guidelines on public sector reporting.

(ii) **Accounting Period**

A period of twelve months covering 1st January – 31st December, 2018

(iii) **Reporting Currency:**

The reporting currency is the Nigerian Naira.

(iv) **Basis of Consolidation**

The Consolidation of the accounts are based on the financial transactions of all departments in the Local Government Council. Government Business Enterprises (GBE) are excluded.

(v) **Statutory Revenue**

Statutory Revenue comprises FAAC Allocations and 10% IGR from the State Government which passes through the State Local Governments Joint Account Allocation Committee (SLGJAAC). Only the net amounts received by the council after all statutory deductions are recognized in the accounts.

(vi) **Internally Generated Revenue:**

This includes receipts from internal sources of revenue collected by the Council. Examples are Taxes, Rates, Earnings from commercial undertaking, Rents and miscellaneous etc.

(vii) **Payments**

These are recurrent and capital cash outflows made during the financial year. Payments for purchase of items of capital nature (e.g PPE) are expensed in the year the items are purchased.

(viii) **Cash Balances:**

This includes cash in hand, at bank and cash equivalents at the end of the financial year.

(ix) **Advances**

These are short term financial accommodation to officers of the Council which have not been refunded or retired on the reporting date.

(x) **Deposits**

These are unremitted deductions and unpaid obligations to third parties on the reporting date.

UYO LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018

CASHFLOW FROM OPERATING ACTIVITIES	NOTES	BUDGET 2018 ₱	ACTUAL 2018 ₱	ACTUAL 2017 ₱
RECEIPTS:				
Statutory Allocation	1	1,900,000,000.00	718,552,849.25	423,378,953.23
OTHERS: Derivation	1	400,000,000.00	-	-
Value Added Tax	1	450,000,000.00	-	-
State Allocation	1	30,000,000.00	-	-
Excess Crude Oil	1	-	-	-
Stabilization	1	-	-	-
Taxes	2	76,600,000.00	25,711,000.00	41,696,796.52
Rates	2	97,500,000.00	9,460,000.00	10,213,851.00
Local License, Fees & Fines	2	309,000,000.00	34,884,353.00	29,687,038.14
Earning from commercial undertakings	2	41,500,000.00	1,272,000.00	1,522,774.00
Rent on Local Government Property	2	14,000,000.00	5,100,000.00	-
Interest, Repayment and Dividends Receivable	2	2,700,000.00	-	-
Grants	2	-	-	-
Miscellaneous	2	18,700,000.00	5,351,500.00	115,000.00
Capital Receipts		401,000,000.00	-	-
TOTAL RECEIPTS		3,741,000,000.00	800,331,702.25	506,614,412.89
PAYMENTS:				
Consolidated Revenue Fund Charges:				
Political and Public Office Holders	3	72,000,000.00	64,575,847.83	22,098,438.14
Pensions and Training Fund/Traditional Rulers Council	3	300,000,000.00	-	-
Funding of Primary Education	3	1,100,000,000.00	-	-
Internal Debt Servicing	3	20,000,000.00	-	-
Total Consolidated Revenue Fund Charges	3	1,492,000,000.00	64,575,847.83	22,098,438.14
Personnel Costs	4	500,000,000.00	522,240,609.72	374,129,873.53
Overhead Costs	5	390,000,000.00	209,006,879.24	80,275,627.15
TOTAL PAYMENTS		2,382,000,000.00	795,823,336.79	476,503,938.82
Net Cash flow from Operating Activities (A)		1,359,000,000.00	4,508,365.46	30,110,474.07
CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure	6	1,359,000,000.00	30,143,500.00	28,930,750.00
Net Cash Flow From Investing Activities (B)			(30,143,500.00)	(28,930,750.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceed from External Loans				
Net Cashflow From Financing Activities				
Movement in other Cash Equivalents Accounts C				
Increase/ Decrease in other Cash Assets	7		9,304,041.75	4,599,464.67
Increase/ Decrease in other Liabilities	8		3,774,824.65	5,821,304.48
Total Cash flow from other Cash equivalents Accounts			13,078,866.40	10,420,769.15
Net Cashflow For the Year (A+B+C)			(12,556,268.14)	11,600,493.22
Cash and its equivalents as at 1st January, 2018	9		25,398,634.63	13,798,141.41
Cash and its equivalents as at 31st Dec, 2018	9		12,842,366.49	25,398,634.63

UYO LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2018

DESCRIPTION	Notes	2018 ₱	2017 ₱
ASSETS:			
Liquid Assets:			
Cash in Hand	9	169,678.75	1,785.95
Cash at Bank	9	12,672,687.74	25,396,848.68
TOTAL LIQUID ASSETS:		12,842,366.49	25,398,634.63
Investments and Other Cash Assets:			
Advances	10	1,264,165,178.28	1,273,469,220.03
TOTAL ASSETS		<u>1,277,007,544.77</u>	<u>1,298,867,854.66</u>
LIABILITIES:			
PUBLIC FUNDS			
Consolidated Revenue Fund		822,087,880.16	847,723,014.70
OTHER LIABILITIES			
Deposits	11	454,919,664.61	451,144,839.96
TOTAL LIABILITIES		<u>1,277,007,544.77</u>	<u>1,298,867,854.66</u>

**UYO LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 3
STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2018**

Actual 2017 ₱	Description	Initial Budget 2018 ₱	Supp-Budget 2018 ₱	Initial Budget 2018 ₱	Actual 2018 ₱	Var. %
846,543,290.63	Opening Balance	1,000,000.00	-	1,000,000.00	847,723,014.70	-
	Add Revenue:					-
423,378,953.23	Statutory Allocation	1,900,000,000.00	-	1,900,000,000.00	718,552,849.25	64
-	Derivation	400,000,000.00	-	400,000,000.00	-	-
-	Value Added Tax	450,000,000.00	-	450,000,000.00	-	-
-	State Allocation	30,000,000.00	-	30,000,000.00	-	(3.8)
-	Excess Crude Oil	-	-	-	-	-
-	Stabilization	-	-	-	-	-
423,378,953.23	Sub Total Statutory Allocation	2,780,000,000.00	-	2,780,000,000.00	718,552,849.25	74
41,696,796.52	Taxes	76,600,000.00	-	76,600,000.00	25,711,000.00	66
10,213,851.00	Rates	97,500,000.00	-	97,500,000.00	9,460,000.00	90
29,687,038.14	Local License, Fine & Fees	309,000,000.00	-	309,000,000.00	34,884,353.00	89
1,522,774.00	Earning from Commercial Undertaking	41,500,000.00	-	41,500,000.00	1,272,000.00	96
-	Rent on Local Government Property	14,000,000.00	-	14,000,000.00	5,100,000.00	64
-	Interest Repayment and Dividends Receivable	2,700,000.00	-	2,700,000.00	-	-
	Grants	-	-	-	-	-
115,000.00	Miscellaneous	18,700,000.00	-	18,700,000.00	5,351,500.00	71
83,235,459.66	Sub Total IGR	560,000,000.00	-	560,000,000.00	81,778,853.00	85
	Capital Receipts:					
	Grants	300,000,000.00	-	300,000,000.00	-	(100)
	Miscellaneous	100,000,000.00	-	100,000,000.00	-	(100)
1,353,157,703.25	TOTAL REVENUE	3,741,000,000.00	-	3,741,000,000.00	1,648,054,716.95	76
	EXPENDITURE:					
	Consolidated Revenue Fund Charges:					
22,098,438.14	Political and Public Office Holders	72,000,000.00	-	72,000,000.00	64,575,847.83	10
-	Pensions and Training Fund/Traditional Rulers Council	300,000,000.00	-	300,000,000.00	-	-
-	Funding of Primary Education	1,100,000,000.00	-	1,100,000,000.00	-	-
-	Internal Debt Servicing	20,000,000.00	-	20,000,000.00	-	-
22,098,438.14	Sub Total CRFC	1,492,000,000.00	-	1,492,000,000.00	64,575,847.83	96
374,129,873.53	Personnel Costs	500,000,000.00	-	500,000,000.00	522,240,609.72	(4)
80,275,627.15	Overhead Costs	390,000,000.00	-	390,000,000.00	209,006,879.24	46
476,503,938.82	Total Recurrent Expenditure	2,382,000,000.00	-	2,382,000,000.00	795,823,336.79	67
876,653,764.70	Operating balance	1,359,000,000.00	-	1,359,000,000.00	852,231,380.16	
28,930,750.00	Transfer to Capital Development Fund	1,359,000,000.00	-	1,359,000,000.00	30,143,500.00	98
847,723,014.70	Closing Balance				822,087,880.16	

**UYO LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 4**

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2018

Actual 2017 ₱	Head	Description	Initial Budget 2018 ₱	Supp-Budget 2018 ₱	Initial Budget 2018 ₱	Actual 2018 ₱	Var. %
28,930,750.00		Transfer from Consolidated Rev. Fund A	1,359,000,000.00	-	1,359,000,000.00	30,143,500.00	97.8
		Less Capital Expenditure					
-		ECONOMIC SECTOR	465,000,000.00	-	465,000,000.00	16,910,000.00	96
1,570,000.00		SOCIAL SECTOR	284,000,000.00	-	284,000,000.00	466,000.00	99
11,721,550.00		ENVIRONMENTAL SECTOR	101,000,000.00	-	101,000,000.00	4,000,000.00	96
15,639,200.00		General Administration Sector	509,000,000.00	-	509,000,000.00	8,767,500.00	83
28,930,750.00		Total Expenditure	1,359,000,000.00	-	1,359,000,000.00	30,143,500.00	97.8
		Closing Balance	0	0	0	0	

NOTES TO THE ACCOUNTS

NOTE 1: STATUTORY ALLOCATION

MONTHS	2018 ₦	2017 ₦
January	45,875,631.97	-
February	47,262,059.28	37,442,929.55
March	47,501,195.45	35,476,298.61
April	53,527,737.00	35,265,372.91
May	56,689,700.62	38,990,727.58
June	58,006,568.77	35,777,027.24
July	61,867,240.37	37,618,646.45
August	62,423,804.78	40,430,602.34
September	66,316,188.49	37,282,650.52
October	81,357,194.20	40,220,487.68
November	66,254,707.73	39,476,993.26
December	71,470,820.59	45,397,217.09
Total	718,552,849.25	423,378,953.23

NOTE 2: INTERNALLY GENERATED REVENUE

HEAD		BUDGET 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
1001	Taxes	76,600,000.00	25,711,000.00	41,696,796.52
1002	Rates	97,500,000.00	9,460,000.00	10,213,851.00
1003	Local License fees & fines	309,000.00.00	34,884,353.00	29,687,038.14
1004	Earnings from Commercial undertakings	41,500,000.00	1,272,000.00	1,522,774.00
1005	Rent on Local Government property	14,000,000.00	5,100,000.00	-
1006	Interest payment & dividend	2,700,000.00	-	-
1007	Grants	-	-	-
1008	Miscellaneous	18,700,000.00	5,351,500.00	115,000.00
	TOTAL	560,000,000.00	81,778,853.00	83,235,459.66

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES: POLITICAL OFFICE HOLDERS

DESCRIPTION	Budget 2018 ₦	ACTUAL 2018 ₦	ACTUAL 2017 ₦
Office of the Executive Chairman	3,700,000.00	3,808,099.71	4,034,436.80
Office of the Vice Chairman	3,450,000.00	3,576,437.28	-
Office of the Supervisors	16,250,000.00	10,470,574.99	-
Office of the Special Advisers	9,600,000.00	8,082,141.57	-
Office of the Secretary	3,250,000.00	3,154,315.74	2,334,205.72
Legislative/General Council	35,750,000.00	35,484,278.54	15,729,795.62
Total	72,000,000.00	64,575,847.83	22,098,438.14

NOTE 4: PERSONNEL COSTS

HEAD	DESCRIPTION	BUDGET 2018 N	ACTUAL 2018 N	ACTUAL 2017 N
2004	Administration	141,779,917.86	132,759,683.26	93,515,513.18
2005	Finance and Supplies	54,370,681.62	56,703,901.38	45,749,639.34
2006	Social Development, Information, Youth, Sports & Culture	39,344,667.74	43,885,187.53	29,457,657.17
2007	Primary Health Care	182,446,818.34	207,267,473.53	151,090,489.90
2008	Agriculture & National Resources	15,779,726.90	16,603,592.31	11,636,840.01
2009	Works and Housing, Lands & Survey	43,192,769.20	38,859,810.99	26,861,649.36
2010	Traditional Rulers Office	-		
2011	Budget, Planning & Research & Statistic	23,085,418.34	26,160,960.72	15,818,084.57
	Total	500,000,000.00	522,240,609.72	374,129,873.53

NOTE 5: OVERHEADS COSTS

HEAD	DESCRIPTION	BUDGET 2018 N	ACTUAL 2018 N	ACTUAL 2017 N
2001A	Office of the Executive Chairman	35,900,000.00	55,051,198.68	15,088,700.00
2001B	Office of the Vice Chairman	6,700,000.00	5,567,000.00	1,280,000.00
2002A	Office of the Secretary	4,500,000.00	1,750,000.00	2,823,000.00
2002B	Office of the Supervisors	6,000,000.00	12,688,000.00	6,023,400.00
2002C	Office of the Special Adviser	5,300,000.00	1,520,000.00	
2003A	Office of the Legislative/General Council	27,500,000.00	13,624,900.00	2,000,200.00
2003B	Office of the Leader	5,540,000.00	2,839,000.00	150,000.00
2003C	Office of the Deputy Leader	5,220,000.00	1,660,000.00	-
2003D	Office of the Majority Leader	5,100,000.00	2,255,000.00	-
2003E	Office of the Deputy Majority Leader	5,000,000.00	1,100,000.00	-
2003F	Office of the Chief Whip	5,000,000.00	1,200,000.00	
2003G	Office of the Deputy Chief Whip	4,900,000.00	1,157,700.00	32,400.00
2003H	Office of the Clerk	2,000,000.00	2,000,000.00	-
2004A	Office of the Head or Local Government Service	4,200,000.00	4,896,150.00	861,300.00
2004B	Office of the Administration and General Service Department	3,800,000.00	9,202,200.00	2,860,150.00
2005	Finance & Supplies	3,400,000.00	5,035,334.00	1,555,090.00
2006	Education, Information & Sports	2,200,000.00	280,000.00	538,000.00
2007	Health	3,200,000.00	1,284,000.00	4,527,720.00
2008	Agriculture & Natural Resources	2,300,000.00	10,000.00	40,000.00
2009	Works and Transport	2,700,000.00	1,310,000.00	595,000.00
2010	Budget, Planning, Research & Statistics	2,600,000.00	1,502,000.00	5,489,000.00
2011	Traditional Rulers Council	4,200,000.00	4,336,000.00	2,390,000.00
2012	Miscellaneous	242,740,000.00	78,738,396.56	34,021,667.15
	Total	390,000,000.00	209,006,879.24	80,275,627.15

NOTE 6: CAPITAL EXPENDITURE

Description	Budget 2018 N	Actual 2018 N	Actual 2017 N
Economic Sector	465,000,000.00	16,910,000.00	-
Social Sector	284,000,000.00	466,000.00	1,570,000.00
Environment Sector:	101,000,000.00	4,000,000.00	11,721,000.00
Administration Sector:			
General Administration (Executive)	462,000,000.00	8,267,500.00	15,539,750.00
General Administration (Legislature)	47,000,000.00	500,000.00	100,000.00
Total	1,359,000,000.00	30,143,500.00	28,930,750.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2018 ₦		2017 ₦	
2018 Advances	1,264,165,178.28	2017 Advances	1,273,469,220.03
2017 Advances	1,273,469,220.03	2016 Advances	1,278,068,684.70
	9,304,041.75		4,599,464.67

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2018 ₦		2017 ₦	
2018 Deposits	454,919,664.61	2017 Deposits	451,144,839.96
2017 Deposits	451,144,839.96	2016 Deposits	445,323,535.48
	3,774,824.65		5,821,304.48

NOTE 9: CASH AND BANKS BALANCES

	2018 ₦	2017 ₦
Cash in Hand	169,678.75	1,785.95
BANKS:		
Zenith Bank 1014518365	6,595,110.12	10,435,367.59
Zenith Bank 1014876551	49,971.18	1,001,816.08
Zenith Bank 1010734211	31,175.51	7,877,872.60
Eco Bank, Uyo 0302007289	69,260.94	4,350.42
Heritage Bank, Uyo A/c 6001026932	1,106.06	151,378.06
Skye Bank Plc A/c 4040013746	9,277.32	9,277.32
Stanbic Bank JAAC A/C 0002253560	502,384.46	502,384.46
Government Salary A/C 0002253577	109,058.31	109,058.31
Special Project Account 0003750516	52,295.00	52,295.00
Project Appraisal A/C 0005415295	77,943.16	77,943.16
FBN, Uyo	5,136,566.08	5,136,566.08
Subsidy Reinvesting Programme A/C	7-81,003.80	81,003.80
Project Account II FBN	(42,464.20)	(42,464.20)
Sub Total Bank Balance	12,672,687.74	25,396,848.68
Total	12,842,366.49	25,398,634.63

NOTE 10: ADVANCES

	2018 ₦	2017 ₦
i. Purchases Advances	958,547,642.50	956,137,502.50
ii. Imprest	182,675,148.10	186,383,200.00
iii. Touring	102,286,253.18	108,871,783.58
iv. Salary/Special	3,342,826.96	3,342,826.96
v. Motor Vehicles	9,639,400.55	11,060,000.00
vi. Car Loan	7,673,906.99	7,673,906.99
Total	1,264,165,178.28	1,273,469,220.03

NOTE 11: DEPOSITS

	2018 ₦	2017 ₦
(i) PAYE Tax	12,645,110.59	12,645,110.59
(ii) NULGE Dues/State/Branch	14,560,715.01	16,913,659.04
(iii) NANNM Dues	3564855.50	4,069,592.03
(iv) VAT	5,132,183.79	5,132,183.79
(v) Withholding Tax	11,001,518.24	11,001,518.24
(vi) 15% Contributory Pension Deductions	16,893,941.00	16,893,941.00
(vii) Others	391,121,340.48	384,488,835.27
Total	454,919,664.61	451,144,839.96